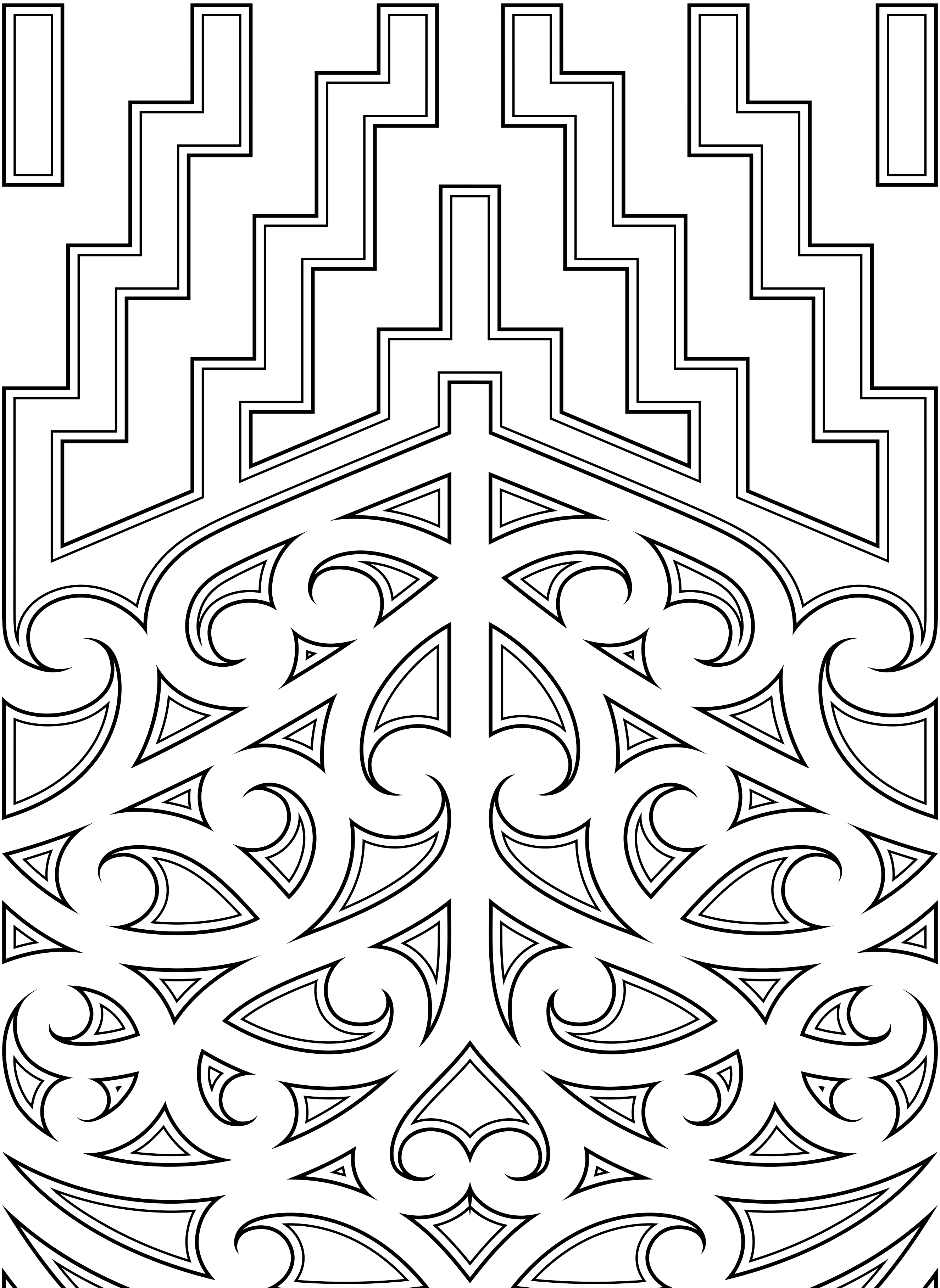
TE PANE MATUA TAIAO | GREATER WELLINGTON

Pūrongo ā Tau
Annual Report
2023/24

Greater Wellington
Te Pane Matua Taiao



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He karere nā te Heamana me Te Tumu Whakarae
Message from the Chair and Chief Executive

In the face of significant changes and challenges, Greater Wellington is navigating change with partnership, collaboration, and an enduring commitment to our communities and Te Taiao.

Over the course of the year, we have made significant improvement in public transport services and environmental restoration works, while also navigating increased risks and disruptions arising from changes in Government and overall affordability challenges.

How we are responding to change

With a new coalition Government in place, policies and funding options changed significantly. Some changes were immediate, including a stop-work order on the Affordable Water Reforms programme and the dissolution of the Let's Get Wellington Moving project. Further changes were felt across central and local government, with cuts to public service jobs, reductions in public transport funding, and amendments to environment and transportation policies – among many other changes.

Central government changes are occurring alongside overall challenges to affordability across the board. In short, the cost of business is increasing even while key funding streams are decreasing. These cost increases and the reduction of central Government funding were front and centre in the development of the 2024-34 Long Term Plan, as Greater Wellington sought to manage costs while still planning to deliver on what matters to our communities.

Responding to change requires collaboration and partnership. Part of our response was to amplify other voices in our submissions to central Government, such as submissions on the Fast Track Approvals Bill and the Draft Government Policy Statement on Land Transport – two legislative changes with the potential for significant impacts on our Region. We also worked with mana whenua partners to represent their perspectives in submissions and in planning.

Delivering on our core services

Amidst a challenging period of change, we continue to deliver on our commitments to communities and to the environment. Alongside the chop and change, we have also seen major milestone achievements.

First off, if you ride the bus, you've probably noticed something. Services are much more reliable and accessible than in previous years with 26,133,096 passenger trips this year – the highest on record. The busiest month was May with 2.56 million passenger trips, compared to the previous high of 2.49 million passenger trips in May 2019. Getting to a point where people can experience those improvements took a lot of mahi, including improving driver wages, making accessibility improvements to buses and stations, and adding new bus services such as the Airport Express and the Route 4 bus.

Ongoing restoration work in the Wairarapa Moana, Predator Free Wellington work in the Miramar Peninsula, and other biodiversity works across the region are restoring vitality to our indigenous species and the habitats that support them. For example, the population of the critically endangered Australasian bittern / Matuku-hūrepo is growing in the Wairarapa Moana, now the largest population in the country. Counts of other indigenous birdlife in the predator eliminated areas of the Miramar Peninsula have risen faster than expected, showing the benefits of consistent and sustained approaches to pest management and biodiversity.

We're also deploying technology to cover more ground (and more water) with less resources. By using technology such as drones, smart sampling, and citizen science apps that enable community members to contribute valuable data, we can gather greater insights on the health of Te Taiao while still effectively managing costs and resources.

Looking ahead

We continue to strengthen our commitment to a prosperous region and a healthy environment. Working within central Government's changes to policies, legislation, and funding streams, Greater Wellington will need to balance key services in the short term with long-term responsibilities. The 2024-34 Long Term Plan has been developed with these challenges in mind, but Greater Wellington and other councils continue to navigate heightened uncertainty and a higher cost of doing business. We expect that central Government changes will continue to impact local government's ability to deliver services without significant rates increases.

Navigating change is the work of many, and we're proud to be working alongside our mana whenua partners, the diverse communities across the rohe, and all our staff and volunteers who are putting in the mahi to deliver our services.

At Te Pane Matua Taiao we know that by bringing people together we can succeed. By utilising all the resources, people, shared values and dreams of a great region to live, work and play we— te ao pakeha (tiriti tangata) and te ao Māori (tangata whenua)— together can build something better than alone.

He Waka Eke Noa - All in this together.

Daran Ponter
Heamana Kaunihera
Council Chair

Nigel Corry
Tumu Whakarae
Chief Executive


Greater Wellington
SWAZI
QUATRO
SAFETY

Wāhanga tuatahi: He tiro whānui i ngā mahi i tutuki i a mātou

Section one: Overview of our performance

Ko te Tau kua pahure

A Year in Review

We are proud of the work we achieved this year. Highlights include:

LEVERAGING TECHNOLOGY TO SUPPORT BIODIVERSITY AND RESTORATION

We're deploying technology to cover more ground with fewer resources. By using technology such as drones, smart sampling, and citizen science apps for environmental monitoring, we can gather insights on the health of Te Taiao more efficiently.

RECORD-BREAKING BUS RIDERSHIP LEVELS

With record-breaking bus patronage this year, our Region's public transport network is showing the benefit of years of adaptation and work to recover from COVID-19 impacts. Improving drivers' wages, accessibility improvements, and new bus services have all contributed to higher reliability and patronage.

WILDLIFE RECOVERY EXCEEDING EXPECTATIONS

Ongoing restoration work in the Wairarapa Moana, Predator Free Wellington, and other biodiversity works are giving back some vitality to indigenous species. Populations of the critically endangered Australasian bittern are growing in the Wairarapa Moana, and counts of other indigenous birdlife on the Miramar Peninsula from which predators have been eliminated have risen faster than expected.

IMPROVING OUR REGION'S FLOOD RESILIENCE

As we continue to build and maintain flood protections such as the Mill St Stopbank which protects one of the country's most densely inhabited floodplains, we are also looking to what future floods and storms may bring, and what that means for our region as we continue to respond to the threat of climate change.

ACTIVELY WORKING TO IMPROVE OUTCOMES FOR MANA WHENUA AND MĀORI

We completed our first Te Tiriti Audit, providing Greater Wellington with a better means of gauging progress against our obligations to Te Tiriti o Waitangi. We also continued to develop our partnership with mana whenua through the Long-Term Plan Committee, which included representatives from our six mana whenua partners alongside the Regional Councillors.

Ko ngā hua mō te hapori

Community Outcomes

We promote the social, economic, environmental, and cultural well-being of our communities through our three community outcomes:

- **Thriving Environment:** healthy fresh and coastal water, clean and safe drinking water, unique landscapes and indigenous biodiversity, sustainable land use, a prosperous low carbon economy.
- **Connected Communities:** vibrant and liveable region in which people can move around, active and public transport, sustainable rural and urban centres that are connected to each other, including mana whenua and mātāwaka Māori communities.
- **Resilient Future:** safe and healthy communities, a strong and thriving regional economy, inclusive and equitable participation, adapting to the effects of climate change and natural hazards, community preparedness, modern and robust infrastructure.

The table below shows Community Outcomes through the lens of each of our Activity Groups.

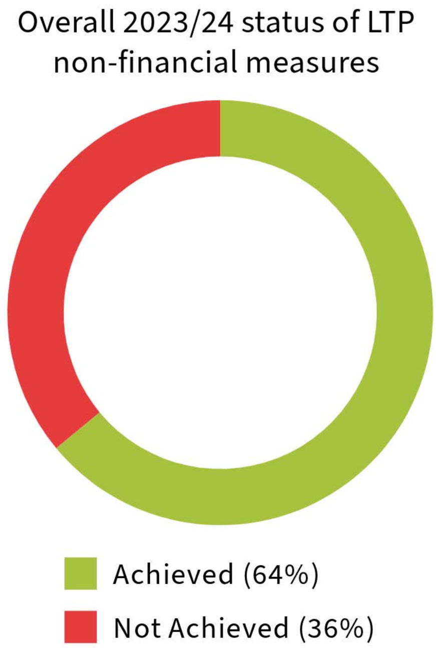
Community Outcomes

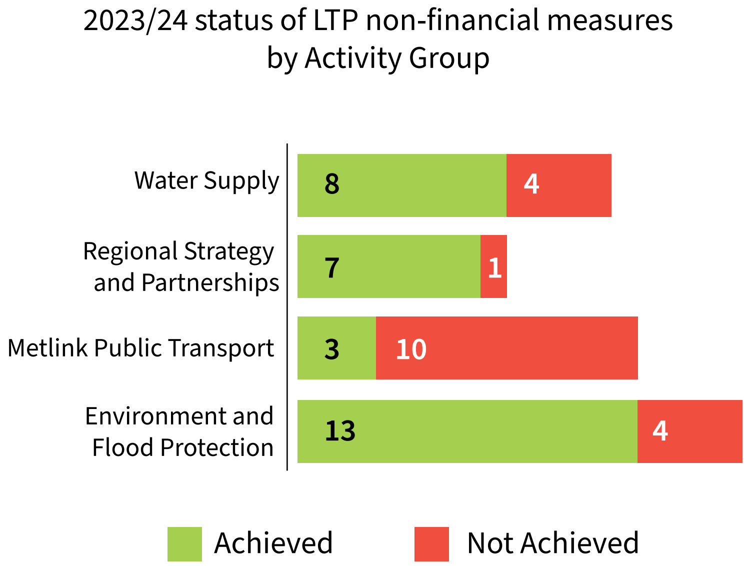
		Thriving Environment	Connect Communities	Resilient Future
Activity Groups	**Environment and Flood Protection** (page 40)	We look after the region's special places to ensure they thrive and prosper	Our work with the community connects people with the environment they live in	We manage and protect the region's resources so they can be enjoyed for generations to come
	Metlink Public Transport (page 50)	With electrification of our network we are creating a more sustainable and low carbon region	People can get to the places they want to go to by using an accessible and efficient network	People can move around the region on a public transport network that is future proofed
	Regional Strategy and Partnerships (page 58)	We lead from the front to ensure our environment is front and centre	People are engaged in the decisions that affect them	We plan for the big issues by connecting the dots, ensuring the future is resilient
	Water Supply (page 66)	Water supply is respectful to the environment that we live in	The region has sufficient water supply that is of high quality and safe	Bulk water supply is sustainable to the community as our environment changes

He whakarāpopototanga o te tiro whānui i te rawa

Summary of Non-financial performance

Greater Wellington reports against 51 non-financial performance measures in the Annual Report. These measures were set during the preparation of the 2021-31 Long Term Plan. Overall Greater Wellington achieved 64 percent (32) of the non-financial performance measures and did not achieve 36 percent (18) of the measures. In 2022/23 we achieved 59 percent (30) of the non-financial performance measures and did not achieve 41 percent (21) of the measures[1].





Challenges in our operating environment impacted our ability to achieve in some areas

- Major shifts in central Government policies and funding prompted changes to major work programmes such as Let's Get Wellington Moving and Affordable Water Reforms.
- Overall pressures on affordability and the 'cost of doing business' increased this year. Compounded by reductions in funding from central Government, this has created a need to balance affordability with existing commitments to deliver our services.
- A significant scale and rate of change for many central Government agencies and policies have slowed down progress on some work, as Greater Wellington and our partner agencies adjust.

1 A measure regarding emergency preparedness is now reported by Wellington Region Emergency Management Office, dropping the total of measures that Greater Wellington reports on by one.

Several 'Not Achieved' measures were very close to their target

- Customer's overall satisfaction rating for Metlink's bus services was 93 percent against a target of 95 percent, and rail services rated 92 percent against a target of 95 percent.
- 94 percent of scheduled bus trips departed from their starting location on time, against a target of 95 percent.
- CO2 emissions generated by our public transport network totaled 17,820 tonnes, just 2 tonnes over our target of 17,818 and an overall reduction from the previous year.

We still achieved a lot this year

- Planted 363,000 stems of native plant species, against a target of 65,000.
- Retired grazing on 140 hectares of land, enabling restoration to the land's native state.
- Saw a continued increase in patronage on public transport, with 69 per capita boardings against a target of 67 and an overall.
- Reduced Greater Wellington's overall greenhouse gas emissions by 12 percent from the previous year, and 21 percent compared to a baseline set in 2019.

Full details on our non-financial service performance information can be found in Section Two: He tiro whānui i te rawa | Non-financial performance. Information on non-financial performance measures for the activities of Greater Wellington can be found on pages 18-88. A summary of measures relating to our greenhouse gas emissions is on page 25, and a disclosure statement on how we measure green houses gases can be found on pages 26-28.

He Pūrongo Pūtea

Finances at a Glance

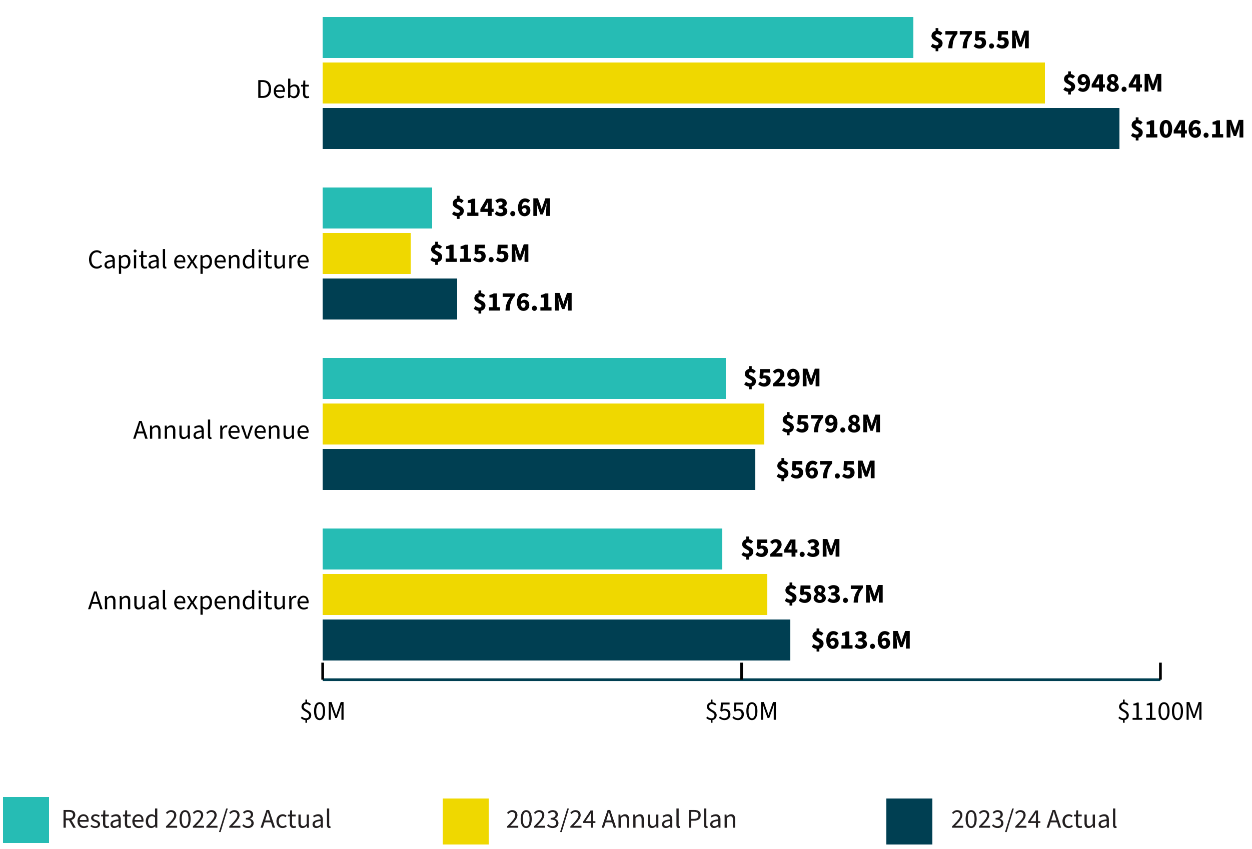
The year has been one of economic challenges and financial pressures and this is reflected in the financial results of Greater Wellington. Summary highlights from the year include:

- We received an AA+ credit rating with Standard & Poor's, which indicates a very strong capacity to meet financial commitments, and good financial health overall.
- The cost of delivering all our services amounted to $7.9 dollars per rating unit per day.
- Our total assets held this year were worth $2.57 billion.

Greater Wellington's revenue is sourced primarily through rates and grants from central government. Other revenue sources include water supply levy, fees, charges, including public transport fares, and investment income.

- Our annual revenue from rates this year was $211.9 million, compared to $180 million in the prior year.
- Revenue from grants and other sources was $355.6 million, compared to $348.9 million in the prior year.

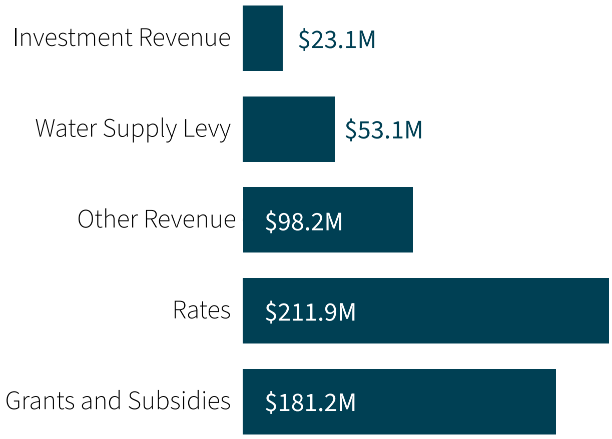
Financial overview



Revenue

Greater Wellington's revenue is sourced primarily through rates and grants from central government. Other revenue sources include water supply levy, fees, charges and investment income.

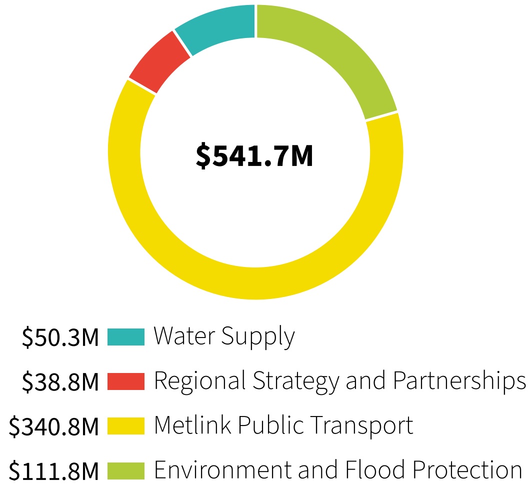
Revenue



Operational expenditure

Greater Wellington's operational expenditure across the four LTP Activity Groups.

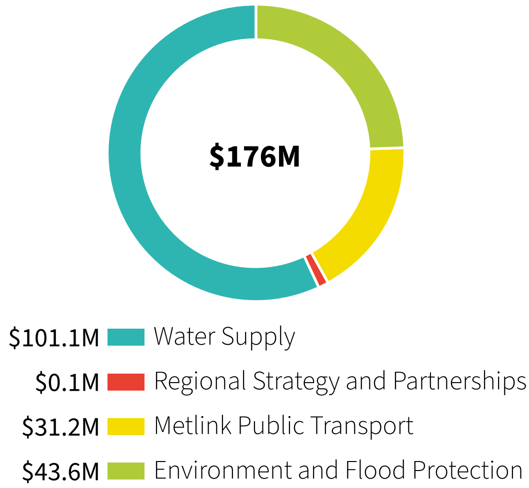
Operational expenditure by Activity Group



Capital expenditure

Greater Wellington's capital expenditure highlights infrastructure investment in public transport, flood protection, water supply and parks and forests.

Capital expenditure by Activity Group

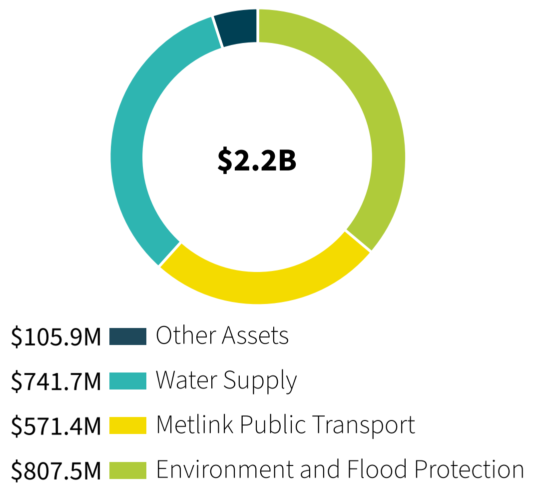


Property, plant, and equipment

Greater Wellington's asset base comprising public transport, flood protection, water supply and parks. Public transport includes $486.3m of rail rolling stock and railway station infrastructure

owned by Greater Wellington Rail Limited, a Council subsidiary.

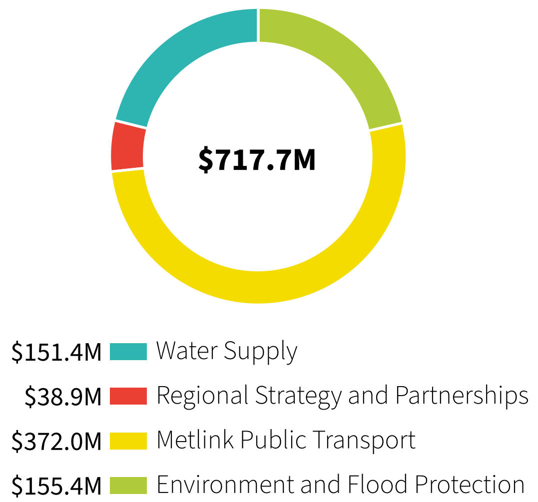
Property, plant, and equipment asset value by Activity Group



Total expenditure

Greater Wellington's total expenditure (operational plus capital) by Activity Group.

Total expenditure by Activity Group



Full details on our financial service performance information can be found in Wāhanga tuatoru: He pūrongo pūtea | Section three: Financial performance. Funding Impact Statements for the activities of Greater Wellington can be found on pages 88-96, and all other financial statements on pages 98-181.


PUTANGA
EXIT
Cr Thomas Nash
Renée Coffey

Wāhanga tuarua: He tiro whānui i te rawa

Section Two: Non-financial performance

Ko ā mātou whakaarotau rautaki matua
Our Overarching Strategic Priorities

Greater Wellington identified four key overarching strategic priorities as part of the 2021-32 Long Term Plan. These overarching priorities are woven across each Activity Group.

Improving outcomes for mana whenua and Māori	Proactively engage mana whenua and mātāwaka Māori in decision making, and incorporate Te Ao Māori and mātauranga Māori perspectives, so we can achieve the best outcomes for Māori across all aspects of our region.
Responding to the climate emergency	Meeting the challenge of climate change by demonstrating leadership in regional climate action and advocacy, and ensuring our operations are carbon neutral by 2030.
Adapting and responding to the impacts of COVID-19	Take a leadership role in responding to the economic consequences of COVID-19 and support the region's transition to a sustainable and low carbon economy.
Aligning with Government direction	Rise to the challenges set by central Government to ramp up environmental protection and continue to provide high quality public transport services.

Ko te whakarahi ake I ngā hua mō te mana whenua me te Māori

Improving outcomes for mana whenua and Māori

Kia whakatōmuri te haere whakamua:

'I walk backwards into the future with my eyes fixed on my past'

Greater Wellington is committed to continuous improvement in how we give effect to the principles of the Te Tiriti o Waitangi, and acting in a manner consistent with those principles. We continue to build on a strong foundation and mature our Te Tiriti of Waitangi obligations and our partnerships with mana whenua. Greater Wellington has six mana whenua partners, represented by the following entities:

- Ngā Hapū o Ōtaki
- Ātiawa ki Whakarongotai Charitable Trust
- Te Rūnanga o Toa Rangatira Inc (Ngāti Toa)
- Taranaki Whānui o te Ūpoko o te Ika
- Rangitāne ō Wairarapa Inc
- Ngāti Kahungunu ki Wairarapa Charitable Trust

Through the 2021-31 Long Term Plan (LTP) Greater Wellington developed and adopted Te Whāriki – the Māori Outcomes Framework, to support the organisation with delivering improved outcomes for mana whenua and Māori, a strategic priority for the LTP. Te Whāriki sets out Greater Wellington's vision and purpose, establishes key principles and values, and describes desired outcomes and focus areas for action. The focus areas of the framework are:

- Effective partnering
- Engagement for equitable outcomes
- Strong, prosperous and resilient Māori communities
- A capable workforce

Effective partnering

We invest meaningfully in our relationships with mana whenua regionally and creating the 'tika' – the right relationships. Building strong relationships with mana whenua is supported by accountability and transparency on how we give effect to Te Tiriti o Waitangi.

Representation in planning and decision making
As part of our commitment to increasing representation of Mana Whenua, all six of our mana whenua partners had representatives alongside Councillors on the Long Term Plan Committee, the governance group responsible for Greater Wellington's 2024-34 Long Term Plan. The Committee's work included direction setting, prioritisation and resource allocation, and consideration of submissions made by members of the public.

Place-based storytelling in public transport
Metlink worked with local community members, Hutt City Council and mana whenua to design ways to improve the pedestrian subway at the Naenae train station, with changes that have made the subway safer, easier to navigate, and better reflect the community it serves. Adorning the walls and lighting the way through the subway are unique Māori elements created by Len Hetet, Te Āti Awa mana whenua cultural design lead and artist Manukorihi Winiata.

This year we also completed the 'Living Pā' bus shelter at Te Herenga Waka (Victoria University Wellington) Kelburn campus, working with Ngāti Toa Rangatira to develop this purpose-built shelter design. This shelter incorporates cultural design connecting to history within proximity to the Pā.

Engagement for equitable outcomes

We strive for equitable outcomes for Māori through effective and resourced engagement. This year we supported equitable investment through Tūāpapa (foundational) and Kaupapa (project-specific) funding agreements, which supports mana whenua entities grow their capacity and to work alongside Greater Wellington on specific projects and programmes. Engaging in a high trust model of resourcing allows partners to more effectively use of funding within the context of their models, while collaboration and partnership agreements enable Greater Wellington and mana whenua to own a shared vision.

Engaging on public transport and accessibility
The Metlink Accessibility Charter, which commits Metlink to develop an Accessibility Action Plan was prepared in accordance with Te Tiriti o Waitangi. Iwi across the region and Māori health and disability groups are key stakeholders in the activities set out in the Metlink Accessibility Charter and Accessibility Action Plan.

Strong, prosperous, and resilient Māori communities

We are committed to enhancing wellbeing, supporting thriving communities, and growing community ownership of outcomes. We are supporting opportunities to work with mana whenua and Māori communities on initiatives that are mātauranga Māori led. This includes opportunities for mana whenua and Māori to partner, input and influence decision making from beginning to end and to identify and achieve their aspirations and succeed as Māori.

Establishing a Māori Constituency
Advice was provided to Te Tiriti o Waitangi Komiti and to Council, informed by mana whenua views, regarding the opportunity for Council to establish a Māori Constituency from the 2025 elections. The new constituency would support greater equity by allowing Māori to have a clearer voice at the table of decision making. Councillors passed a resolution to establish a new constituency, however a recent decision from central Government will now require public polling to determine if the constituency should continue.

A capable workforce

We are building our kete of resources to support our staff. By supporting our staff, we grow to our ability develop strong, meaningful and enduring relationships with mana whenua and Māori.

After significant planning and mahi across the organisation, we have now implemented a new internal operating model for how we plan and deliver for te taiao. Māori outcomes are a core part of the new operating model, including a focus on effective partnership.

Developing our staff to be more effective partners
We know that being effective partners requires a commitment to building staff capability and a greater understanding of Mātauranga Māori. While this journey is often different for each individual staff, Greater Wellington is committed to growing our capability, in order to be better positioned to work with our mana whenua partners. As we grow our general staff capability, we are also investing in consistent and trusted relationships with our partners, with partnership managers in place who meet regularly with iwi.

Assessing risks to our Te Tiriti obligations
As part of our ongoing commitment to Te Tiriti o Waitangi, this year we added Te Tiriti o Waitangi as a risk category as part of our overall framework for monitoring organisational risks. Adding Te Tiriti as a risk category is part of our commitment to the principles of rangatiratanga and our governance-level policies, and helps ensure our obligations under Te Tiriti o Waitangi are upheld. This coincides with our work to document any uncertainties in how we're delivering on Te Tiriti obligations.

Greater Wellington would like to stress that it is through our experience, shared values, and honouring our commitments and obligations to Te Tiriti, Te Pane Matua Taiao can be a leading light in bringing people together for the common causes of climate emergency, clean water, transport, economic prosperity for our region. It is only by working together with iwi, mana whenua and Tiriti Tangata that we have been able to achieve as much as we have.

He urupare ki te huringa āhuarangi
Responding to climate change

Governance

Responding to the climate emergency is a strategic priority for Greater Wellington, and we embed climate action across many of the services we deliver now, as well as how we plan for the future. Planning and decision-making on climate change is also supported by:

- The Council's Climate Committee, which provides governance for the Climate Emergency Response Programme.
- Greater Wellington partnerships with mana whenua, central Government agencies and local government entities, as part of the Wellington Regional Leadership Committee (WRLC).
- The Long Term Plan Committee, which included Councillors and mana whenua representatives, considered our climate change response as part of the development of the 2024-34 Long Term Plan
- The Finance Risk and Assurance Committee is tasked with reviewing the effectiveness of Greater Wellington's risk management process, including overseeing changes to the risk management policy and approach. The Committee has a particular focus on providing guidance to Council on the appetite for risk, and, whether Greater Wellington is taking effective action to mitigate significant risks, including climate change.
- The Climate Emergency Response Programme Board, a forum of senior leadership responsible for coordinating, directing, and overseeing the implementation of the Climate Emergency Response Programme.
- The Corporate Carbon Neutral Steering Group which supports and reports to the Climate Emergency Response Programme Board.

The Strategic Public Transport Asset Control Strategy was adopted by Council on 27 June 2024. A significant objective of the Strategy is to invest in ownership of key assets such as electric bus charging infrastructure. Control of assets allows Greater Wellington more freedom to deliver on emissions reductions and decarbonisation of our region's public transport network.

Council adopted new gross organisational greenhouse gas emissions targets, and in the 2024-34 Long Term Plan continued its commitment to its existing net organisational emissions targets. Adopting higher organisational greenhouse gas emissions targets made Greater Wellington eligible for Climate Action Loans through the Local Government Funding Agency, which over the next few years will see the council make annual savings of up to $200,000.

Strategy for climate action

Greater Wellington continues to develop and implement strategies for reducing emissions and adapting to the increased risks posed by climate change.

Reducing our emissions is the cornerstone of our organisational strategy. On the public transport front, we are planning how we could transition to a zero-emission bus fleet. In the short term, this includes expanding our electric bus fleet as a major part of decarbonising the public transport network. At present, there are 103 electric buses in service on the Metlink public transport network, and we are working with bus operators to enable more efficient charging solutions.

Looking ahead, we are taking steps to modernise our rail network while lowering emissions, including upgrading our stations to be part of our emissions reduction strategy through the installation of solar panels at train stations to support green generation and a zero-carbon approach.

This year we developed and published the Wellington Regional Transport Emissions Reduction Pathway – a proof-of-concept model to lay the foundations for the significant changes required in transport and better integration of how transport planning with land use planning.

As part the development of the 2024-34 Long Term Plan, we updated our two Climate Emergency Response Action Plans – one for Greater Wellington as an organisation, and one for the region as a whole. The Organisational plan sets out 10 key actions that Greater Wellington can influence more directly in our ways of working, and the regional plan sets out 10 key actions we will pursue in our work across the rohe.

Managing climate risk

Wellington Rail Programme Business Case developed and adopted by Council in 2022 was endorsed by the New Zealand Transport Agency Waka Kotahi (NZTA) board at their meeting on 9 November 2023. The business case includes a number of resilience measures within the preferred programme which will be implemented within the next 30 years subject to funding approval based on individual business cases.

The WRLC completed the Wellington Regional Climate Change Impact Assessment which includes a large data set to inform on climate risks around the Region. This will be used to support the development of the Regional Climate Adaptation Plan.

Good progress was made on Greater Wellington's Organisational Climate-Related Risk Assessment, and this information was used to inform a response to the request for Adaptation Preparedness information for the Minister of Climate Change.

We have ensured climate change risk is sufficiently represented within the risk appetite statements through risk categories like environment, loss, failure or damage to assets and financial.

Metrics

We have a number of indicators that demonstrate the work we are undertaking towards our goal of being carbon neutral by 2030,[2] including significant work done this year to improve the accuracy and reporting capability of our bus emissions data. Many of these indicators were set through our 2021-31 Long Term Plan as non-financial performance measures. The table below illustrates some of the indicators which help tell the story of how we are actively adapting to and mitigating climate change.

2 Carbon neutrality is reached when GHG emissions and the uptake of carbon dioxide by trees or other means (known as 'offsetting' or 'insetting') cancel each other out. All Greater Wellington activities, and the activities of our Council Controlled Organisations, are included in our GHG emissions targets, using an 'equity share' approach. By 'equity share' we mean for example: we own 76.9 percent of CentrePort Limited, so we account for 76.9 percent of their GHG emissions. Pages 152-154 of the 2024-34 Long Term Plan includes examples on how Greater Wellington aims to achieve carbon neutrality, including relevant plans and policies.

Measure	2023/24 Target	2023/24 Result	Comments
Carbon Emissions Reduction			
Reduction in tonnes of CO_2 equivalent (tCO_2e) emissions	48,438 tonnes	37,727 tonnes	LTP non-financial performance measure, see page 60 for more detail
Tonnes of CO_2 emitted per year on Metlink Public Transport Services	17,818 tonnes	17,820 tonnes	LTP non-financial performance measure, see page 54 for more detail
Increase the number of electric buses	Increase from prior year (98)	103 electric buses	Increased from 98 electric buses in 2022/23
Environmental Restoration and Regional Resilience			
Erosion-prone hill country treated	850 hectares	617 hectares	LTP non-financial performance measure, see page 43 for more detail
Grazed Regional Park land retired and restored to its native state	100 hectares	140 hectares	LTP non-financial performance measure, see page 45 for more detail
Indigenous species planted in our Regional Parks	65,000 stems	363,000 stems	LTP non-financial performance measure, see page 45 for more detail
Percentage of identified vulnerable floodplains with a flood management plan in place	40%	67%	LTP non-financial performance measure, see page 46 for more detail
Mode Shift			
Annual Public Transport boardings per capita	67 per capita	69 per capita	LTP non-financial performance measure, see page 54 for more detail
Percentage of Year 0-8 schools in the Wellington region registered for Movin' March in 2023	Maintain or increase from previous year (63% in 2022/23)	63%	Maintained at 63% of schools, with 36,000 students registered

Greenhouse Gas Emissions Performance Measures Disclosure

Greater Wellington has committed to measuring its carbon emissions since 2015. From 2019 onwards, Greater Wellington's carbon footprint was verified by Toitū Envirocare in accordance with their carbonreduce programme. The programme includes the international standard ISO 14064-1:2018 on emission measurement and verification.

Organisational and operating boundaries

Greater Wellington's organisational boundaries were set with reference to the methodology described in the Greenhouse Gas Protocol and international standards ISO 14064-1:2018.

Greater Wellington has applied an equity share consolidation approach. Under this approach, Greater Wellington accounts for Greenhouse Gas (GHG) emissions from operations according to its share of equity in the operation. For example, Greater Wellington owns 19 percent of Wellington Water Limited (WWL), therefore is accountable for 19 percent of WWL's GHGs.

Greater Wellington's share of emissions from equity in WellingtonNZ and Creative HQ are not recognised as the other shareholder Wellington City Council (WCC) has included 100 percent of the emissions in its own emissions calculation. This is not considered significant to the total footprint.

Measurement of greenhouses gases

The emissions reported in this year's annual report are for the year ending 30 June 2023. This is a result of the time needed to collect information on emissions across the Greater Wellington Council group and its suppliers.

To quantify Greater Wellington's emissions inventory, the following calculation methodology has been used unless otherwise stated: Emissions = activity data x emissions factor.

Significant assumptions and judgements

Where available, Greater Wellington has used published emissions factors issued by the Ministry for the Environment (MfE) or other providers of emissions factors and obtained appropriate quantity data directly from suppliers and invoice management systems.

However, we have needed to rely on modelling and assumptions to measure emissions for some activities. To measure the emissions associated with diesel and electricity use on Metlink bus services, we have developed a bespoke model which estimates fuel consumption. This collates data for each specific trip, including distance travelled, average speed, some passenger loading information and whether journeys were completed. Additional assumptions are then applied such as average passenger weights, passenger loading for remaining passengers (where 'tag-on/tag-off' data is not available) and re-positioning distance travelled. This is matched to the specific bus that ran the service.

To convert this data into estimated litres of fuel and kWh of electricity, consumption factors developed for use in the European Union by the European Environment Agency are used. Consumption data is then converted to emissions using MfE's published diesel and electricity emission factors.

For enteric fermentation emissions generated from our grazing licences, we have estimated emissions based on an estimated maximum number of livestock for each piece of land, as actual stock numbers are not available. We are working to further refine these models in the future.

Reporting boundary

A full carbon footprint accounts for emissions from Greater Wellington's value chain. This means emissions from upstream goods and services received as well as downstream use of the goods and services provided are considered. It is currently not practicable to measure all these emissions with the data and systems currently available. Below we have disclosed the sources that we are currently including and those that are currently excluded from the reported result.

Greater Wellington's emissions sources included in organisational inventory:

- Corporate activities including building electricity and natural gas use, business travel including air travel, light vehicle fleet fuel and electricity use and waste disposal.
- Our Metlink public transport service activity sources including diesel use on our services (bus, rail, ferry, and Total Mobility Taxi), electricity (ferry, rail, buses, bus and rail infrastructure), and public waste collection from our railway stations.
- Our Environment and Catchment services included infrastructure electricity, grazing (sheep, cattle, and horses), heavy machinery (e.g., helicopters, tractors), fertiliser, and waste disposal.
- Corporate footprints of our CCOs.

Greater Wellington's emissions excluded:

In line with Toitū guidelines, some GHG sources were determined as de minimis[3] and therefore excluded from our GHG inventory. These include:

- Air travel, rental car travel, and accommodation reimbursed to employees.
- Office refrigeration for Greater Wellington and CentrePort Limited (fridges emit various fluorocarbons if they leak).
- Corporate courier and postage services
- Freight emissions from transport of water treatment sludge to landfill
- Emissions from manure management and agricultural soils associated with horse grazing. Emissions from enteric fermentation from horse grazing is included however.

3 De minimis is defined as an issue that is insignificant to a GHG inventory, usually <1% of an organisation's total inventory for an individual emissions source. Often there is a limit to the number of emission sources that can be excluded as de minimis

Other Greater Wellington GHG exclusions are:

- Waste to landfill from the following CCOs and COs: CentrePort Limited, Wellington Water Limited (corporate), and the Wellington Regional Stadium Trust. (Note we expect to include CentrePort and Stadium waste to landfill emissions in the 2023/24 inventory).
- Rental vehicles for Greater Wellington's CCOs.
- Travel reimbursements from CentrePort Limited workplace.
- Wellington Water Limited (corporate) refrigeration and workplace travel reimbursements.
- Fuel used to deliver the Capital Connection service, given Greater Wellington only provides partial funding and does not operate the service.
- Whole of life emissions from purchased goods and services and capital goods, other outsourced services/contractors and remote ICT services.

Inherent uncertainty

There is a level of inherent uncertainty in reporting GHG emissions, due to the inherent scientific uncertainty in measuring emissions factors, as well as estimation uncertainty in the measurement of activity quantity data. Including in the significant assumptions and judgements disclosed above.

Greater Wellington is working to improve data quality and controls over the measurement of GHG emissions which may lead to lower estimation uncertainty in future.

2018/19 baseline change

As part of the 2021/22 verification process, Greater Wellington revised the baseline first established in 2018/19. The new baseline includes new measurement of rail replacement buses, an improved measurement of sludge, electricity on-charged to Greater Wellington by KiwiRail Limited, a new measurement of flood protection grazing, and updated the average electricity emissions factors for 2018 and 2019 as published by Ministry for the Environment in August 2022. The previous baseline was 43,879.91 tonnes CO2e. The revised baseline is 51,044.61 tonnes CO2e.

The revised baseline has been updated in the Regional Strategy and Partnerships 'Measuring our Performance' table on page 50 of this Annual Report for the performance measure related to Greater Wellington's GHG emissions.

Ko tā Te Pane Matua Taiao whakahoki ki te mate urutā KOWHEORI-19

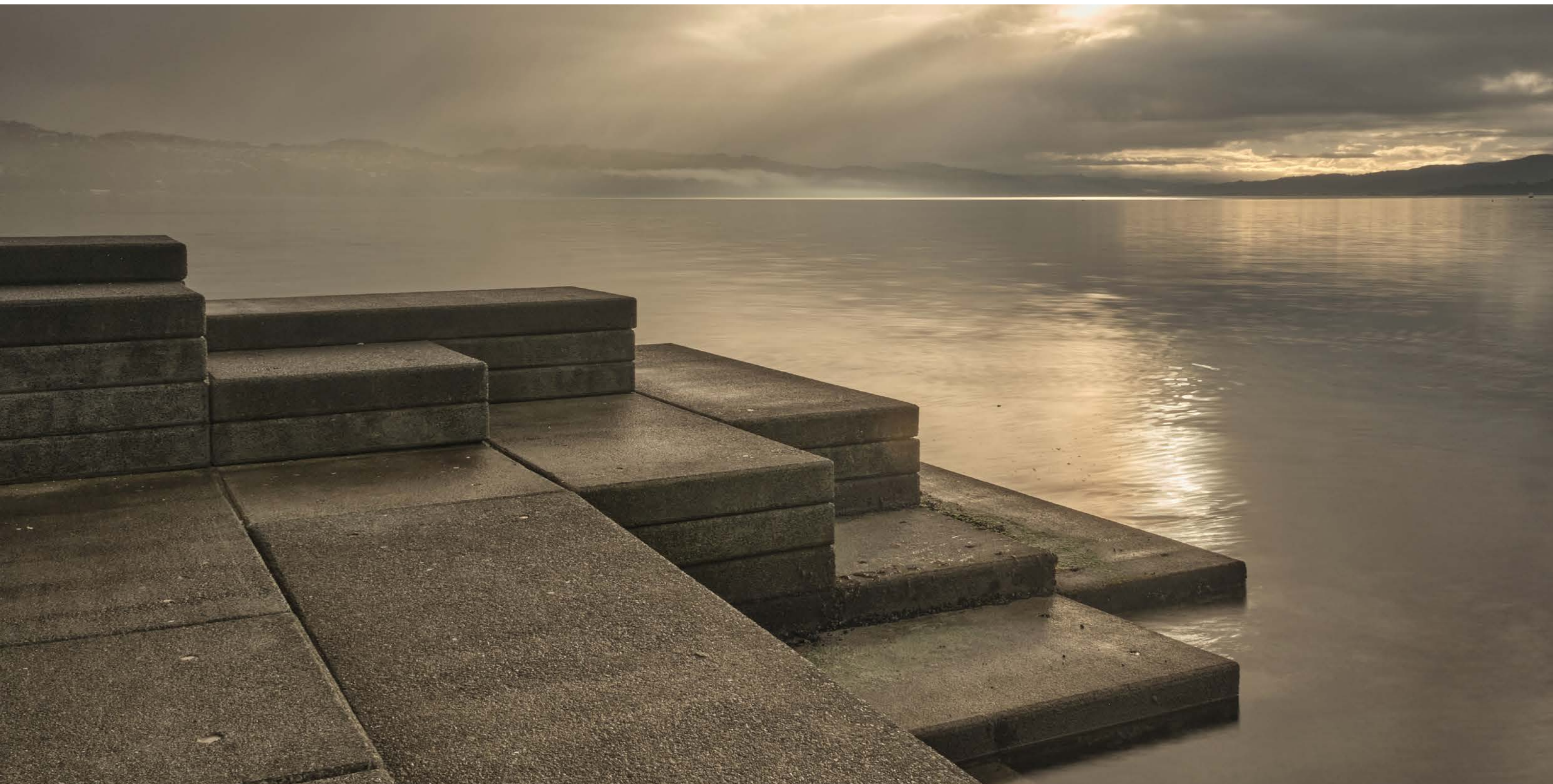
How Greater Wellington is Responding to the COVID-19 pandemic

While restrictions and disruptions have reduced over the past four years, COVID-19 is still a risk we must manage in protecting the health and wellbeing of our people, and in how we plan to keep continuity of our services.

Managing disruption to critical services no matter what the cause has been promoted when possible. Our Business Continuity Plans are built around the consequences of a disruption, not just the cause. By focusing on absence of people, or not being able to use key facilities and equipment, our plans are more flexible and can enable a more rapid response to future emergencies.

In public transport, we continue to develop and adapt a contingency timetable for bus services, which could be put in place if bus driver availability is significantly limited. This contingency timetable could be implemented if a wave of COVID-19 impacted drivers, but the timetable is also a way to quickly adapt to other impacts such as a shortage of buses or a shortage of bus driver hires.

Looking outward to some of the long-lasting impacts of the COVID-19 pandemic, infrastructure builds and upgrades still continue to experience some supply and supplier shortages compared to what was available pre-COVID in 2019. Our response has been to extend supply contracts rather than re-tender them, which helps to retain continuity on our work and enable more reliable delivery for our customers.



Te urupare ki ngā whakahau a te Kāwanatanga

Aligning to Government direction

Changes to water
Many of the changes enacted by central Government relate to water, with implications for how we regulate and protect our blue spaces.

Some of these changes also directly change our role in managing water flows. New dam safety regulations coming into effect in May 2023, requiring the establishment of a new regulatory function within Greater Wellington. To ensure this new function was well connected to operators and other stakeholders, we began with consultation and communication with known dam owners, building a register of dams in the region, and preparation for how we will manage communication and records with dam owners going forward. Excellent collaboration across regional authorities lightened the load and created greater consistency with our colleagues in other regional councils.

Changes to public transport
In general, Government direction on transportation and reductions to funding has created uncertainty about the future of public transport networks across Aotearoa.

On 31 August 2023 the Land Transport Management (Regulation of Public Transport) Amendment Act 2023 came into force. Officers were engaged with the legislative reform process throughout, from the initial Ministry of Transport review, through submissions and Select Committee hearings, to the subsequent policy development work. Metlink alignment work from new legislation has included planning for RPTP review to ensure content compliance with legislation.

The Fair Pay Agreements Act 2022 was repealed in December 2023, which creates some tension with previous efforts to maintain a workforce of qualified bus drivers. Current bus contracts and recently increased driver wages will continue, and Greater Wellington continue to include reasonable worker terms and conditions in future bus contracts – an important part of how we deliver reliable bus services.

The Government released the final Government Policy Statement on Land Transport (GPS). Officers are working with NZTA to determine impacts on funding and service provision and to ensure current funding bids better align with the new GPS. The new GPS has also introduced expectations on local government regarding alternative and 'third party' revenue generation sources and approaches which require further exploration with the regional sector and other strategic partners.

NZTA has commenced release of the initial policy documents that will shape their requirements/guidance relating to local government statutory responsibilities for regional public transport planning. The initial tranche of policy relates to fares and pricing. Further, more substantive draft policy documents will be released for comment, and the ultimate changes and impacts will be assessed as information becomes available.

Coordinating a strong regional voice in submissions to central Government

During a period of significant changes to legislation, Greater Wellington has been working to understand how changes affect our rohe and how we deliver to communities. Part of this work has been to coordinate clear and accurate information in our submissions on legislative changes, providing a clear and coordinated regional picture to central Government. During the year, we made submissions on:

- The Transport Committee made a submission to the Ministry of Transport on the Draft Government Policy Statement on Land Transport.
- We provided comments on New Zealand Transport Agency Waka Kotahi (NZTA) Sustainable Public Transport Framework discussion document on the bus driver workforce.
- Highlighted key public transport issues in Briefings to Incoming Ministers. Key issues highlighted included the degraded state of Wellington's rail infrastructure, the need for investment in public transport, and the need to maintain investment in bus priority lanes and a second transport spine.
- Led preparation of Council's submission on Fast-Tack consenting bill. Select Committee hearings closed at the end of the reporting year.
- We worked with Te Uru Kahika to write to Ministry for Primary Industry raising our concerns about the introduction of annual fees for having native forest registered in the Emissions Trading Scheme. The Government has since dropped the fees for 2023/24 and is reviewing them for future years.
- We submitted on proposals for unit price and volume settings in the Emissions Trading Scheme and to the Finance and Expenditure Select Committee on a Climate Change Adaptation framework.
- We submitted on the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill.
- We submitted jointly alongside other TAs in the region on the Government's Water Services Legislation Bill.


Cyclists go
on green cycle
light only

Activities of the Greater Wellington Regional Council

Activity Groups provide an important link between the 2021-31 LTP's strategic priorities and the way they're implemented through day-to-day activities. Greater Wellington has four key Activity Groups:

Environment and Flood Protection	• Resource management (environmental regulation, environmental policy and environmental science) • Biodiversity management • Pest management • Regional parks • Harbour management • Flood protection and control works
Metlink Public Transport	• Strategy and customer • Operations and commercial partnerships • Assets and infrastructure
Regional Strategy and Partnerships	• Regional partnerships with mana whenua and Māori • Climate change • Regional transport planning and programmes • Regional spatial planning • Regional economic development • Emergency management • Democratic services
Water Supply	• Bulk water supply

For each of these Activity Group, we report on:

1. An overall summary of performance
2. Results of non-financial measures
3. Funding Impact Statements (in section 3: financial performance, on pages 88-96)

Statement of compliance

Performance measures were developed as part of the 2021-31 Long Term Plan and were developed to meet the requirements of the Local Government Act 2002, and with best practice in mind for accurate and understandable presentation. The reporting against these performance measures in this Annual Report also considers and complies with the requirements of the PBE FRS 48 reporting standards.

Non-financial performance measures judgements and assumptions

The Non-Financial Performance Measures Framework was developed by Greater Wellington for the 2021-31 Long Term Plan. These are presented in the 'Performance Measures' section for each Activity Group.[4] The following principles were used in developing this Non-Financial Performance Measures Framework:

Greater Wellington's Non-Financial Performance Measures:

- align with and support our 2021-31 Long Term Plan Community Outcomes and Strategic Priorities[5];
- create a picture of service delivery across our activities and key levels of service;
- are community focused and measure things that Greater Wellington can influence; and
- meet the requirements of the Local Government Act 2002, and with best practice in mind for accurate and understandable presentation.

Under the Local Government Act 2002 (LGA) councils are mandated to provide standard performance measures so that the public may compare the level of service provided in relation to the following group of activities: water supply, flood protection and control works (other activities defined in the LGA are delivered and reported on by city and district councils within the Region: sewerage and the treatment and disposal of sewage, stormwater drainage, or the provision of roads and footpaths).

Department of Internal Affairs (DIA) guidance has been followed in measuring performance against all mandatory performance measures. The DIA mandatory measures are identified in this annual report by footnote in the 'Measuring our Performance' tables on pages 43-46 (for flood protection and control works) and pages 67-68 (for water supply).

Further to the above judgements being made in the selection of non-financial performance measures, we also apply judgements in the measurement, aggregation, and presentation of service performance information.

To determine the number of performance measures to monitor and report on, and the level of aggregation (for example, whether to report on customer satisfaction for each mode of public transport or the network as a whole), we have considered the information needs of our communities, the costs and benefits of these, practical feasibility, and the requirement to provide performance information across the full breadth of services that the council provides.

4 See pages 56-58; 70-72; 84-85; and 95-96 of Greater Wellington's 2021-31 Long Term Plan
5 See pages 258-260 of Greater Wellington's 2021-31 Long Term Plan

Significant assumptions and judgements

Material judgements have been applied as follows:

Greenhouse Gas Emissions Performance Measures

Where available, Greater Wellington has used published emissions factors issued by the Ministry for the Environment (MfE) or other providers of emissions factors and obtained appropriate quantity data directly from suppliers and invoice management systems.

However, we have needed to rely on modelling and assumptions to measure emissions for some activities. To measure the emissions associated with diesel and electricity use on Metlink bus services, we have developed a bespoke model which estimates fuel consumption. This collates data for each specific trip, including distance travelled, average speed, some passenger loading information and whether journeys were completed. Additional assumptions are then applied such as average passenger weights, passenger loading for remaining passengers (where 'tag-on/tag-off' data is not available) and re-positioning distance travelled. This is matched to the specific bus that ran the service.

To convert this data into estimated litres of fuel and kWh of electricity, consumption factors developed for use in the European Union by the European Environment Agency are used. Consumption data is then converted to emissions using MfE's published diesel and electricity emission factors.

For enteric fermentation emissions generated from our grazing licences, we have estimated emissions based on an estimated maximum number of livestock for each piece of land, as actual stock numbers are not available. We are working to further refine these models in the future.

More detail on Greater Wellington's Greenhouse Gas Emissions Performance Measures can be found in the Disclosure on pages 26-28.

Surveys

To measure the quality of our outputs, we use customer surveys to cover perceptual related research on customers and community. This helps us to assess the quality of the service provided (e.g., Metlink's Public Transport Passenger Satisfaction Survey, satisfaction with our Resource Consenting Services and Regional Park visitors that are satisfied with their experience).

These surveys are designed by in-house or external research experts, based on best practice in survey design. They have also been designed to measure changes in perception of service delivery over time.

For example, questions are written so they are clearly understood by participants and neutral in tone; and response options are designed so they are balanced, do not lead participants to respond in a certain way and cover all possible responses a participant may wish to provide. Where neutrality is important, these surveys are independently run (e.g., Metlink's Public Transport Passenger Satisfaction Survey, which is run by Gravitas OPG) and the analysis from these surveys is used to improve our processes and inform future service level improvements.

We balance our survey-focussed measures of quality of service delivery with supplemented direct measures of the quality of our service, which measure the direct observation of the service delivery (e.g. punctuality of bus and rail services), this type of measurement is more objective and easily quantifiable.

Survey sampling (i.e., recruitment of participants) is conducted in a way that maximises the representativeness of respondents, and post-survey weighting is often used to further ensure results are representative of the population of interest.

Statistical significance testing is used where appropriate to assist in identifying meaningful results. Where there is uncertainty in survey results due, for example to sampling error, this is often quantified and stated alongside the results. To minimise the risk of under representative sampling, best practice market research techniques are used across the spectrum of research including statistical weighting of the sampled population to ensure census level representation, the use of stand-down periods to ensure we are not causing survey fatigue or "over-survey" and surveys being designed to ensure minimal drop-out rates. In addition, questionnaires are regularly reviewed to ensure best practice and fit for purpose, and where appropriate industry leading experts are used to review processes.

The frequency of each survey differs in line with the specific performance measures. For example, interaction-based customer surveys are more frequent given the service is on-going and there are consistent interactions. These are where we want to be continuously learning about and improving. The surveys that measure broader perceptions over a longer period of time such as the Metlink Public Transport Passenger Satisfaction Survey are only administered annually.

External implications for statements about performance

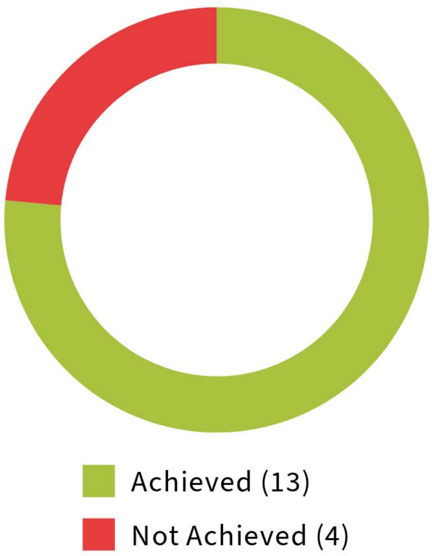
There are conditions that affect the non-financial performance measures results and may result in a variation from the anticipated or forecasted results. These are ones which are outside the control of Greater Wellington. Examples of this are, but not limited to adverse weather conditions, changes in government policy in New Zealand, changes in international travel restrictions, global and domestic economic conditions and international policy that may impact areas such as ability to safely deliver environmental restoration or pest management activities, recruitment, availability of material and supplies (for example, materials required for critical infrastructure), volatility in international financial markets and other unforeseen considerations.

Ko te Hamaru Taiao e te Waipuke
Environment and Flood Protection

Ko te Hamaru Taiao e te Waipuke
Environment and Flood Protection

Overall summary of the year's performance

2023/24 status of LTP non-financial measures for Environment and Flood Protection



Greater Wellington's Environment and Flood Protection activities achieved 76 percent of their 17 performance measures this year.
For more detailed information on these performance measures including explanations for measures that were not achieved, please see the 'Measuring our Performance' section below.

What we deliver for Te Taiao
Greater Wellington is responsible for the regulation, protection, and enhancement of the Region's natural resources. We are responsible for regulating the use of these natural resources, protecting the highest value biodiversity areas, managing flood risk across the Region, and managing public land on behalf of the community including eight Regional Parks. We also look after the Region's harbours and manage environmental threats such as pest plants and animals. We do this work through regional policies, plans, resource consents and working collectively alongside our community and partners.

Leveraging technology to support biodiversity and restoration
Monitoring rare species and mapping important, high-biodiversity places can be difficult and time consuming. This year, we made smart use of technology to get better insights and cover more ground – and sometimes more water. Using technology such as acoustic and optical sensors, drones, remote controlled boats, and 3D cameras, we have expanded our understanding of marine habitats on the Kāpiti Coast, recorded the return of short-tailed bats to the Pakuratahi Forest, Australasian bittern to Lake Wairarapa, and found stronghold populations of lamprey and bluegill bullies.

The use of 'eDNA' sampling allows us to take a sample of water or soil and analyse it for tell-tale signs of all the animals and plants that are likely to inhabit that area. Combining these efficient sampling techniques with citizen science apps that enable community members to contribute useful data, we can map elusive native species as well as pest species throughout our catchments more efficiently. Drone-mounted cameras are another key tool that allows us to locate pest animal and plant populations in large and remote landscapes, which are difficult or costly to access in person.

What we do with the information we gather is also changing. Our capability in translating and integrating the data we collect has taken a leap forward, using new data capture and reporting tools. With better data and insights in hand, we can make smarter decisions about how to deploy limited resources.

Wildlife recovery exceeding expectations

Ongoing restoration work in the Wairarapa Moana, Predator Free Wellington programmes, and other biodiversity works are giving back vitality to indigenous species. Populations of the critically endangered Australasian bittern are growing in the Wairarapa Moana and counts of other indigenous birdlife in the areas of the Miramar Peninsula from which predators have been eliminated have risen faster than expected. Oftentimes it takes years of sustained work before results show, so it is particularly rewarding to see so many successes this year.

Ongoing pest control and native species restoration work continues to show results around the region. Surveys in Taupō Swamps in Plimmerton documented nine mātātā between 23 October and 1 December 2023 – the first official record of this rare bird species in the area.

Protecting our freshwater

This year, we continued our commitment to the health for Te Taiao by notifying on the first change to the Natural Resources Plan. This work is a culmination of engagement across the region, particularly around Te Whanganui-a-Tara and Te Awarua-o-Porirua. This plan change is a major step because it gives greater voice and direction to how we actually implement our plans and processes for protecting freshwater, among other facets of Te Taiao.

Notifying a plan change is one of the last steps in a long chain of collaboration with mana whenua and communities across the rohe. As a result, the final 'official' plan change has been built on a bottom-up process that gives voice to what our rohe cares about, and a clearer picture of the long-term vision for healthy freshwater and marine environments.

Our Whaitua Implementation Programmes – catchment-based approaches to planning – have shown that planning is ultimately stronger when communities are part of the process. The Kāpiti Whaitua development programme made great progress, with the Kāpiti Whaitua committee continuing to operate in a Tiriti House model. This model brings partners together and enables a closer working relationship with mana whenua, Greater Wellington, and Kāpiti Coast District Council.

Transparency in our compliance, monitoring and enforcement
With the development of a new Compliance Monitoring and Enforcement policy, we are striving for a transparent and consistent approach to how compliance is carried out throughout the region. The goal is to achieve better outcomes by providing clearer policy and sharing information with other regulators and stakeholders, and to make it clear how Greater Wellington assesses and enforces compliance.

Improving flood resilience
This year we've taken steps to improve core flood protections, including an upgrade to the Mills Street stopbank – a key asset that helps protect Te Awa Kairangi, Aotearoa's most densely populated floodplain. This protection has been extended from the 65-year level to a 200-year level of protection and coincides with work to and enhance the health of Te Awa Kairangi through river and shore restoration.

On 28 March 2024, Council approved a change to the Te Wai Takamori o Te Awa Kairangi project, bringing the flood mitigation portions of the project in-house to be delivered by Greater Wellington. This change is expected to ultimately save money and improve end results by aligning the work with wider flood protection programmes and utilising existing capability. Transport improvements for Lower Hutt, including the Melling Station relocation, will continue to be delivered through previous contract arrangements.

We are expanding our understanding of nature-based approaches for flood resilience, including working with mana whenua to deliver a nature-based solutions assessment for the Waipoua. The combination of nature-based and constructed flood solutions is an important part of a robust and affordable approach to flood resilience.

Through the Government budget announcement in May 2024, 16 projects to the value of $30 million have been funded within the Wellington Region as part of the Before the Deluge signoff. This investment will see major upgrades and improvements in the Region's flood resilience.

Our Climate Resilience Programme gained international recognition, being a finalist at the Floodplain Management Australasia awards and receiving 'highly commended at the Taitaura Local Government Awards for broader outcomes excellence.

Supporting hazard planning and disaster recovery
We supported the disaster recovery in the Wairarapa with the categorisation of properties impacted by Cyclone Gabrielle, visiting impacted properties and speaking with landowners to help assess the flood risk. As we continue to improve the resilience of our natural and constructed flood protections, we are also widening our understanding of flood hazards and how to plan for them by delivering flood hazard mapping to Masterton and Waiwhetū and supporting flood hazard mapping in the Wairarapa Combined District Plan.

Central Government amendments on freshwater policy
The ongoing programme of amending the National Policy Statement for Freshwater Management 2020 has caused a great deal of churn for Greater Wellington, as we work to understand the short- and long-term impacts of the amendments, and how that impacts our policies aimed at restoring and protecting our freshwater resources.

Measuring our performance: Environment and Flood Protection

Strategic Priorities	Key Result Areas	Levels of Service	Performance Measure	Baseline (2019/20)	2022/23 Result	2022/23 Status	2023/24 Target	2023/24 Result	2023/24 Status	Narrative Key
Protect and restore our fresh-water quality and blue belt	Delivery of the Ruamāhanga, Te Awarua-o-Porirua and Te Whanganui-a-Tara Whaitua implementation programmes	Water quality in the region is maintained or improved	Macroinvertebrate Community Index (MCI) score is maintained or improved[6]	New Measure	Achieved	Achieved[7]	Achieved	100% of sites maintained or improved	Achieved	A
		Support landowners through incentive funding and advice to develop and implement freshwater farm plans, which reduce nutrient and sediment discharges.	Percentage of Greater Wellington incentive funding[8] used to advance Whaitua Implementation Programme priorities, through completion of high impact freshwater farm plan actions	New Measure	94%	Achieved	75%	98%	Achieved	
		Deliver treatment programme on identified erosion-prone land	Erosion-prone hill country treated	755 ha	1,405 ha	Achieved	850 ha	617 ha	Not Achieved	B
		Provide environmental information to the community and our stakeholders	Timely Information from core environmental monitoring programmes is made available to the public via the Greater Wellington website	New Measure	5 of 16 (31%) of 2021/22 Annual reports published on time	Not Achieved[9]	Achieved	6 of 16 (38%) of reports published on time	Not Achieved	C

6 Aquatic macroinvertebrates (i.e. animals without backbones that can be seen with the naked eye, e.g. shrimps, worms, crayfish, aquatic snails, mussels, aquatic stage of some insect larvae, such as dragonfly larvae, mayflies, caddisflies, etc.) are commonly used biological indicators for freshwater ecosystem health throughout New Zealand and around the world. Macroinvertebrates are widely used because they are abundant, easy to collect and identify, have relatively long life-cycles, and are sensitive to multiple pressures (e.g. pollution, habitat removal, floods, and droughts). This makes macroinvertebrate communities useful to identify where we need to improve our management of these pressures and to show when these pressures are sufficiently addressed.

7 For 2022/23 97.6% of monitoring sites have maintained or improved their MCI score – only one monitoring site has recorded a decrease, and this is within the variability observed at the site over recent years. Weather conditions and river flows before sampling are a possible cause of this variability with the site assessment around the band A/B threshold.

8 Greater Wellington incentive funding used to complete high impact actions will be assessed in respect to the three substantive incentive funds aimed at assisting landowners to undertake beneficial freshwater or biodiversity action on their land – these three programmes being: the Riparian Programme, the Farm Planning services fund, and the Wetland Programme.

9 Additional resource was brought on in 2022/23 to improve timely completion of reporting, however because of delays in on-boarding new staff and prioritisation of other work the target was missed.

Strategic Priorities	Key Result Areas	Levels of Service	Performance Measure	Baseline (2019/20)	2022/23 Result	2022/23 Status	2023/24 Target	2023/24 Result	2023/24 Status	Narrative Key
		Monitor compliance with resource consents	Where rates of compliance for high risk activities are less than 80 percent, develop and implement a strategy to improve the rate of compliance	> 80%	Improved	Achieved	Improved	Improved – all strategies in place	Achieved	D
		Customer satisfaction for the resource consent service	Level of overall satisfaction with consent processing services[10]	4.33	4.2	Achieved	> 4	4.23	Achieved	

10 When resource consents are approved, consent applicants are invited to fill out a brief online survey about their consent processing experience. A few questions are asked including the following: "Overall, how satisfied were you with the customer service provided?". Respondents are prompted to provide a provide a rating from 1 (very dissatisfied) to 5 (satisfied). The mean response value is calculated for both the quarter result and year-to-date (YTD) result.

Strategic Priorities	Key Result Areas	Levels of Service	Performance Measure	Baseline (2019/20)	2022/23 Result	2022/23 Status	2023/24 Target	2023/24 Result	2023/24 Status	Narrative Key
Protect and restore indigenous biodiversity and ecosystem health Implementing nature based solutions to climate change	Re-afforestation and protection and restoration of wetlands across our regional parks network	Protect and care for the environment, landscape, and heritage	Grazed land retired and restored to its native state	New Measure	43 ha	Not Achieved	100 ha	140 ha	Achieved	
			Indigenous species planted	63,000	158,000	Achieved	65,000	363,000	Achieved	E
	Improve recreational enjoyment and environmental value of regional parks	Customer satisfaction and improved public access	Percentage of regional park visitors that are satisfied with their experience	98%	84%	Not Achieved	95%	86%	Not Achieved	F
			Annual number of visits to a regional park	1.76 million	1.68 million	Not Achieved	Increase from previous year	2.16 million	Achieved	G
	Implement the Regional Pest Management Plan (RPMP) and support Predator Free Wellington Initiatives	Provide pest species control services across the region	Provide pest animal and plant management as per RPMP Operational Plans[11]	New Measure	Not Achieved	Not Achieved[12]	Achieved	Achieved	Achieved	
			Provide pest species control services as agreed with Predator Free Wellington	New Measure	Achieved	Achieved	Achieved	Achieved	Achieved	
		Implement the objectives of the Greater Wellington Biodiversity Strategy	Biodiversity Strategy objectives are being actively progressed by Greater Wellington	New Measure	Achieved	Achieved	Achieved	Achieved	Achieved	

11 Operational Plans can be accessed via Greater Wellington's website: http://www.gw.govt.nz/biosecurity/
12 Work was completed in the Key Native Ecosystem, Biosecurity Services, and Regional Species programmes, however only 85 percent of the Regional Predator Control Programme was completed, primarily due to disruptions caused by Cyclone Gabrielle and other severe weather events.

Strategic Priorities	Key Result Areas	Levels of Service	Performance Measure	Baseline (2019/20)	2022/23 Result	2022/23 Status	2023/24 Target	2023/24 Result	2023/24 Status	Narrative Key
	RiverLink flood control works completed	Progress towards completion of the RiverLink flood control works	Implement RiverLink in accordance with the approved Preliminary Design	New Measure	Achieved	Achieved	Construction progressed	Construction progressed	Achieved	
Communities safeguarded from major flooding		Provide the standard of flood protection agreed with communities	Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents	Yes	No	Not Achieved	Yes	Yes	Achieved	
		Provide information and understanding of flood risk in the community	Percentage of identified vulnerable floodplains with a flood management plan in place	30%	57%	Achieved	40%	57%	Achieved	
		Manage the safety of marine activities in the region's waters	Percentage of identified risks within the Harbour Risk Assessment that have been reviewed	New Measure	15%	Not Achieved	70%	15%	Not Achieved	H

Narrative on Results

A – Change in water quality was assessed in 41 rivers across the region. Quality remained the same in 40 rivers and increased (from C state to B state) in one river.

B – The target for 2023/24 as set in the 2021-31 Long Term Plan was 850 ha. However, changes in a funding agreement with the Ministry for Primary Industries reduced the availability of funding and the achievable target down to 600 ha. While the reduced funding meant we could not meet the target set in the Long Term Plan, we achieved the new target with 617 ha of land treated in 2023/24.

C – All domain-based 2022/23 annual monitoring reports have been published. However, only six out 16 (38 percent) were published on time, i.e., within three months of the end of the monitoring cycle.

D – Strategies were implemented for municipal wastewater treatment, earthworks consents, municipal water supplies, and water takes. Mitigation strategies are reviewed and updated as required, typically coinciding with higher risk periods specific to each activity. For example, review of water takes strategies coincides with summer months when droughts are most likely, and review of earthworks strategies coincide with winter months when rain increases risks of run-off and instability of earthworks.

E – This measure is over-target because the density of plantings can vary significantly depending on the landscape and specific planting needs in a given hectare of land. Plantings are estimated at an average of 2,500 ‘stems’ per hectare, but may be as dense as 10,000 stems per hectare in some locations.

F – In 2022/23 we implemented a new survey methodology, and set a new baseline of 84 percent satisfaction. Results for 2023/24 show an overall high satisfaction, with 86 percent of surveys indicating satisfied or very satisfied with visits to our Regional Parks. While under the original target of 95 percent set for 2023/24 in the 2021-31 Long Term Plan, this years’ results show a two percent increase from the previous year and a great result based on the improved baseline.

G – The higher total visitor count this year is likely due to a combination of a higher than average number of dry weather days, and the implementation of more accurate visitor counters in some parks, which will continue to be added to our Regional Parks through 2024/25.

H – Staff absences impacted our ability to review risks, as there was a need to prioritise active harbour management and shipping work.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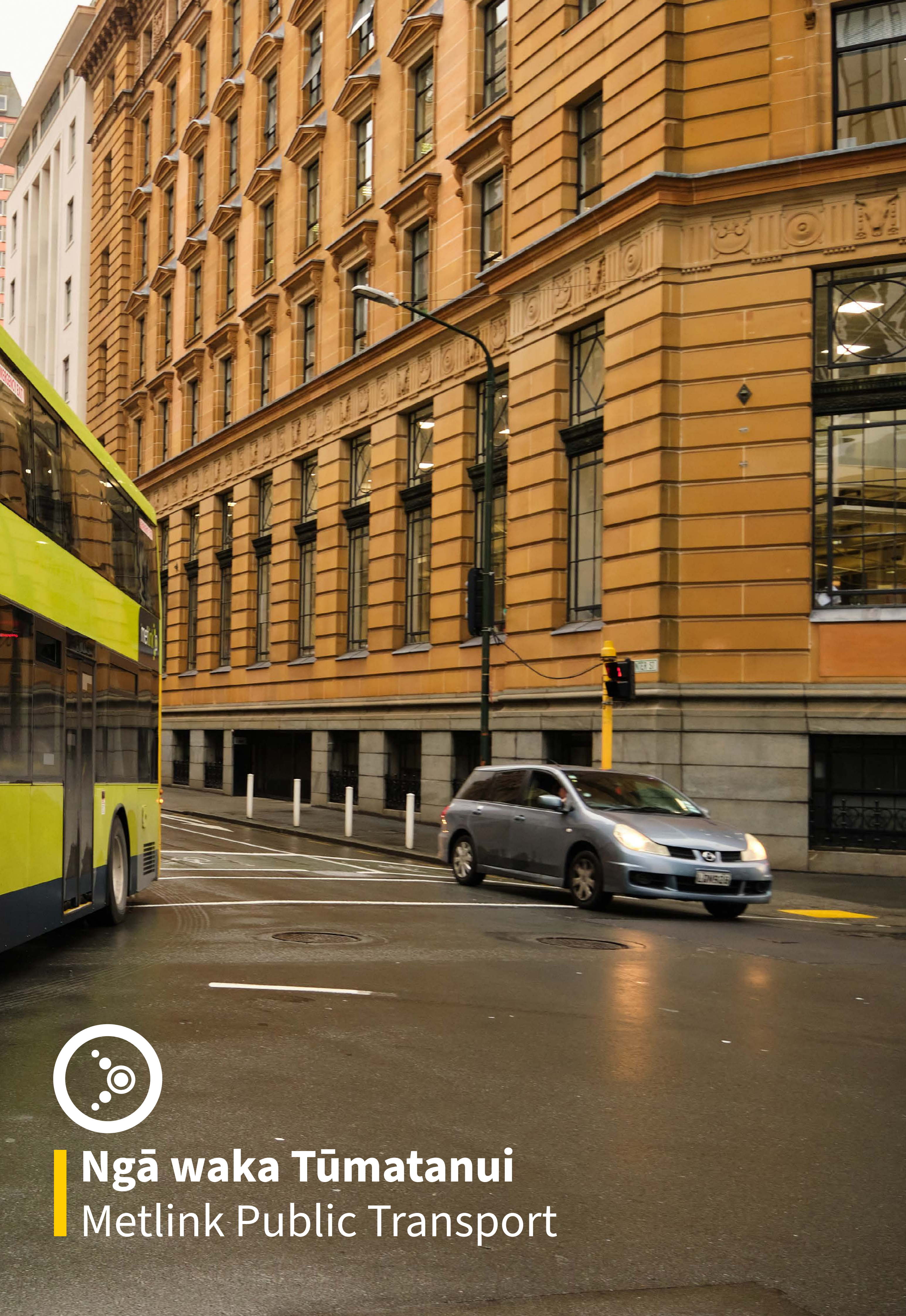
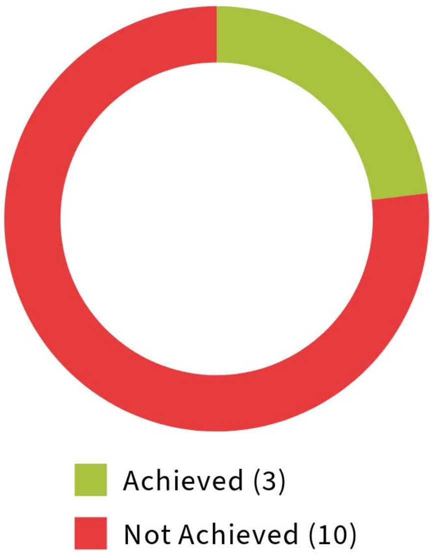


Ngā waka Tūmatanui
Metlink Public Transport

Ngā waka Tūmatanui
Metlink Public Transport

Overall summary of the year's performance

2023/24 status of LTP non-financial measures for Metlink Public Transport



Greater Wellington's Metlink Public Transport activities achieved 23 percent of their 13 performance measures this year. For more detailed information on these performance measures including explanations for measures that were not achieved, please see the 'Measuring our Performance' section below.

What we deliver for public transport

Greater Wellington manages the Metlink Public Transport network and delivers public transport services to the region. We deliver services across an integrated network of bus routes, five passenger rail lines, the harbour ferries, and Total Mobility services. Passengers, ratepayers, and road users fund these services through fares, rates, and a subsidy from New Zealand Transport Agency Waka Kotahi (NZTA). We are also responsible for developing and maintaining public transport infrastructure including railway stations, train maintenance depots, bus and ferry shelters, signs, and Park & Ride facilities

Delivering reliable bus services and record-breaking patronage

Our bus patronage continues to break records, with 26,133,096 passenger trips this year – the highest on record. The busiest month was May 2024 with 2.56 million passenger trips, compared to the previous high of 2.49 million passenger trips in May 2019.

As a result of significant work between Greater Wellington and our two largest bus operators, we were able to reinstate all temporarily-suspended bus services. Between October 2023 and January 2024, we were able to reinstate 181 temporarily-suspended trips. Increasing the number of bus drivers was vital to restoring our ability to provide reliable services.

Our work this year went beyond just restoring existing services. The new Airport Express is exceeding expectations for ridership, and the new Route 4 bus provides better access to Wellington CBD, Wellington Regional Hospital and Te Herenga Waka Victoria University of Wellington's Kelburn campus for Strathmore Park and Wilton residents.

Changing how we connect with public transport: safety, accessibility, and storytelling

The Accessibility Action Plan (AAP) was presented to the Transport Committee on 17 August 2023. The AAP outlines network- wide strategies to improve accessibility to the public transport network and was developed following significant engagement with the disability community.

From 16 October 2023, Warranted Transport Officers (WTOs) became part of the Metlink public transport network to support passengers with their journeys. WTOs have the ability to issue fines to people not paying their fares (up to $150 under the Land Transport Amendment Act 2017).

We are also advancing how people connect with rail services. Upgrades at Plimmerton Station have made services more efficient, with morning express trains from Waikanae operating from a new platform.

Upgrades to the Naenae Station subway have created a safer and more accessible path for pedestrians and train passengers, while also connecting people to the history of the area. Features such as improved signage and CCTV coverage improve safety, while art installations tell the origin stories of the Waiwhetu and Te Awamutu rivers, and Te Ngaengae, the freshwater lake in Naenae.

The new Living Pā bus shelter at Te Herenga Waka Victoria University of Wellington incorporates design and storytelling to connect bus riders to local history. Metlink worked with Te Herenga Waka and Ngāti Toa Rangatira to develop this purpose-built bus shelter.

Planning for future transport needs

With a revitalised level of service in place now, we are also looking ahead to an expanded public transport network that delivers efficient services while also reducing emissions.

In May, the Council agreed to enter into a partnership agreement with Wellington City Council to deliver bus prioritisation on major bus corridors through Wellington, and a programme of work led by Greater Wellington to develop and implement a regional rapid transit bus prioritisation strategic plan.

A shortlist of respondents has been confirmed to the Expressions of Interest (EOI) for providing a proposal to design, build and maintain 18 x 4-car low- emission multiple units for improving the passenger rail service, capacity and frequency on Wairarapa and Manawatū lines. We are finalising Request for Proposal documentation that will be issued to the shortlisted EOI respondents, targeting contract to be awarded by mid-2025. This has been a highlight of partnership with central Government, with a major co-funding agreement now in place.

Uncertainty for Government public transport support

As a result of the change in Government in October 2023, there has been a period of uncertainty for public transport funding and what that means for core services. A final Government Policy Statement (GPS) on Land Transport has been issued, which sets a different focus for public transport. This change in focus includes a reduction in public transport funding in real terms and other investment signals in this GPS that could significantly impact on our region’s ability to maintain and improve public transport services.

NZTA policy is being changed and amended to reflect Government priorities and funding drivers. Metlink has been working closely with NZTA to review and adjust funding bids to reflect new priorities, but there is likely to be more change in subsequent years. This presents major challenges for planning and funding public transport, which often requires planning years ahead to keep pace with the changing needs of passengers. Funding and financial constraints have resulted in some project being put on hold, such as the Mobility as a Service (MaaS) Trial work and Wellington CBD EV bus layover/depot project.

These uncertainties pose future challenges for the public transport system, as well as short- term constraints as we head into a new (2024-34) Long Term Plan. Metlink implemented a number of cost- saving measures including fare increases, operating savings and maximising capacity of existing services to reduce cost pressures and rates increases.

Government changes impacting planned work

On 20 December 2023, the Minister of Transport announced that projects funded through the Climate Emergency Response Fund (CERF) under the Transport Choices programme, were to be put on hold in October 2023, and would not receive further funding. This decision affected four projects: Johnsonville Stop D, Jackson Street accessibility improvements, Porirua Bus Interchange, and Bus Rapid Transit (BRT) stop improvements. However, BRT improvements will continue using existing budgets, and the Porirua Interchange has been included in the NLTF funding bid, with potential rephasing from 2024/25.

The Government also announced changes to the Community Connect Concessions Scheme, ending Crown funding for free fares for 5-12-year-olds and half-price fares for 13-24-year-olds on public transport on 30 April 2024. Adjusting fares due to this funding change added unforeseen tasks to the work programme.

Following direction from the central Government, the Let's Get Wellington Moving project team agreed to formally wind up the partnership but committed to carry some aspects of the project into other work programmes. These projects include improvements to the Golden Mile, Hutt Road-Thorndon Quay, the Basin and second Mt Victoria tunnel, and bus priority initiatives.

Operating rail services on an aging rail network

The Wellington Metropolitan Rail Network is in a state of decline, requiring further Crown funding and investment in maintenance by KiwiRail. Without this investment and upkeep, we are unable to reliably operate our passenger rail at the level of service planned in our Metropolitan Rail Operating Model. Metlink has identified a number of actions for Greater Wellington to undertake to help resolve the situation including Government advocacy and consideration of potential service reductions that may be required.

Wairarapa Line customers are currently experiencing delays and disruption to their service. Disruptions and/or delays are due to speed restrictions on the Line, which have been put in place to reduce vibrations which customers experienced. Metlink is working with its partners to resolve the vibration issues, and are expecting work to be completed early in 2024/25.

Measuring our performance: Metlink Public Transport

Strategic Priorities	Key Result Areas	Levels of Service	Performance Measure	Baseline (2019/20)	2022/23 Result	2022/23 Status	2023/24 Target	2023/24 Result	2023/24 Status	Narrative Key
An efficient, accessible and low carbon public transport network	Improving the customer experience across all areas of the public transport network	Provide a consistent and high quality customer experience across the public transport network	Passengers' overall satisfaction with the Metlink public transport (by mode)[13]	New Measure	Bus – 92%	Not Achieved	Bus - 95%	Bus - 93%	Not Achieved	A
					Rail – 94%	Achieved	Rail - 95%	Rail – 92%	Not Achieved	
					Ferry – 97%	Not Achieved	Ferry - >98%	Ferry – 95%	Not Achieved	
			Passenger satisfaction with convenience of paying for Metlink public transport[14]	New Measure	87%	Achieved	>80% customer satisfaction score	81%	Achieved	B
			Passenger satisfaction with Metlink information currently available[15]	New Measure	75%	Not Achieved	>92% customer satisfaction score	84%	Not Achieved	C
			Passenger satisfaction with Metlink public transport being on time[16]	New Measure	69%	Not Achieved	>85% customer satisfaction score	74%	Not Achieved	D
			Percentage of scheduled bus trips that depart their timetabled starting location on time (punctuality) – to 5 minutes[17]	94.2%	94.4%	Not Achieved	95%	94%	Not Achieved	E
			Percentage of scheduled rail services on-time (punctuality) – to 5 minutes[18]	89.4%	80%	Not Achieved	95%	87.1%	Not Achieved	F

13 The Metlink Public Transport Passenger Satisfaction Survey, which is run twice yearly, is used to determine Customer Satisfaction. Satisfied = score of 6-10 on a scale of 0-10. The question used to determine this measure is: Thinking about the vehicle you are on now, how satisfied or dissatisfied are you with this trip overall?

14 The Metlink Public Transport Passenger Satisfaction Survey is used for this measure. Satisfied = score of 6-10 on a scale of 0-10. The question used to determine this measure is: Thinking about your experience of public transport (including trains, buses and harbour ferries) in the Wellington region over the last three months, how satisfied or dissatisfied are you with how convenient it is to pay for public transport?

15 The Metlink Public Transport Passenger Satisfaction Survey is used for this measure. Satisfied = score of 6-10 on a scale of 0-10. The question used to determine this measure is: Overall, how satisfied or dissatisfied are you with the information about public transport services that is currently available?

16 The Metlink Public Transport Passenger Satisfaction Survey is used for this measure. Satisfied = score of 6-10 on a scale of 0-10. The question used to determine this measure is: Thinking about the vehicle you are on now, how satisfied or dissatisfied are you with the service being on time (keeping to the timetable)?

17 This measure is based on services that depart from origin, departing between one minute early and five minutes late.

18 The rail punctuality measure is based on rail services arriving at key interchange stations and final destination, within five minutes of the scheduled time.

Strategic Priorities	Key Result Areas	Levels of Service	Performance Measure	Baseline (2019/20)	2022/23 Result	2022/23 Status	2023/24 Target	2023/24 Result	2023/24 Status	Narrative Key
An efficient, accessible and low carbon public transport network	40 percent increase in regional mode share for public transport and active modes by 2030	Promote and encourage people to move from private vehicles to public transport	Annual Public Transport boardings per capita	63 per capita	61.9 per capita	Not Achieved	67 per capita	69 per capita	Achieved	
		Provide fit-for-purpose vehicles, infrastructure and services to continually deliver a high quality core network that meets ongoing demand	Percentage of passengers who are satisfied with the condition of the station/stop/wharf[19]	New Measure (88% Nov 2020)	87.6%	Not Achieved	94%	90%	Not Achieved	G
			Percentage of passengers who are satisfied with the condition of the vehicle fleet[20]	New Measure (94% Nov 2020)	94%	Achieved	94%	94%	Achieved	
	Reducing public transport emissions by accelerating decarbonisation of the vehicle fleet (bus, rail, ferry)	Gross emissions for Metlink's public transport fleet will be minimised, reducing the offsets required to reach net carbon neutrality	Tonnes of CO_2 emitted per year on Metlink Public Transport Services	New Measure (22,030)	21,019 tonnes	Not Achieved	17,818 tonnes	17,820 tonnes	Not Achieved	H
		Reduction of accidental death and serious injury on the public transport network and prioritisation of safety and maintenance on the Public Transport network to encourage safe behaviours	Accidental deaths and serious injuries sustained on the Public Transport network as a result of Metlink or operator activity	New Measure	3 serious injuries	Not Achieved	5% Reduction compared to previous year	1 fatality, 2 serious injuries	Not Achieved	I

19 The Metlink Public Transport Passenger Satisfaction Survey is used for this measure. Satisfied = score of 6-10 on a scale of 0-10. The question used to determine this measure is: How satisfied or dissatisfied are you with the condition of the stop/station/wharf?
20 The Metlink Public Transport Passenger Satisfaction Survey is used for this measure. Satisfied = score of 6-10 on a scale of 0-10. The question used to determine this measure is: How satisfied or dissatisfied are you with the condition of this vehicle?

Narrative on Results

A – Results of the 2024 customer satisfaction survey show that customer satisfaction with 'The trip' (the customer experience on that journey) remains consistently high and on par with previous surveys. Satisfaction has been negatively impacted by the removal of half-price fares and concessions for 17-24 year olds, and impending fare increases from 1 July 2024. On the surface, the changes are minor and within the margin of error. However, there were significant uplifts in scores for bus reliability, frequency and 'having enough seats available'. There was also a significant drop in scores for 'value for money' due to recent increases in fares.

B – While we achieved the target, it is noted that the score has reduced from 97% in 2022/23. The results are likely due to negative association with the loss of additional central government funding for public transport and the resultant removal of half price fares and concessions for 17-24 year olds, and impending fare increases from 1 July 2024.

C – While the target has not been met, satisfaction with available information has increased by eight percent (to 84 percent). The increase in satisfaction with information often reflects levels of satisfaction with the reliability of services. The improved satisfaction also likely reflects recent improvements to the usability of the Metlink app and website, and the introduction of onboard announcements on buses.

D – This target has not been met. However, we note that it came off a low base number (69 percent), which was due to staff shortages and the associated reliability issues; which have been improved.

E – The majority of our network, particularly Porirua and Wellington City East/West services, achieved well over the 95 percent target, but because punctuality primarily reflects the external environment and its impact on timetable compliance (particularly in Wellington City North/South services, Kāpiti and the Wairarapa) these areas have brought the overall score down.

F – Speed restrictions continue to impact services, in particular on the Wairarapa Line which had very poor performance. Most of the disruptions/delays are due to speed restrictions (in particular on the Kapiti and Wairarapa Lines on the lines) which are put in place to help keep everyone safe while KiwiRail completes track maintenance.

G – While under the target for the year, satisfaction has improved three percent from the previous year. We have an ongoing programme to put in new and improved bus shelters across the network.

H – Our Metlink Public Transport service activity sources included diesel use on our services (bus, rail, ferry, and total Mobility Taxi), electricity (ferry, rail, busses, bus and rail infrastructure), and public waste collection from our railway stations. A disclosure statement for greenhouse gases is on pages 26-28.

I – There were three total incidents reported in 2023/24, the same as in 2022/23. As this is a relatively new measure, three years of data is not sufficient to set trends or projections. We will continue work to refine our targets for accident reduction.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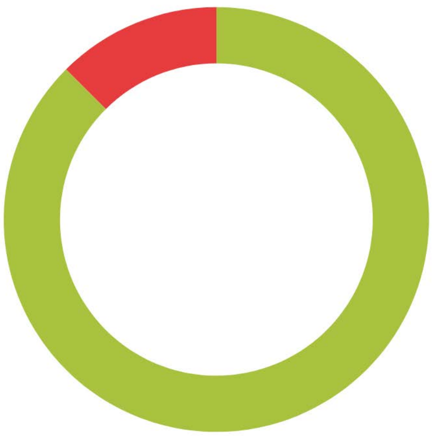
Ko te mahere ā-rohe me ngā rangapū
Regional Strategy and Partnerships

Ko te mahere ā-rohe me ngā rangapū
Regional Strategy and Partnerships

Overall summary of the year's performance

2023/24 status of LTP non-financial measures for Regional Strategy and Partnerships



Greater Wellington's Regional Strategy and Partnership activities achieved 88 percent of their 8 performance measures this year.

For more detailed information on these performance measures including explanations for measures that were not achieved, please see the 'Measuring our Performance' section below.

What we deliver for regional partnerships
Greater Wellington coordinates Regional Strategy and Partnership activities on a range of issues and priorities across the Region. Our approach is to build, develop and maintain strong relationships so we can achieve integrated decision making at a regional level and ensure the successful delivery of key regional projects. This includes building sustainable partnerships with mana whenua, and regional planning with territorial authorities and central Government. We also coordinate regional spatial and transport planning, planning for action on climate change, regional economic development plans and regional emergency management.

Our commitments to Te Tiriti o Waitangi
We completed our first Te Tiriti Audit, providing Greater Wellington with a better means of gauging progress against our obligations to Te Tiriti o Waitangi. While the Audit is valuable in understanding where we currently are, it also helps us understand 'where to next' by outlining recommendations and opportunities for Greater Wellington to continue developing our approach as an organisation, and how we support our people to engage with Te Tiriti. The continued leadership of the Tiriti Komiti and the development of a robust work programme will ensure that there is a focus on the things that matter to mana whenua and Māori.

Active partnerships in planning
Greater Wellington further developed its partnership with mana whenua through the Long Term Plan Committee, which included representatives from our six mana whenua partners alongside the Regional Councillors. The Committee provided strategic direction and insights from communities across the Region.

On the recommendation of Te Tiriti Komiti, Councillors voted to establish a Māori constituency in the next triennium. Mana whenua of the Region endorsed this, with the view that Greater Wellington continued to give effect to Te Tiriti o Waitangi through partnership approaches with mana whenua of the Region. A recent decision by Central Government will require us to hold a public poll to confirm the creation of a Māori constituency for the 2028 elections, at cost to rate payers.

Regional growth in the face of climate change
Our Region is an attractive place to live, and will continue to grow. This year we supported the development of the Future Development Strategy and supporting implementation plan, as well as

supporting the refresh of the Wellington Regional Economic Development Plan. These plans are important part of planning for growth and supporting a healthy environment.

A new strategy released by Greater Wellington sets out a pathway to a low-carbon, resilient future, and the urgent action required to get there. The Wellington Regional Transport Emissions Reduction Pathway, a collaborative initiative between the nine councils of the Region, provides a long-term strategic approach to transforming our transport system, and ultimately the way we design our towns and cities. A major focus of the Pathway is increased transport choice through reliable public transport and active travel, reducing our dependence on private vehicles.

We are supporting the Region's and Greater Wellington's response to climate change. Highlights include refreshing Greater Wellington's Climate Strategy and two 10-point climate emergency response action plans, development of the Regional Emissions Reduction Plan and Wellington Regional Transport Emissions Pathway.

A significant step toward becoming a climate resilient Region has been reached following the adoption of the Wellington Regional Climate Change Impact Assessment Report (WRCCIA) by the Wellington Regional Leadership Committee (WRLC). Produced by a project team comprised of staff from nine of the WRLC's partner councils and supported leading subject-matter experts, the report presents a foundational assessment of the risks and impacts of a changing climate to our region over the next 100 years. The first phase is a project to help the region adapt to the impacts of a changing climate.

The Wairarapa-Wellington-Horowhenua Region is projected to grow by 200,000 people over the next 30 years, and the WRCCIA identifies areas and sectors of the Region which are particularly vulnerable or resilient to a changing climate. It provides a regionally consistent framework to inform the next phase of the project, a regional adaptation framework.

Regional emergency planning

The Emergency Coordination Centre (ECC) is a responsibility of Greater Wellington and is used to coordinate civil defence emergency responses. Training programmes have continued, enabling more Greater Wellington staff to respond to emergencies. With approximately 170 staff who have received training to work in emergencies, the ECC is ready to activate to support an emergency whether it is a pandemic, natural hazard such as an earthquake or cyclone, or a critical infrastructure disruption. A couple of very successful exercises were held through the year, with 60 staff and multiple agencies participating.

We are continuing to improve response and warning capability across the Region. This year we successfully piloted our automated warning system in the Wairarapa and supported the Wellington Region Emergency Management Office (WREMO) in delivering a flood-focused Regional exercise.

Coordinating our response to government changes

Greater Wellington has worked with our staff and gathered insights from other organisations and partners to inform our response to Government changes, including Briefings for Incoming Ministers and a Council response on a number of reforms including submitting on the new Government Policy Statement on Land Transport, Fast-Tracking legislation, local electoral amendment legislation, water services delivery legislation and climate policy. Council was updated on the progress of reforms and implications for Greater Wellington. This coordinated response is worth acknowledging, but the pace of changes and the breadth of impacts on councils and partners made it challenging to achieve.

Measuring our Performance: Regional Strategy and Partnerships

Strategic Priorities	Key Result Areas	Levels of Service	Performance Measure	Baseline (2019/20)	2022/23 Result	2022/23 Status	2023/24 Target	2023/24 Result	2023/24 Status	Narrative Key
Taking regional climate action through regional strategy, collaboration and advocacy	Working collectively with partners to take regional climate action	Reduction of GW corporate carbon emissions. Climate Emergency Action Plans	Reduction in tonnes of CO2 equivalent emissions[21]	New measure	48,438 tC02e[22]	Achieved	Reduction compared with previous year	33,727 tC02e	Achieved	A
Regional economic development and recovery in a COVID-19 era	Regional economic recovery including low carbon economic transition	Wellington Regional Strategy, Regional Investment Strategy, Regional Growth Framework. Alignment of GW activities and investment with the priorities of the Wellington Regional Leadership Committee	As the Administering Authority, GW will ensure the Committee has an agreed annual work programme and regular progress reporting[23]	New measure	Achieved	Achieved	Achieved[24]	Achieved	Achieved	
Leading regional spatial planning	Implement the Wellington Regional Growth Framework									
		Maintain a state of readiness of the Emergency Coordination Centre that is appropriately staffed and equipped to respond to an emergency. Wellington Region Civil Defence Emergency Management Group Plan	A team of CIMS[25] trained GW staff is ready to respond to an activation of the Emergency Coordination Centre	New measure	Achieved	Achieved	Achieved[26]	Achieved	Achieved	

21 This measure is for all of Greater Wellington's corporate greenhouse gas emissions. This includes all business units, and the share for the jointly owned Council Controlled Organisations based on ownership share.
22 Corporate emissions declined by 5.1% from base year, from 51,045 tonnes CO2e in 2018/19 to 48,438 tonnes CO2e in 2021/22. Reductions were due primarily to reduced grazing activity on Greater Wellington managed land and from Metlink continuing to increase the number of electric busses.
23 As the Administrating Authority Greater Wellington supports and enables the operations and success of the Wellington Regional Leadership Committee.
24 An agreed work programme for 2023/24 was provided by Greater Wellington to the Wellington Regional Leadership Committee (WRLC), which is monitored through regular reporting at WRLC meetings and through the WRLC Annual Report, published in July of each year.
25 CIMS = Coordinated Incident Management System, a standard of emergency management roles, processes, and terminology.
26 This is measured through annual reporting by the Wellington Regional Emergency Management Office (WREMO) stating the number of trained staff for the Emergency Coordination Centre based on the training requirements by the National Emergency Management Agency.

Strategic Priorities	Key Result Areas	Levels of Service	Performance Measure	Baseline (2019/20)	2022/23 Result	2022/23 Status	2023/24 Target	2023/24 Result	2023/24 Status	Narrative Key
An efficient, accessible and low carbon public transport network	40% increase in regional mode share for Public Transport and active modes by 2030	Regional transport, planning, leadership, advice, and coordination to guide development and delivery of an integrated, multi-modal regional transport network. Regional Land Transport Plan	Wellington Regional Land Transport Plan is prepared and updated in accordance with the LTMA and central government guidance[27]	New measure	Achieved	Achieved	Annual Monitoring report is presented to RTC	Achieved	Achieved	
			Coordinate and deliver new workplace travel programmes with major regional employers	New measure	3 new programmes	Achieved	3 new programmes	1 new programme	Not Achieved	B
Effective partnerships and co-designed agreements with mana whenua	Collaborative decision making with mana whenua partners	Effective decision making achieved through active involvement with mana whenua through strong partnership arrangements	Mana whenua report evidence of strong partnership arrangements and progress towards positive outcomes	New measure	Achieved	Achieved	Achieved	Achieved	Achieved	C
		Positive outcomes for Māori achieved through effective and resourced planning and engagement	Increased incorporation and use of Mātauranga Māori across services delivered by Greater Wellington	New measure	Achieved	Achieved	Achieved	Achieved	Achieved	D
		Mana whenua and Māori are enabled to achieve strong, prosperous and resilient outcomes	Deliver Te Matarau a Māui (TMaM) annual work programme as agreed to by independent Board	New measure	Achieved	Achieved	Achieved	Achieved	Achieved	E
			Mana whenua and Māori report they are prepared for managing effective responses to civil defence and other emergencies	New measure	Achieved	Achieved	N/A	N/A	N/A	F

27 LTMA = Land Transport Management Act

Narrative on Results

A – Emissions are reported on the previous year. Verified results for emissions generated in the 2022/23 financial year show a 23 percent reduction compared to the base year 2018/19, and a 12 percent reduction compared to 2021/22. Reductions were due primarily to reduced grazing activity on land managed by Greater Wellington and from Metlink continuing to increase the number of electric busses. For more details see the Greenhouse Gas Emissions Performance Measures Disclosure on pages 26-28.

B – One out of three intended plans were established this year. Work on the remaining two were placed on hold due to changes in staffing and priorities of some of the key organisations we partner with to deliver travel change programmes.

C – Mana Whenua are responsive and willing to work with Greater Wellington, as demonstrated by governance and representation hui held between mana whenua, Greater Wellington's Chief Executive and Council Chair, and the Chair of Te Tiriti Komiti. Mana whenua were successfully involved in the development of the 2024-34 Long Term Plan, and the Tiriti Komiti has been welcomed at marae across the region.

D – Mātauranga Māori training is well attended by Greater Wellington staff, and the Mātauranga Taiao team has been actively involved in helping the organisation to understand how to apply the learning across areas of council work.

E – A significant amount of activity was led from Te Matarau a Māui, and the overall relationship management has been maintained between the lead board member for Te Matarau a Māui and Greater Wellington. We have also developed and are now testing improved ways of reporting on how we are working with Māori businesses.

F – Reporting on this measure was removed from Greater Wellington's 2021-31 Long Term Plan performance measures through the preparation of the 2023/24 Annual Plan. Reporting on this measure is now done annually through the Wellington Region Emergency Management Office (WREMO).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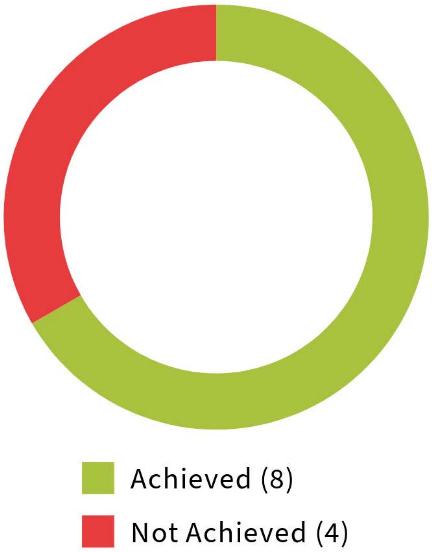
Ngā Puna Wai
Water Supply

Ngā Puna Wai
Water Supply

Overall summary of the year's performance

2023/24 status of LTP non-financial measures for Water Supply



Greater Wellington's Water Supply activities achieved 67 percent of their 12 performance measures this year.

For more detailed information on these performance measures including explanations for measures that were not achieved, please see the 'Measuring our Performance' section below.

What we deliver for the region's water supply
Greater Wellington is responsible for collecting, treating and distributing safe and healthy drinking water to Wellington, Hutt, Upper Hutt and Porirua City councils. This work is carried out for Greater Wellington by Wellington Water Limited (WWL), a joint council-owned water management company. City and district councils are responsible for the distribution of water to households and businesses through their own networks. Providing the bulk water supply to the city councils involves managing an extensive network of infrastructure, ensuring safe, high-quality, secure and reliable water sources, and that our freshwater is sustainable.

Collaboration to avoid a crisis
Water usage restrictions and proactive public messaging on water conservation by WWL, WREMO, and other regional partners has helped to mitigate the risks of water shortages over the summer months. Regional coordination and frequent communication between partner agencies was an important part of managing the water supply over summer and avoiding the need for more tighter restrictions on water use.

Modernising our water infrastructure
Greater Wellington has a responsibility to protect the health of our drinking water through healthy catchments, as well as a more direct role in supplying bulk drinking water for the Region. This year we continued a major project to expand the Te Mārua water treatment facility, which will create more capacity in our water supply as well as enhancing seismic resilience of key facilities.

This year we progressed a key project to upgrade water infrastructure, while also improving recreation opportunities. The new Whakawhirinaki Silverstream Water Bridge provides a significant piece of the Region's water supply infrastructure, as well as a new walking and cycling track connecting to the Hutt River Trail. The Silverstream pipeline will carry 60 million litres of water a day as the key supplier for Upper Hutt, Stokes Valley, Porirua, and 40 percent of Wellington City's water supply. This is phase four of the project, and WWL is on track to complete the work by mid-2025.

Shifting to Local Water Done Well
The Affordable Water Reforms, which ended after a stop-work order from Central Government, has been replaced by the new Water Done Well programme. Councils in the wider Wellington Region, including Greater Wellington, are working collaboratively to prepare a proposed model for how a joint arrangement for delivering water services could be set up based on the direction being set by Central Government.

Measuring our Performance: Water Supply

Strategic Priorities	Key Result Areas	Levels of Service	Performance Measure[28]	Baseline (2019/20)	2022/23 Result	2022/23 Status	2023/24 Target	2023/24 Result	2023/24 Status	Narrative Key
A clean, safe, and sustainable future drinking water supply		Provide water that is safe and pleasant to drink	Compliance with part 4 of the drinking water standards (bacteria compliance criteria)	100%	100%	Achieved	Compliant	Non-compliant	Not Achieved	A
			Compliance with part 5 of the drinking water standards (protozoal compliance criteria)	100%	100%	Achieved	Compliant	Non-compliant	Not Achieved	B
			Customer satisfaction: number of complaints regarding water clarity, taste, odour, pressure/flow, and supply	0	0	Achieved	<20 complaints per 1,000 connections	0 complaints	Achieved	
			Number of waterborne disease outbreaks	0	0	Achieved	0	0 outbreaks	Achieved	

28 The majority of the Water Supply Performance Measures in the 2021-31 Long Term Plan were set in accordance with the Non-Financial Performance Measures Rules 2013, Water Supply (DIA Mandatory Measure). The two exceptions are “Number of events in the bulk water supply preventing the continuous supply of drinking water to consumers” and “Sufficient water is available to meet normal demand except in a drought with a severity of greater than or equal to 1 in 50 years”. These were added to cover gaps not specified in the DIA Mandatory Measures.

Strategic Priorities	Key Result Areas	Levels of Service	Performance Measure[28]	Baseline (2019/20)	2022/23 Result	2022/23 Status	2023/24 Target	2023/24 Result	2023/24 Status	Narrative Key
Reduce water demand to support a sustainable water supply to avoid unnecessary investment in significant new water supply infra-structure	Support the reduction of the overall bulk water supply to the four metro-politan cities by 25 percent by 2030	Provide a con-tinuous and secure bulk water supply	Average consumption of drinking water per day per resident within the TA districts	369.8 L/d/p	398 L/p/d	Not Achieved	<375 L/d/p	409L	Not Achieved	C
			Maintenance of the reticu-lation network: Percentage of real water loss from the networked reticulation system	0.07%	0.03%	Achieved	+/- 2.5%	0.08%	Achieved	
			Response times to attend urgent call-outs in response to a fault or unplanned interruption to the network reticulation system	Time to reach site: 0 min	0 min-utes (no urgent call-outs)	Achieved	Time to reach site: <90 min	0 minutes (no urgent call-outs)	Achieved	
				Time to confirm resolution: 0 hours	0 hours (no urgent call-outs)	Achieved	Time to confirm resolution: <8 hours	0 hours (no urgent call-outs)	Achieved	
			Response times to attend non-urgent call-outs in response to a fault or un-planned interruption to the network reticulation system	Time to reach site: 0.9 hours	0 hours (no non-ur-gent call-outs)	Achieved	Time to reach site: <72 hours	0 hours (no non-urgent call-outs)	Achieved	
				Time to confirm resolution: 1.25 days	0 days (no non-ur-gent call-outs)	Achieved	Time to confirm resolution: <20 days	0 days (no non-urgent call-outs)	Achieved	
			Number of events in the bulk water supply pre-venting the continuous supply of drinking water to consumers	0 events	0 events	Achieved	0 events	0 events	Achieved	
			Sufficient water is available to meet normal demand except in a drought with a severity of greater than or equal to 1 in 50 years	6.9%	7.4%	Not Achieved	<2%	7.4%	Not Achieved	D

Narrative on results

A – New rules introduced by Taumata Arowai in 2022 meant that water supplied from the Waterloo Water Treatment Plant is not compliant for up to 800 Lower Hutt households located near the Water Treatment Plant. Work done to date includes looking at rezoning some properties to be supplied from other areas of the network by constructing new assets including pipes, valves and pump stations. Work is ongoing and may take up to two years. In the interim, Wellington Water Limited is continuing to monitor drinking water from the bores supplied from the Waiwhetu aquifer, as well as at the Waterloo Water Treatment Plant and locations within the drinking water network. The results show the water is safe to drink.

B – Installation of ultra-violet light sterilisers enabled bulk water treatment to meet 100 percent of the protozoal compliance criteria, however there was a spike in turbidity at the Wainuiomata Water Treatment Plant on 11 March 2024 that exceeded the maximum allowable time by one minute, meaning that the plant was non-compliant on that day, and therefore, we did not meet our target for full compliance for the year.

C – Per capita demand increased by 2.7 percent year-on-year, however, demand began to fall across the Wellington Metropolitan area in April 2024 for the first time since October 2020. This is primarily due to the increased investment from city councils in leak repairs in the second half of 2023/24, as well as efforts from residents and businesses to manage and reduce water use through the peak summer period, curbing the increase over the prior year.

D – As of 30 June 2024, the Wellington Metropolitan water supply is able to meet unrestricted demand in a 1 in 10-year event (10.5 percent per annum likelihood of shortfall). This is a slight deterioration on last year's result, primarily due to a small increase in the estimated population. While further work is needed to keep water in the pipes by reducing water loss and replacing old infrastructure, Greater Wellington is primarily responsible for bulk water supply. Completion of the Te Mārua Water Treatment Plant capacity upgrade project is required to return the Region to within the target level of service for drought resilience.

Tā te Kaunihera Rōpū me ngā Mahi Haumi

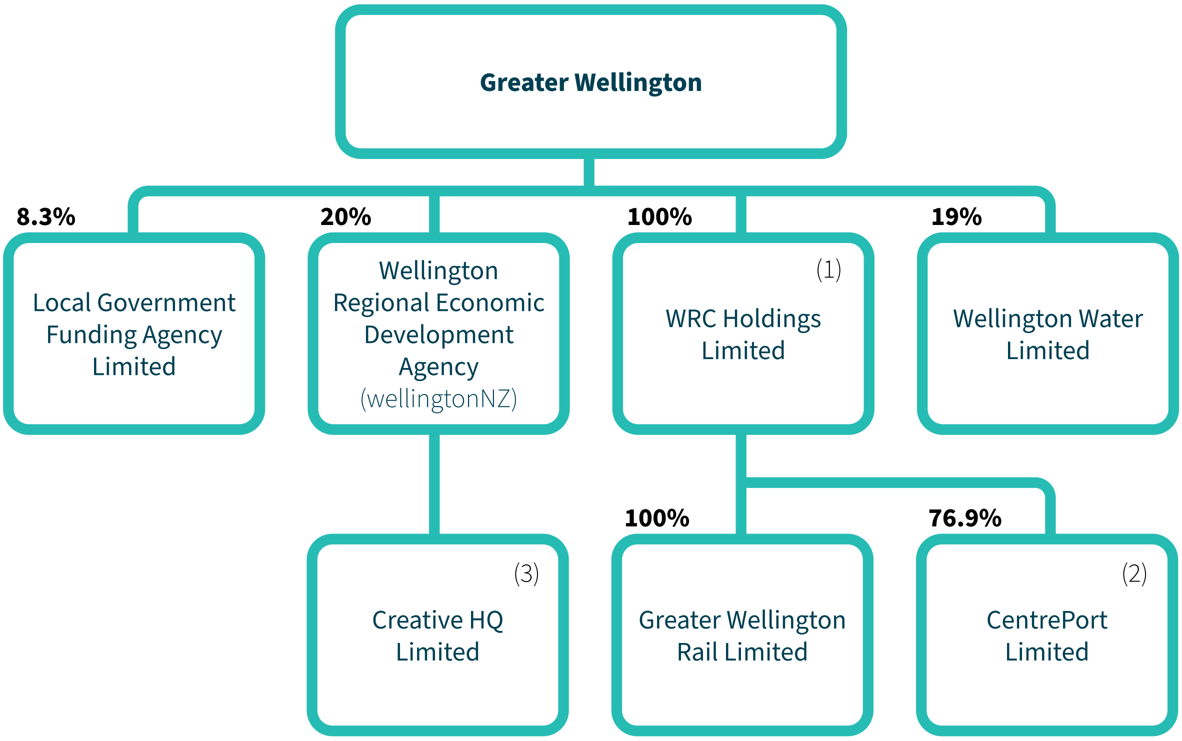
Council Controlled Organisations and Investments

Tā te Kaunihera Rōpū me ngā Mahi Haumi

Council Controlled Organisations and Investments

Greater Wellington has a number of subsidiary entities that deliver services to the Region. These subsidiaries are "council organisations" as defined in the Local Government Act 2002 (section 6.)

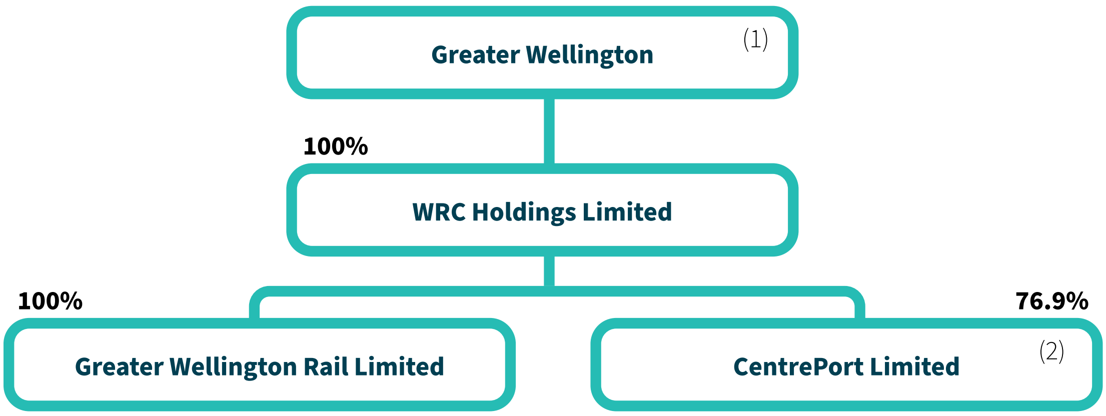
For further descriptions of Greater Wellington's Council Controlled Organisations (CCOs), Council Controlled Trading Organisations (CCTOs), Council Organisations (COs) and Investments, please see pages 99-111 of the 2021-31 Long Term Plan.



(1) Council Controlled Trading Organisation in accordance with the Local Government Act 2002
(2) Commercial Port Company pursuant to the Port Companies Act 1988 and not a Council Controlled Organisation in accordance with the Local Governance Act 2002
(3) Council Controlled Organisation in accordance with the Local Government Act 2002

WRC Holdings Group

Greater Wellington has established the following equity investments in the WRC Holdings Group:



1) Council Controlled Trading Organisation in accordance with the Local Government Act 2002
2) Commercial Port Company pursuant to the Port Companies Act 1988 and not a Council Controlled Organisation in accordance with the local Governance Act 2002

WRC Holdings Limited is Council's investment holding company. The primary objectives of WRC Holdings Limited are to support Greater Wellington's strategic vision and operate successful, sustainable and responsible businesses, manage its assets prudently and, where appropriate, provide a commercial return. It has adopted policies that prudently manage risks and protect the investment.

The main operating companies in the Group are Greater Wellington Rail Limited and CentrePort Limited. Each year WRC Holdings Limited provides to Greater Wellington, as 100 percent shareholder, a Statement of Intent for the WRC Holdings Group.

WRC Holdings Group financial performance targets

	Actual 2024 $'000	Target 2024 $'000	Actual 2023 $'000
Net (deficit) / surplus before tax	(225)	(30,500)	(20,902)
Net (deficit) / surplus after tax	3,401	(29,733)	(16,513)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	34,617	25,121	17,738
Return on Shareholder's equity	(0.31)%	(3.50)%	(2.50)%
Return on total assets	(0.37)%	(3.10)%	(2.00)%
Shareholders equity to total assets	81%	80.00%	80.00%
Dividends	2,400	2,300	2,400

Directors of WRC Holdings and its subsidiaries for the 2023/24 financial year (excluding CentrePort Limited) are:

- C Kirk Burnnand (Chairperson), 20 November 2019
- D Lee, 24 November 2022
- T Nash, 24 November 2022
- D Bassett, 24 November 2022
- L E Elwood, 01 October 2023
- R M Evans, 01 October 2023
- A J Hare, 01 October 2023
- H K Modlik, 01 October 2023
- N S W Ward, 24 June 2019 (ceased 1 October 2023)
- N O Leggett, 12 October 2017(ceased 1 October 2023)
- H M Mexted, 24 June 2019 (ceased 1 October 2023)

Greater Wellington Rail Limited

Greater Wellington Rail Limited (GWRL) is owned by WRC Holdings Limited. All capital purchases are funded via issuance of shares from WRC Holdings. The board of GWRL has external directorships providing advice and expertise, common with WRC Holdings Limited. GWRL is asset holding (rolling stock and rail infrastructure) and contracts out the maintenance of these assets. GWRL is wholly owned by WRC Holdings Limited who in turn is wholly owned by Greater Wellington.

GWRL owns Greater Wellington's investments in metro rail assets, which include:

Rolling Stock

- 18 SW Carriages
- 6 SE Carriages
- 1 AG Luggage Van
- 2 Remote controlled electric Shunt crabs
- 83 2 Car Matangi units
- 1 Matangi driving simulator

Infrastructure Assets

- Thorndon electric multiple unit (EMU) depot and EMU train wash Metro wheel lathe and building
- 48 Railway stations
- 14 Pedestrian over-bridges
- 11 Pedestrian underpasses
- A range of carparks, station improvements and ancillary rail related assets.

GWRL non-financial performance targets

	2023/24 Result	2023/24 Target	2022/23 Result
CUSTOMER SATISFACTION WITH RAIL ASSETS			
Percentage of passengers who are satisfied with their current trip	92%	≥93%	94%
Percentage of customers who are satisfied with the condition of the station	92%	94%	90%
Percentage of customers who are satisfied with the inside temperature of vehicles	95%	≥93%	93%
Percentage of passengers who are satisfied with the condition of the vehicle fleet	95%	94%	96%
Percentage of passengers who are satisfied with overall station	95%	≥92%	94%
Percentage of customers who are satisfied with the cleanliness of the trains	91%	≥91%	89%
Percentage of passengers who are satisfied with provision of shelter from weather at shelter/station	84%	≥84%	84%
Percentage of customers who are satisfied with their personal safety at station	92%	≥93%	91%
Percentage of passengers who are satisfied with information about service delays or disruptions	60%[29]	≥73%	53%
ROLLING STOCK – ASSET MANAGEMENT[30]			
Matangi Mean Distance between failure	64,045 km	≥40000 km	66,529 km
Carriage Mean distance between failure	124,489 km	≥80000 km	95,446 km
RAIL FIXED ASSET – ASSET MANAGEMENT			
Percentage of pedestrian bridges and subways which meet at least 67% of NBS earthquake rating	30% (Reports available for 7 out of 23 assets)[31]	100%	79%[32]
Percentage of stations with CCTV coverage	96%	96%	96%
Average condition grade of:			
Station buildings and shelter	2.2	≤2.5	1.5
Structures (subways & bridges)	1.9	≤2.5	2.4
Park & Ride	2.0	≤2.5	2.1
Percentage of assets in condition grade 4 (Poor) or worse:[33]			
Station buildings and shelter	10.8%[34]	≤5.0%	1.0%
Structures (subways & bridges)	8.0%[35]	≤8.0%	5.4%
Park & Ride	4.2%	≤8.0%	5.0%

29 The 2022/23 survey question was 'Satisfaction with information about Delays and Disruptions'
30 Failure is defined as 'an event requiring unplanned maintenance' and the mean distance is based on a 12 Month Rolling Average. This definition applies to Matangi and Carriage mean distance between failure.
31 Whilst we are confident that the majority of pedestrian bridges and subways meet at least 67% of NBS and we have done work to strengthen these assets, we are in the process of locating the post-project documentation that would confirm this. As such, the 30% reflects only the number of structures for which we have reports (7 out of 23 assets). We expect to have updated information for 2024-25.
32 The addition of the new Trentham Subway into the asset population saw an improved result in 2022/23 compared to 2021/22, however the 2022/23 target was not met due to seismic strengthening work underway not being completed at Epuni and Taita by 30 June 2023.
33 Conditional grade score – 1: Is very good condition and, 5: very poor condition requiring replacement.
34 The actual result is above target due to the current condition of Waterloo station.
35 Petone and Taita Subways as both are under construction and schedule to be completed in September 2024.

GWRL financial performance targets

	2024 Actual	2024 Target	2023 Actual
Operating expenditure ($ million)	48.3	67.5	53.7
Capital expenditure ($ million)	19.0	26.0	19.1
Shareholder fund to total asset*	82.6%	81.9%	81.5%

* Shareholders' Funds (or equity) is defined as the total issued capital plus the balance of undistributed profits and capital reserves.

* Total Assets are defined as all the recorded current and noncurrent assets of GWRL at their current value as determined by the GWRL's Accounting Policies.

CentrePort Limited (CPL)

CPL is a Port Company under the Port Companies Act 1988. WRC Holdings holds the shares of CPL. CPL is a commercial organisation and is run by an independent board of directors, unrelated to the Council. CPL provides a commercial return to WRC Holdings Limited by way of dividends.

CPL financial performance targets

	2024 Actual $'000	2024 Target $'000	2023 Actual $'000
Net profit before tax	**31,920**	**16,421**	15,500
Net profit after tax (1)	**28,891**	**12,019**	12,000
Return on total assets (2)	**5.85%**	**3.31%**	2.1%
Return on equity (3)	**6.54%**	**3.51%**	2.5%
Dividend as a % of underlying net profit after tax before earthquake impacts and changes in fair value	**24.23%**	**54.08%**	50.3%
Dividend	**7,000**	**6,500**	6,000

(1) Underlying net profit after tax before earthquake impacts and changes in fair value includes abnormal Items.

(2) Return on assets = earnings before interest, tax, earthquake impacts, and changes in fair value divided by the average opening and closing non current assets.

(3) Return on equity = underlying net profit after tax before earthquake impacts and changes in fair value divided by the average opening and closing total equity.

The Statement of Corporate Intent (SCI) targets are from the SCI for the financial years ended 30 June 2024 to 2026 which was approved for issue in June 2023.

CPL non-financial performance targets

Objective	Performance measure	2024 Actual	2024 Target	2023 Actual
A zero-harm workplace	Lost Time Injury Frequency (per 200,000 hours worked)	0.97	≤ 2.5	1.7
	Lost Time Injury Severity (per 200,000 hours worked)	1.44[36]	≤ 7.95	6.17
	bSafe reports (incidents and near miss reports)	3%[37]	≤ 4.95%	4.3%
	Standard operating procedures (SOPs) reviewed and updated	99.4%[38]	≥ 92.5%	100%
Improve health and safety, staff wellbeing and engagement at work	Health & Safety and employee engagement culture surveys – score improving every survey (18 months)	Achieved	Improvement on FY21 result	Improvement on FY21 result
Increase gender diversity	Overall gender balance (F/M); ELT gender balance (F/M); Board gender balance (F/M)	17%/83% All; 14%/86% ELT; 37%/67% Board.	Improve on 2023	18%/82% All; 14%/86% ELT; 40%/60% Board.
Improved productivity across port	Gross crane rate (as measured by Ministry of Transport)	29.1[39]	30.0	29.6
Manage the safety of marine activities	Marine activities conducted in accordance with the current Port and Harbour Marine Safety Code (PHSC)	Achieved	100% compliance	100% compliance
	100% of new tasks or newly identified hazards risk assessed in collaboration with the Wellington Harbourmaster team	Achieved	100% compliance	100% compliance

36 The Lost Time Injury Severity Rate and Lost Time Injury Frequency Rate reduced notably over the last twelve months with CentrePort's performance dropping into the range of good practice according to ILO standards for injury severity and incident rates highlighting the value of the Te Whare Tapa Whã programme and return to work rehabilitation programmes implemented three years ago.

37 bSafe's raised resulting from injury were below the upper KPI threshold and showed continued reduction in the number of physical harm events to people over the past 12 months, emphasising the importance of the work CentrePort has done in encouraging early reporting of minor workplace incidents and hazards.

38 Close to 100% of the SOPs reviewed on time with one non-critical SOP left to review by the end of June and completed in July 2024. It is noted that overall, the year results observed 100% achievement of SOP with the defined timelines. This is a significant achievement on the previous year's results and reflects the work done by CentrePort to ensure procedures and systems supporting this process have been streamlined and applied consistently with regular monitoring and reporting across the business.

39 Note that for Q4 CentrePort were the third for Crane Rate in New Zealand following Lyttleton and Tauranga.

Objective	Performance measure	2024 Actual	2024 Target	2023 Actual
Operate in a sustainable manner	Net zero emissions by 2040. 30% emission reduction by 2030 relative to 2019 (excluding growth)	FY24 scope 1 and 2 emissions slightly higher than FY23 but remain 37% below FY19 baseline. Emission Reduction Plan update deferred to FY25.	Complete an update to CPL's Emission Reduction Plan to drive alignment	30.6% reduction
	Low Emission Infrastructure and Energy to drive lower Scope 3 emissions	The fuel bunker barge is now operating. Embedded solar energy on Shed 39 complete. Business Planning complete for remainder of Stage 1 and initial work gone into further stages.	Begin procurement for Stage 1 Kings Wharf Microgrid. Start Bunker Barge operation Overall energy investment Business Planning to drive low emission supply chain	N/A
Improve biodiversity	Create further partnerships to drive enhanced biodiversity with key stakeholders	New relationships with VUW and Mountains to Sea underway including support for marine biodiversity research. Existing partnership with Zealandia and Sanctuary to Sea enhanced.	Partnership agreed to improve harbour biodiversity	N/A
Urban and City Integration	Inner Harbour Precinct	Achieved Achieved	Precinct master plan stakeholder engagement Interim opportunities engagement	Start Inner Harbour Precinct development, stakeholder engagement.
Financial performance	Group EBITDA	$25.9m	$26.0m	$22.3
	Underlying Net Profit After Tax	$28.9m	$13.0m	$11.9
	Underlying NPAT Return on Group Equity	3.0%	2.7%	2.5%
	Dividend	$7m	$6.5m	$6.0m

Objective	Performance measure	2024 Actual	2024 Target	2023 Actual
Infrastructure Investments	Seaview Wharf Renewal	Project continues with main wharf and dolphin piling completed, structural elements separated, and gravity clamps installed. These elements immediately contribute to improved resilience to the fuel manifold. New mooring and berthing dolphins' construction continues. Resilience work is due for completion in late 2025 to provide a resilient fuel berth and transfer facility.	Continue Seaview Wharf Renewal seismic resilience and start berthing improvements	Seaview Wharf Renewal continued, with pilling now completed on Phase 1A and 1A+, which are the Main Wharf head and main wharf extension. Progress made Phase 1B and construction due to start this year. Progress with the fuel industry is still slower than expected due to changes in the industry
	Ground Resilience and AQ 2/3 Seawall Resilience	Ground Resilience works complete. Over 10,000 stone columns have been installed to the port perimeter along with transitional paving to minimise potential effect of differential settlement following an earthquake. AQ 2/3 deferred.	Complete Ground Resilience and detailed planning of AQ 2/3 seawall repairs	Ground Resilience of Main Thorndon Reclamation progression in line with expectations. Area 5 completed and remainder progressing in line with expectations.
	Underground infrastructure and Pavements strategy	CentrePort continues early engagement with regulators and specialists to prepare for its 2028 consent changes. Information gathering is complete, and monitoring continues to provide the baseline conditions against which stormwater solutions can be measured.	Continue and increase the information gathering which will inform detailed planning for stormwater debris management.	CentrePort have partnered with Cheal consultants who successfully delivered the stormwater treatment plant for Eastland Port, which is considered as the gold standard of stormwater treatment plants for New Zealand Ports.
	KiwiRail Single User Terminal (SUT)	Note that in December 2023 the Government declined to provide further funding to KiwiRail for their Single User Terminal (SUT). As a result, KiwiRail cancelled their SUT project citing a lack of funding. CentrePort continues to work with KiwiRail, the government and other key stakeholders to determine a pathway forward for Cook Strait ferry operations and associated port infrastructure.	Finalise and sign detailed transaction documents, (subject to KiwiRail project funding.) Work with KiwiRail to progress development of Single User Terminal.	Multi User Ferry Terminal Precinct preferred option developed and ongoing monitoring of KiwiRail SUT design and possible impacts on preferred solution. Key Commercial Terms with KiwiRail signed in December 2022. Working to develop and sign detailed transaction documents. Progress slowed by KiwiRail's funding challenges. CentrePort continue to support KiwiRail with design development and construction procurement.

Wellington Regional Economic Development Agency (WellingtonNZ)

WellingtonNZ was established in late 2014. It is owned jointly by Wellington City Council and Greater Wellington. The ownership reflects the proportion of funding by the two shareholding councils. It is run by an independent board of directors. WellingtonNZ is the key agency for economic development in the region, combined with tourism, venues and major events management for Wellington city.

WellingtonNZ performance targets

The performance targets for WellingtonNZ are set through their 2023/24 Statement of Intent. Results against the 2023/24 year will be published in their Annual Report by the end of September 2024.

Wellington Water Limited (WWL)

WWL was established in September 2014. It is run by an independent board of directors and is accountable to the Wellington Water Committee – a joint committee of elected representatives from each of the shareholding councils and mana whenua representatives. WWL manages water supply activities, delivers capital works programmes and provides councils with asset management and planning advice. WWL manages Greater Wellington's bulk water supply function. They manage local supply, storm-water and waste-water service delivery for five of the territorial authorities in the Wellington Region.

WWL performance targets

Wellington Water Limited's performance measures are set out in the Water Supply section of the 2021-31 Long Term Plan and performance targets for the 2023/24 year are set through Wellington Water Limited's 2023/24 Statement of Intent. Wellington Water Limited's performance against these measures can be found in the Water Supply section of this report, as well as in Wellington Water Limited's 2023/24 Annual Report, available on their website.

Council Organisations

Predator Free Wellington Limited (PFW)

PFW is a charitable company established in 2018 to implement the Predator Free Wellington Project. Greater Wellington, together with Wellington City Council, holds 49 percent of the total shares (24.5 percent each). NEXT Foundation holds the remaining shares in the PFW (51 percent).

Civic Financial Services Limited

Greater Wellington has a minor equity interest in Civic Financial Services Limited. This investment is owned directly by Greater Wellington rather than via the WRC Holdings Group.

Local Government Funding Agency (LGFA)

Greater Wellington is a founding shareholder in the Local Government Funding Agency (LGFA). The LGFA was established by statute in December 2011 and Greater Wellington has subscribed to $1,866,000 of shares in the LGFA. The LGFA assists local authorities with their wholesale debt requirements by providing funds at better rates than are available directly in the marketplace.

Greater Wellington sources term debt requirements from the LGFA and receives an annual dividend. As part of the arrangement, Greater Wellington has guaranteed the debt obligations of the LGFA, along with the other shareholders of the LGFA, in proportion to its level of rates revenue. Greater Wellington believes the risk of this guarantee being called on is extremely low, given the internal liquidity arrangements of the LGFA, the lending covenants of the LGFA and the charge over rates the LGFA has from all Councils borrowers.

Wellington Regional Stadium Trust (Sky Stadium)

Sky Stadium[40] is a regional facility which provides a high quality, multi-purpose venue for sporting and cultural events. Greater Wellington appoints one of its Councillors to the Wellington Regional Stadium Trust and jointly with Wellington City Council appoints other trustees. Greater Wellington also monitors the trust's performance against its Statement of Trustees Intent.

40 Wellington Regional Stadium Trust was established under the Wellington Regional Council (Stadium Empowering) Act 1996 and is a self-contained statutory body. While it is not a Council Organisation under the Local Government Act 2002, it is treated consistently with organisations that are Council Organisations.

Investments

Greater Wellington has a significant portfolio of investments, comprising: liquid financial deposits, administrative properties (e.g. depots), forestry, equity investments in the WRC Holdings Group (including CentrePort Limited), rail rolling stock and related assets.

Greater Wellington's approach in managing investments is to balance risk against maximising returns. We recognise that as a responsible public authority, investments should be held for the long-term benefit of the community, with any risk being managed appropriately. We also recognise that lower risk generally means lower returns. From a risk management point of view, Greater Wellington is well aware that investment returns to the rate line are exposed to the success or otherwise of two main investments – the WRC Holdings Group (including CentrePort Limited) and our liquid financial deposits. Investments offset the need for rates revenue. Regional rates would need to be higher without the revenue from Greater Wellington's investments.

Treasury management

Greater Wellington's treasury management is carried out centrally to maximise our ability to negotiate with financial institutions. We then on-lend these funds to activities that require debt finance. This allows the true cost of debt funding to be reflected in the appropriate areas. The surplus is used to offset regional rates.

Liquid financial deposits

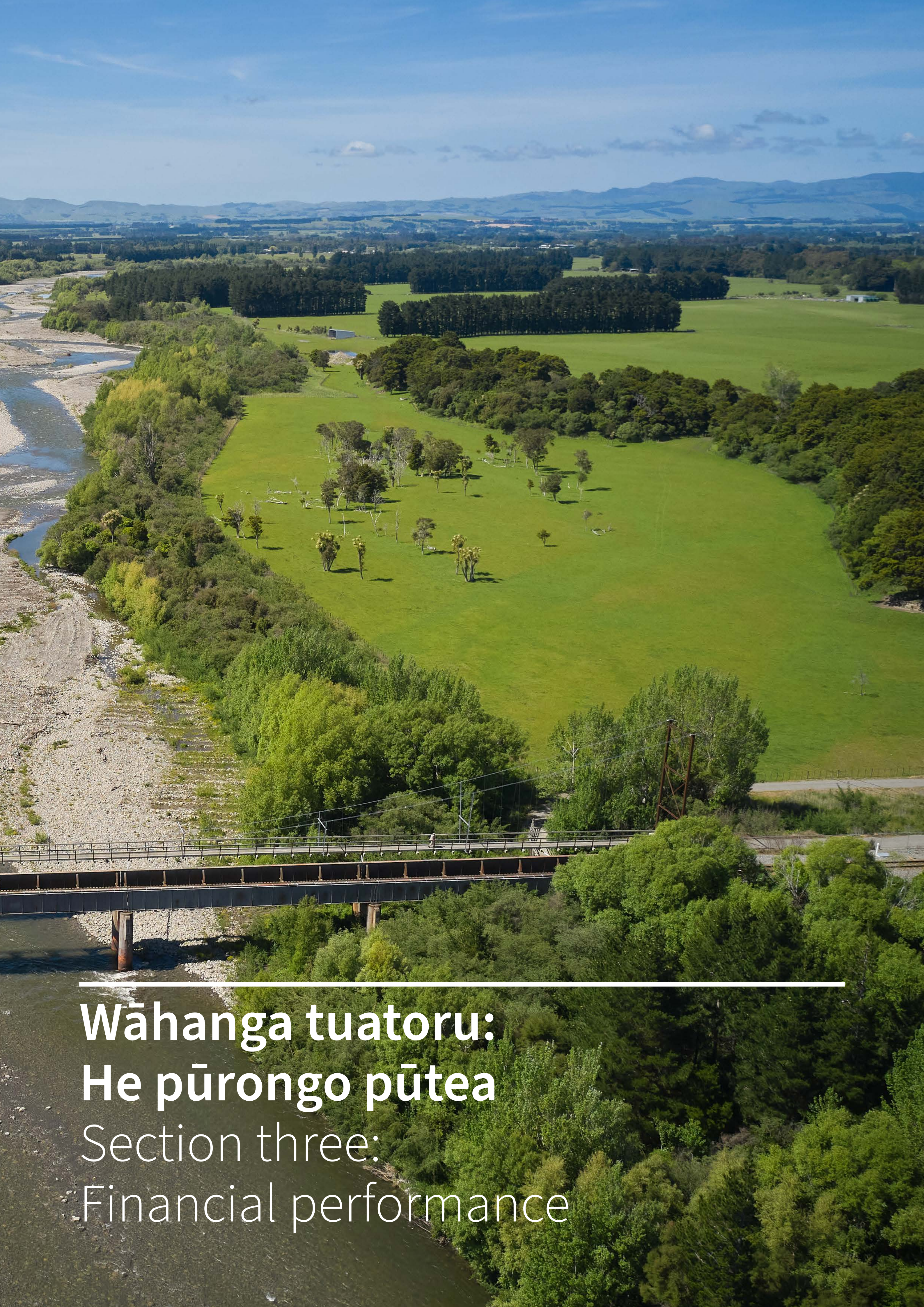
Greater Wellington holds $33 million in liquid financial deposits as a result of selling our interest in CentrePort Limited to our wholly owned subsidiary (WRC Holdings Limited). We regularly review the rationale for holding these liquid financial deposits, taking into account the general provisions of our Treasury Management Policy, including our attitude to risk, creditworthy counterparties, and need to hold liquidity to meet liquidity covenants to maintain our high credit rating.

Administrative properties

Our interests in the Upper Hutt and Mabey Road depots are grouped to form an investment category, Administrative Properties.

Forestry

Greater Wellington and our predecessor organisations have been involved in forestry for many years, primarily for soil conservation and water quality purposes. The organisation holds 6,000ha of forested land, of which about 4,000ha is in the western or metropolitan part of the region, with the remaining 2,000ha in Wairarapa. The cutting rights to these forests were sold for a period of up to 60 years in the 2013/14 year. Our overall investment policy with regard to forestry is to maximise long-term returns while meeting soil conservation, water quality and recreational needs.



Wāhanga tuatoru: He pūrongo pūtea

Section three: Financial performance


Rūma arotahi
Focus room
2.06

He Tauākī Pūtea a Te Pane Matua Taiao mō ngā Hua

Activity Group Funding Impact Statements

Ko te Haumaru Taio me te waipuke
Environment and Flood Protection

FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE 2024

	Actual 2024 $'000	Annual Plan 2024 $'000	Long-term Plan 2024 $'000	Actual 2023 $'000	Long-term Plan 2023 $'000
Sources of operating funding					
General rate	73,721	73,700	68,224	63,797	62,640
Targeted rates	12,744	12,745	11,578	9,657	10,632
Subsidies and grants for operating purposes	4,733	3,160	1,602	5,724	3,391
Interest and dividends from investments	543	422	-	338	-
Fees and charges	2,637	3,587	9,692	5,654	7,998
Fines, infringement fees, and other receipts 1	13,491	24,275	8,371	14,058	10,697
Total operating funding	**107,869**	**117,889**	**99,467**	**99,228**	**95,358**
Applications of operating funding					
Payments to staff and suppliers	(79,267)	(70,581)	(66,739)	(69,683)	(61,961)
Finance costs	(9,738)	(11,076)	(5,963)	(5,607)	(5,785)
Internal charges and overheads applied	(22,788)	(23,092)	(18,311)	(21,203)	(17,914)
Total applications of operating funding	**(111,793**	**(104,749)**	**(91,013)**	**(96,493)**	**(85,660)**
Surplus/(deficit) of operating funding	**(3,924)**	**13,140**	**8,454**	**2,735**	**9,698**
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	5,789	-
Increase (decrease) in debt	27,595	58,226	5,174	33,787	30,261
Gross proceeds from sale of assets	(25)	-	7,646	521	288
Other dedicated capital funding	21,530	10,000	-	-	-
Total sources of capital funding	**49,100**	**68,226**	**12,820**	**40,097**	**30,549**
Applications of capital funding					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	(41,889)	(67,464)	(17,477)	(38,431)	(34,715)
- to replace existing assets	(1,751)	(3,913)	(3,717)	(4,820)	(5,274)
Increase (decrease) in reserves	(1,098)	(9,367)	178	(431)	(7)
Increase (decrease) of investments	(438)	(622)	(258)	850	(251)
Total applications of capital funding	**(45,176)**	**(81,366)**	**(21,274)**	**(42,832)**	**(40,247)**
Surplus/(deficit) of capital funding	**3,924**	**(13,140)**	**(8,454)**	**(2,735)**	**(9,698)**
Surplus/(deficit) of funding	**-**	**-**	**-**	**-**	**-**
Depreciation on assets	11,489	4,782	6,872	6,671	6,170

FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE 2024

	Actual 2024 $'000	Annual Plan 2024 $'000	Long-term Plan 2024 $'000	Actual 2023 $'000	Long-term Plan 2023 $'000
Sources of operating funding					
Flood protection and control works	33,314	44,999	29,347	27,633	28,585
Regional parks	10,645	9,882	8,971	8,724	8,673
Resource management	31,786	31,139	29,947	29,893	28,347
Land management	15,692	10,784	12,098	11,051	12,291
Biodiversity management	5,286	8,505	7,666	8,737	6,789
Pest management	8,538	9,919	8,659	10,583	7,972
Harbour management	2,608	2,661	2,779	2,607	2,701
Total operating funding	**107,869**	**117,889**	**99,467**	**99,228**	**95,358**
Applications of operating funding					
Flood protection and control works	(32,903)	(28,238)	(23,650)	(25,274)	(21,382)
Regional parks	(13,196)	(12,562)	(7,697)	(7,644)	(7,522)
Resource management	(34,053)	(31,937)	(28,794)	(31,033)	(27,223)
Land management	(15,153)	(10,805)	(11,941)	(11,266)	(12,118)
Biodiversity management	(5,635)	(8,515)	(7,632)	(8,239)	(6,773)
Pest management	(8,191)	(10,056)	(8,600)	(9,949)	(8,015)
Harbour management	(2,662)	(2,636)	(2,699)	(3,088)	(2,627)
Total applications of operating funding	**(111,793)**	**(104,749)**	**(91,013)**	**(96,493)**	**(85,660)**
Surplus/(deficit) of operating funding	**(3,924)**	**13,140**	**8,454**	**2,735**	**9,698**
Capital expenditure					
Capital Projects	38,922	71,103	20,027	30,802	38,862
Land and Buildings	4,231	-	-	12,449	-
Plant and Equipment	478	274	151	-	165
Vehicles	9	-	1,016	-	962
Total capital expenditure	**43,640**	**71,377**	**21,194**	**43,251**	**39,989**

Ngā Waka Tūmatuanui
Metlink Public Transport

FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE 2024

	Actual 2024 $'000	Annual Plan 2024 $'000	Long-term Plan 2024 $'000	Actual 2023 $'000	Long-term Plan 2023 $'000
Operating funding					
Targeted rates	114,492	113,009	112,300	90,574	92,354
Subsidies and grants for operating purposes	151,839	126,746	117,537	188,418	107,475
Fees and charges	64,794	108,265	106,123	37,712	100,934
Fines, infringement fees, and other receipts	4,523	6,844	4,128	5,459	4,143
Total operating funding	**335,648**	**354,864**	**340,088**	**322,163**	**304,906**
Applications of operating funding					
Payments to staff and suppliers	(309,905)	(302,926)	(294,953)	(277,800)	(270,725)
Finance costs	(13,813)	(13,332)	(9,406)	(9,376)	(9,623)
Internal charges and overheads applied	(17,072)	(18,768)	(15,531)	(16,872)	(15,195)
Total applications of operating funding	**(340,790)**	**(335,026)**	**(319,890)**	**(304,048)**	**(295,543)**
Surplus/(deficit) of operating funding	**(5,142)**	**19,838**	**20,198**	**18,115**	**9,363**
Sources of capital funding					
Subsidies and grants for capital expenditure	18,364	21,065	35,119	17,838	28,075
Increase (decrease) in debt	18,709	17,198	7,658	(1,665)	13,281
Gross proceeds from sale of assets	-	-	-	-	10
Total sources of capital funding	**37,073**	**38,263**	**42,777**	**16,173**	**41,366**
Applications of capital funding					
- to meet additional demand	-	(224)	(222)	-	-
- to improve the level of service	(2,882)	(7,383)	(11,296)	(5,157)	(5,738)
- to replace existing assets	(9,294)	(20,467)	(24,372)	(12,375)	(31,160)
Increase (decrease) in reserves	(683)	(4,000)	(27,045)	1,720	4,194
Increase (decrease) of investments	(19,072)	(26,027)	(40)	(18,476)	(18,024)
Total capital expenditure	**(31,931)**	**(58,101)**	**(62,975)**	**(34,288)**	**(50,728)**
Surplus/(deficit) of capital funding	**5,142**	**(19,838)**	**(20,198)**	**(18,115)**	**(9,363)**
Surplus/(deficit) of funding	**-**	**-**	**-**	**-**	**-**
Depreciation on assets	5,648	4,907	10,881	4,773	7,299

FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE 2024

	Actual 2024 $'000	Annual Plan 2024 $'000	Long-term Plan 2024 $'000	Actual 2023 $'000	Long-term Plan 2023 $'000
Sources of operating funding					
Strategy and Customer	24,347	9,529	8,600	13,829	4,470
Operations and Commercial Relationships	205,687	222,849	272,444	214,300	244,343
Assets and Infrastructure	105,614	122,486	59,044	94,034	56,092
Total operating funding	**335,648**	**354,864**	**340,088**	**322,163**	**304,905**
Applications of operating funding					
Strategy and Customer	(15,719)	(8,443)	(6,556)	(8,190)	(3,487)
Operations and Commercial Relationships	(230,517)	(217,841)	(270,909)	(208,115)	(250,791)
Assets and Infrastructure	(94,554)	(108,742)	(42,425)	(87,743)	(41,264)
Total operating funding	**(340,790)**	**(335,026)**	**(319,890)**	**(304,048)**	**(295,543)**
Surplus/(deficit) of operating funding	**(5,142)**	**19,838**	**20,198**	**18,115**	**9,363**
Investment in Greater Wellington Rail Limited					
Rail operations and asset management	19,072	26,027	27,045	18,476	18,024
Total investment expenditure	**19,072**	**26,027**	**27,045**	**18,476**	**18,024**
Public transport network and infrastructure	12,176	28,074	35,890	17,532	36,858
Vehicles	-	-	-	-	40
Total capital expenditure	**12,176**	**28,074**	**35,890**	**17,532**	**36,898**
Total Investment in Public Transport Infrastructure	**31,248**	**54,101**	**62,935**	**36,008**	**54,922**

Ko te Mahere ā-Rohe me Ngā Rangapū
Regional Strategy and Partnerships

FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE 2024

	Actual 2024 $'000	Annual Plan 2024 $'000	Long-term Plan 2024 $'000	Actual 2023 $'000	Long-term Plan 2023 $'000
Sources of operating funding					
General rates, uniform annual general charge	16,360	16,490	16,446	13,692	14,158
Targeted rates	5,833	5,844	7,955	5,985	7,255
Subsidies and grants for operating purposes	4,136	2,600	1,591	3,686	1,507
Fees and charges	19	20	19	17	19
Local authorities fuel tax, fines, infringement fees, and other receipts	5,815	4,734	3,833	5,590	3,785
Total operating funding	**32,163**	**29,688**	**29,844**	**28,970**	**26,724**
Applications of operating funding					
Payments to staff and suppliers	(31,838)	(43,987)	(47,737)	(28,173)	(39,931)
Finance costs	(1,377)	(1,581)	(1,981)	(290)	(1,531)
Internal charges and overheads applied	(5,595)	(6,031)	(90)	(4,826)	(87)
Total applications of operating funding	**(38,810)**	**(51,599)**	**(49,808)**	**(33,289)**	**(41,549)**
Surplus/(deficit) of operating funding	**(6,647)**	**(21,911)**	**(19,964)**	**(4,319)**	**(14,825)**
Sources of capital funding					
Subsidies and grants for capital expenditure	-	113	133	-	57
Increase (decrease) in debt	5,009	20,905	18,624	14,610	15,073
Gross proceeds from sale of assets	139	-	-	-	31
Total sources of capital funding	**5,148**	**21,018**	**18,757**	**14,610**	**15,161**
Applications of capital funding					
- to meet additional demand	-	-		-	-
- to improve the level of service	(46)	(200)	(277)	(105)	(228)
- to replace existing assets	(91)	(15)	1,582	(313)	239
Increase (decrease) in reserves	1,636	1,108	(98)	(9,873)	(347)
Increase (decrease) of investments	-	-		-	
Total application of capital funding	**1,499**	**893**	**1,207**	**(10,291)**	**(336)**
Surplus/(deficit) of capital funding	**6,647**	**21,911**	**19,964**	**4,319**	**14,825**
Surplus/(deficit) of funding	**-**	**-**	**-**	**-**	**-**
Depreciation on assets	62	67	603	83	596

FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE 2024

	Actual 2024 $'000	Annual Plan 2024 $'000	Long-term Plan 2024 $'000	Actual 2023 $'000	Long-term Plan 2023 $'000
Sources of operating funding					
Regional economic development	2,602	2,388	4,897	2,784	4,762
Emergency management	5,456	5,100	4,673	4,425	4,608
Democratic Services	2,781	2,795	2,779	3,164	2,863
Relationships with mana whenua and Māori	5,119	5,082	2,856	5,440	2,782
Regional transport and planning programmes	10,008	8,124	8,623	8,353	6,560
Regional integrated planning	4,921	4,921	4,278	3,590	3,731
Climate change	1,276	1,278	1,738	1,214	1,418
Total operating funding	**32,163**	**29,688**	**29,844**	**28,970**	**26,724**
Applications of operating funding					
Regional economic development	(3,163)	(1,721)	(4,896)	(1,796)	(4,761)
Emergency management	(4,911)	(5,100)	(4,673)	(4,862)	(4,572)
Democratic Services	(2,624)	(2,690)	(2,671)	(3,075)	(3,060)
Relationships with mana whenua and Māori	(5,530)	(5,187)	(2,855)	(4,856)	(2,781)
Regional transport and planning programmes	(16,364)	(30,830)	(25,526)	(12,116)	(18,588)
Regional integrated planning	(4,995)	(4,921)	(6,147)	(3,580)	(4,858)
Climate change	(1,223)	(1,150)	(3,040)	(3,004)	(2,929)
Total applications of operating funding	**(38,810)**	**(51,599)**	**(49,808)**	**(33,289)**	**(41,549)**
Surplus/(deficit) of operating funding	**(6,647)**	**(21,911)**	**(19,964)**	**(4,319)**	**(14,825)**
Capital expenditure					
Capital Projects	137	200	261	418	112
Land and Buildings	-	-	-	-	-
Plant and Equipment	-	15	16	-	17
Vehicles	-	-	-	-	99
Total capital expenditure	**137**	**215**	**277**	**418**	**228**

Ngā Puna Wai
Water Supply

FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE 2024

	Actual 2024 $'000	Annual Plan 2024 $'000	Long-term Plan 2024 $'000	Actual 2023 $'000	Long-term Plan 2023 $'000
Sources of operating funding					
General rates	-	-	-	-	-
Targeted rates	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-
Interest and dividends from investments	3,128	2,857	-	1,927	-
Local authorities fuel tax, fines, infringement fees, and other receipts	53,407	53,455	46,261	42,475	43,284
Total operating funding	**56,535**	**56,312**	**46,261**	**44,402**	**43,284**
Applications of operating funding					
Payments to staff and suppliers	(35,674)	(35,369)	(27,158)	(30,224)	(25,564)
Finance costs	(12,432)	(11,721)	(5,912)	(5,077)	(5,454)
Internal charges and overheads applied	(2,207)	(2,207)	(2,978)	(2,526)	(2,914)
Total operating funding	**(50,313)**	**(49,297)**	**(36,048)**	**(37,827)**	**(33,932)**
Surplus/(deficit) of operating funding	**6,222**	**7,015**	**10,213**	**6,575**	**9,352**
Sources of capital funding					
Increase (decrease) in debt	97,401	70,600	20,384	61,569	32,571
Gross proceeds from sale of assets	111	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding	**97,512**	**70,600**	**20,384**	**61,569**	**32,571**
Applications of capital funding					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	(66,874)	(38,300)	(11,410)	(21,597)	(14,217)
- to replace existing assets	(34,358)	(36,529)	(16,120)	(42,307)	(24,763)
Increase (decrease) in reserves	(38)	71	-	(18)	-
Increase (decrease) of investments	(2,464)	(2,857)	(3,067)	(4,222)	(2,943)
Total application of capital funding	**(103,734)**	**(77,615)**	**(30,597)**	**(68,144)**	**(41,923)**
Surplus/(deficit) of capital funding	**(6,222)**	**(7,015)**	**(10,213)**	**(6,575)**	**(9,352)**
Surplus/(deficit) of funding	**-**	**-**	**-**	**-**	**-**
Depreciation on assets	18,666	20,469	15,977	19,929	17,055
Water supply levy	53,140	53,140	45,609	42,069	42,674

FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE 2024

	Actual 2024 $'000	Annual Plan 2024 $'000	Long-term Plan 2024 $'000	Actual 2023 $'000	Long-term Plan 2023 $'000
Sources of operating funding					
Water Supply	56,535	56,312	46,261	44,402	43,284
Total operating funding	**56,535**	**56,312**	**46,261**	**44,402**	**43,284**
Applications of operating funding					
Water Supply	(50,312)	(49,297)	(36,048)	(37,827)	(33,932)
Total applications of operating funding	**(50,312)**	**(49,297)**	**(36,048)**	**(37,827)**	**(33,932)**
Surplus/(deficit) of operating funding	**6,222**	**7,015**	**10,213**	**6,575**	**9,352**
Capital Expenditure					
Water Sources	-	-	-	-	-
Water treatment plants	66,082	30,482	19,956	16,417	16,886
Pipelines	31,382	42,651	2,279	45,491	15,726
Pump Stations	1,672	604	1,351	1,424	3,275
Reservoirs	735	875	15	51	810
Monitoring and Control	1,231	217	1,627	521	1,076
Seismic protection	-	-	2,243	-	1,149
Other projects	-	1,149	-	-	-
Land and Buildings	-	-	-	-	-
Plant and Equipment	-	-	59	-	57
Vehicles	-	-	-	-	-
Total capital expenditure	**101,102**	**74,829**	**27,530**	**63,904**	**38,979**

He tauākī pūtea
Financial statements

He tauākī whakamahuki whiwhinga me Utu

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2024

		Council			Group	
	Note	Actual 2024 $000	Budget 2024 $000	Restated Actual 2023 $000	Actual 2024 $000	Restated Actual 2023 $000
Operating revenue						
Rates and levies	3	265,016	262,755	222,068	265,016	222,068
Transport operational grants and subsidies	3	162,793	132,866	204,048	162,793	204,048
Transport Improvement grants and subsidies	3	18,364	21,178	17,838	18,364	17,838
Other revenue	3	121,315	163,004	84,990	230,286	186,188
Total operating revenue and gains		**567,488**	**579,803**	**528,944**	**676,459**	**630,142**
Other gains / (losses) net *		(2,126)	339	2,681	(1,790)	1,438
Total revenue and gains		**565,362**	**580,142**	**531,625**	**674,669**	**631,580**
Operating expenditure						
Employee benefits	4	(87,151)	(83,998)	(75,145)	(118,110)	(103,744)
Grants and subsidies		(261,164)	(252,202)	(245,498)	(246,664)	(230,143)
Depreciation and amortisation	5	(39,401)	(33,181)	(34,388)	(77,926)	(76,004)
Finance expenses		(52,039)	(41,566)	(35,832)	(51,861)	(35,549)
Other operating expenses	6	(173,801)	(172,750)	(133,403)	(246,924)	(202,220)
Total operating expenditure		**(613,556)**	**(583,697)**	**(524,266)**	**(741,485)**	**(647,660)**
Operating surplus / (deficit) before other items and tax		**(48,194)**	**(3,555)**	**7,359**	**(66,816)**	**(16,080)**
Share of associate's surplus / (deficit)		-	-	-	1,967	1,249
Other fair value changes						
Impairment on buildings*	7	-	-	(27,831)	-	(27,831)
Gain / (loss) on financial instruments	7	(2,065)	(7,030)	14,361	(2,065)	14,361
Fair value gain / (loss) on investment property	7,19	-	-	-	10,525	(1,509)
Total fair value movements		**(2,065)**	**(7,030)**	**(13,470)**	**8,460**	**(14,979)**
Surplus / (deficit) before tax		**(50,259)**	**(10,585)**	**(6,111)**	**(56,389)**	**(29,810)**
Tax benefit / (expense)	8	-	-	-	5,235	8,821
Surplus from continuing operations		(50,259)	(10,585)	(6,111)	(51,154)	(20,989)
Operating surplus / (deficit) after tax		**(50,259)**	**(10,585)**	**(6,111)**	**(51,154)**	**(20,989)**
Other comprehensive revenue and expenses						
Revaluation gain / (loss) on infrastructure assets after tax*	15	193,709	47,260	(30,719)	202,414	(35,677)
Deferred tax recognised in reserves		-	-	-	49	4,084
Increases / (decreases) in valuations of other financial assets		2,344	-	(10,971)	2,344	(10,971)
Total other comprehensive income		**196,053**	**47,260**	**(41,690)**	**204,807**	**(42,564)**
Total comprehensive income		**145,794**	**36,675**	**(47,801)**	**153,653**	**(63,553)**
Surplus is attributable to:						
Attributed to:						
Equity holders of the Parent		145,794	36,675	(47,801)	145,665	(67,904)
Non-controlling interest		-	-	-	7,988	4,351
		145,794	**36,675**	**(47,801)**	**153,653**	**(63,553)**

Explanations of major variances against budget are provided in note 33.
* Prior year balance restated. Refer to note 35 for further details.

He tauākī ahumoni

Statement of Financial Position

As at 30 June 2024

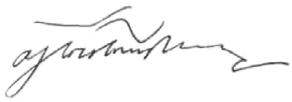
	Note	Council Actual 2024 $000	Council Budget 2024 $000	Council Restated Actual 2023 $000	Group Actual 2024 $000	Group Restated Actual 2023 $000
ASSETS						
Current assets						
Cash and cash equivalents	10	18,584	20,842	17,243	99,053	131,873
Trade and other receivables*	11	78,669	91,763	55,000	92,596	67,312
Other financial assets	13	283,735	179,617	172,768	239,166	172,224
Inventories	12	5,690	5,000	4,170	8,524	6,882
Derivatives	21	6,767	-	7,075	6,767	7,075
Lease receivables*	16	-	-	21,530	-	21,530
Total current assets		**393,445**	**297,222**	**277,786**	**446,106**	**406,896**
Noncurrent assets						
Other financial assets	13	32,491	25,311	71,584	42,846	37,518
Property, plant and equipment*	15	1,746,872	1,716,760	1,435,530	2,530,341	2,195,373
Intangible assets	17	18,995	20,179	16,873	19,019	17,041
Investment in subsidiaries	20	355,395	363,237	337,295	-	-
Investment properties	19	-	-	-	96,650	86,125
Derivatives	21	19,952	-	21,164	19,952	21,164
Investments accounted for through Other omprehensive Income		-	-	-	20,825	-
Investments accounted for under the equity method		-	-	-	13,836	13,819
Deferred tax assets	9	-	-	-	46,422	42,339
Trade and other receivables	11	2,013	-	-	2,013	-
Investments at amortised cost		-	-	-	14,584	-
Total non-current assets		**2,175,718**	**2,125,487**	**1,882,446**	**2,806,488**	**2,413,379**
Total assets		**2,569,163**	**2,422,709**	**2,160,232**	**3,252,594**	**2,820,275**
LIABILITIES						
Current liabilities						
Trade and other payables *	22	90,769	98,659	96,727	101,176	104,409
Interest bearing liabilities	23	209,091	181,628	153,477	221,091	146,517
Employee benefits liabilities and provisions	24	6,407	5,362	6,427	10,561	10,380
Income tax payable		-	-	-	4,748	2,725
Total current liabilities		**306,267**	**285,649**	**256,631**	**337,576**	**264,031**
Non-current liabilities						
Interest bearing liabilities	23	837,000	766,758	622,000	837,000	622,000
Derivatives	21	871	-	496	871	496
Deferred tax liabilities	9	-	-	-	124,269	131,050
Employee benefits liabilities and provisions	24	128	-	164	265	287
Service concession liability	15	21,025	23,159	22,861	21,025	22,861
Total noncurrent liabilities		**859,024**	**789,917**	**645,521**	**983,430**	**776,694**
Total liabilities		**1,165,291**	**1,075,566**	**902,152**	**1,321,006**	**1,040,725**

He tauākī ahumoni
Statement of Financial Position - Continued
As at 30 June 2024

	Note	Council Actual 2024 $000	Council Budget 2024 $000	Council Restated Actual 2023 $000	Group Actual 2024 $000	Group Restated Actual 2023 $000
Net assets		**1,403,872**	**1,347,143**	**1,258,078**	**1,931,588**	**1,779,550**
EQUITY						
Contributed equity		-	-	-	-	-
Retained earnings *		290,290	320,627	340,107	655,025	696,804
Other reserves		1,113,582	1,026,516	917,971	1,160,585	973,141
Minority interest		-	-	-	115,978	109,605
Total equity		**1,403,872**	**1,347,143**	**1,258,078**	**1,931,588**	**1,779,550**

Explanations of major variances against budget are provided in note 33.

* Prior year balance restated. Refer to note 35 for further details.



Daran Ponter
Chair
31 October 2024

Nigel Corry
Chief Executive
31 October 2024

Alison Trustrum-Rainey
Group Manager Finance and Risk
31 October 2024

He tauākī whakamārama moni taurite

Statements of Changes in Equity

For the year ended 30 June 2024

	Note	Council			Group	
		Actual 2024 $000	Budget 2024 $000	Restated Actual 2023 $000	Actual 2024 $000	Restated Actual 2023 $000
Opening equity		**1,258,078**	**1,310,469**	**1,305,010**	**1,779,550**	**1,843,618**
Adjustments on adoption of PBE IPSAS 41*		-	-	870	-	870
		1,258,078	1,310,469	1,305,879	1,779,550	1,844,488
Operating surplus / (deficit) after tax *		(50,259)	(10,586)	(6,111)	(51,154)	(20,989)
Dividend to non-controlling interest		-	-	-	(1,615)	(1,385)
Asset revaluation movements *		193,709	47,260	(30,719)	202,463	(31,593)
Revaluation movement of other financial assets		2,344	-	(10,971)	2,344	(10,971)
Total closing equity at 30 June		**1,403,872**	**1,347,143**	**1,258,078**	**1,931,588**	**1,779,550**
Non-controlling interest						
Opening noncontrolling interest		-	-	-	109,605	106,639
Share of operating surplus / (deficit)		-	-	-	5,966	2,125
Share of reserves movements		-	-	-	2,022	2,226
Dividends paid		-	-	-	(1,615)	(1,385)
Non-controlling interest at end of year		**-**	**-**	**-**	**115,978**	**109,605**
Asset revaluation reserves						
Opening asset revaluation reserves		864,388	934,997	895,107	958,995	992,814
Increase / (decrease) in asset revaluation reserves *		193,709	47,260	(30,719)	202,463	(31,593)
Share of non controlling interest		**-**	**-**	**-**	**(2,022)**	**(2,226)**
Closing asset revaluation reserve		**1,058,097**	**982,257**	**864,388**	**1,159,436**	**958,995**
Fair value reserve						
Opening fair value reserve		14,422	-	25,393	14,422	25,393
Current year movement		2,344	-	(10,971)	2,344	(10,971)
Closing fair value reserve		16,766	-	14,422	16,766	14,422
Other reserves						
Opening other reserves		39,161	46,407	41,408	(279)	7,989
Transfers from accumulated funds		14,896	-	6,021	-	-
Transfers to accumulated funds		(16,435)	(2,148)	(8,684)	(16,435)	(8,684)
Interest earned		1,097	-	419	1,097	419
Closing other reserves		**38,719**	**44,259**	**39,161**	**(15,617)**	**(279)**
Retained earnings						
Opening accumulated funds		340,104	329,065	343,098	696,804	710,780
Adjustments on adoption of PBE IPSAS 41*		-	-	870	-	870
Adjusted opening equity		340,104	329,065	343,968	696,804	711,650
Operating surplus / (deficit) after tax *		(50,259)	(10,586)	(6,111)	(51,154)	(20,989)
Interest allocated to reserves		(1,094)	-	(416)	(1,094)	(416)
Other transfers to reserves		(14,896)	-	(6,021)	-	-
Transfers from reserves		16,435	2,148	8,684	16,435	8,684
Share on noncontrolling interest		-	-	-	(5,966)	(2,125)
Closing accumulated funds		**290,290**	**320,627**	**340,104**	**655,025**	**696,804**
Total closing equity at 30 June		**1,403,872**	**1,347,143**	**1,258,078**	**1,931,588**	**1,779,550**

Explanations of major variances against budget are provided in note 33.
* Prior year balance restated. Refer to note 35 for further details.

He tauākī kapewhiti

Statement of Cash Flow

For the year ended 30 June 2024

	Note	Council			Group	
		Actual 2024 $000	Budget 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Cash flows from operating activities						
Receipts from customers		-	-	-	103,766	99,397
Rates revenue received		207,750	209,615	176,808	207,751	176,808
Water supply levy received		53,138	53,140	42,063	53,138	42,063
Government subsidies received		165,776	154,044	213,286	165,776	213,286
Interest received		11,702	11,780	7,511	16,396	9,141
Dividends received		2,528	2,000	2,491	127	91
Rent income		-	-	-	7,612	7,125
Subsidy revenue		-	-	-	-	6
Fees, charges and other revenue		87,645	149,224	114,037	85,525	108,903
Payments to suppliers and employees		(265,843)	(508,683)	(210,580)	(374,176)	(306,364)
Payment of grants and subsidies		(261,164)	-	(245,498)	(246,664)	(230,145)
Interest paid		(50,329)	(41,619)	(31,335)	(50,048)	(30,974)
Income tax paid / (refund)		-	-	-	564	(823)
Net cash from (used in) operating activities	**25**	**(48,797)**	**29,501**	**68,783**	**(30,233)**	**88,514**
Cash flows from investing activities						
Receipts from sale of property, plant, and equipment		23,045	339	391	23,653	394
Investment withdrawals		-	800	480	-	480
Sale of investments (bonds and term deposits)		1,268	-	-	20,333	501
Dividend received		-	-	-	1,955	
Cash balance from acquired joint venture		-	-	-	-	1,250
		24,313	**1,139**	**871**	**45,841**	**2,625**
Purchase of property, plant and equipment		(162,394)	(179,785)	(129,319)	(217,755)	(195,117)
Purchase of intangible assets		(17)	-	(24)	(17)	(24)
Development of investment properties		-	-	-	-	(97)
Acquisition of investments		(82,378)	(33,122)	(76,998)	(99,629)	(56,797)
Disposal of property, plant and equipment		-	-	-	-	-
Investment in joint venture		-	-	-	(25)	(2,400)
Net cash flow from investing activities		**(220,476)**	**(211,768)**	**(205,470)**	**(271,585)**	**(251,810)**
Cash flows from financing activities						
Loan funding		320,614	229,305	167,413	320,614	168,413
Debt repayment		(50,000)	(50,000)	(30,000)	(50,000)	(30,000)
Dividends paid to non-controlling interests		-	-	-	(1,615)	(1,385)
Net cash from financing activities		**270,614**	**179,305**	**137,413**	**268,999**	**137,028**
Net increase / (decrease) in cash and cash equivalents		**1,341**	**(2,962)**	**726**	**(32,819)**	**(26,268)**
Cash and cash equivalents at the beginning of year		**17,243**	**23,804**	**16,517**	**131,873**	**158,141**
Cash, cash equivalents, and bank overdrafts at the end of the year	**10**	**18,584**	**20,842**	**17,243**	**99,053**	**131,873**

Explanations of major variances against budget are provided in note 33.

He tauākī pūtea kawekawe

Funding Impact Statement

For the year ended 30 June 2024

	Actual 2024 $000	Annual Plan 2024 $000	Actual 2023 $000	Annual Plan 2023 $000
Sources of operating funding				
General rate	80,452	78,845	73,790	73,338
Targeted rates	133,069	131,636	107,393	106,837
Subsidies and grants for operating purposes	162,792	132,866	198,259	112,784
Interest and dividends from investments	23,125	13,780	13,964	5,950
Fees and charges	67,637	112,078	43,594	109,431
Fines, infringement fees, and other receipts 1	81,451	89,420	68,255	63,926
Total operating funding	**548,526**	**558,625**	**505,255**	**472,266**
Applications of operating funding				
Payments to staff and suppliers	(512,181)	(509,082)	(453,711)	(456,211)
Finance costs	(52,544)	(41,619)	(36,472)	(22,769)
Total applications of operating funding	**(564,725)**	**(550,701)**	**(490,183)**	**(478,980)**
Surplus / (deficit) of operating funding	**(16,199)**	**7,924**	**15,072**	**(6,714)**
Sources of capital funding				
Subsidies and grants for capital expenditure	18,364	21,178	23,627	29,347
Increase / (decrease) in debt	268,778	179,305	135,660	153,962
Gross proceeds from asset sales	2,911	339	912	374
Other dedicated capital funding	21,530	10,000	-	-
Total sources of capital funding	**311,583**	**210,822**	**160,199**	**183,683**
Applications of capital funding				
- to meet additional demand	-	(224)	-	-
- to improve the level of service	(111,667)	(113,422)	(65,314)	(77,432)
- to replace existing assets	(50,658)	(66,139)	(64,720)	(81,365)
Increase / (decrease) in investments	(85,449)	(32,322)	(76,815)	(25,263)
Increase / (decrease) in reserves	(47,610)	(6,639)	31,578	7,091
Total applications of capital funding	**(295,384)**	**(218,746)**	**(175,271)**	**(176,969)**
Surplus / (deficit) of capital funding	**16,199**	**(7,924)**	**(15,072)**	**6,714**
Funding balance	**-**	**-**	**-**	**-**
Depreciation on council assets	39,401	33,181	34,388	30,109
Water supply levy	53,140	53,140	42,069	42,069

1 This includes the water supply levy charged to Wellington, Upper Hutt, Lower Hutt and Porirua City councils.
This statement is not an income statement. It excludes all non-cash transactions such as depreciation and valuations.
For more information on the revenue and financing mechanisms, please refer to the “Revenue and Financing Policy” in the Long Term Plan 2021-31.
All figures on this page exclude GST.

We have two types of Council created reserves, which are monies set aside by the Council for a specific purpose:

- Retained earnings – any surplus or deficit not transferred to a special reserve is aggregated into retained earnings
- Other reserves – any surplus or deficit or specific rate set aside or utilised by Council for a specific purpose. Reserves are not separately held in cash and funds are managed as part of Greater Wellington's Treasury Risk Management Policy.

Other reserves are split into four categories:

- Area of Benefit reserves – any targeted rate funding surplus or deficit is held to fund future costs for that area
- Contingency reserves – funds that are set aside to smooth the impact of costs associated with specific unforeseen events
- Special reserves – funds that are set aside to smooth the costs of irregular expenditure
- Re budgeted reserves – expenditure that has been rated for in one year when the project will not be completed until the following year.

He pūtea penapena
Financial Reserves - Continued
For the year ended 30 June 2024

Council created reserves	Purpose of the fund	Opening balance Jul-23 $000	Deposits $000	Withdrawals $000	Closing balance Jun-24 $000
Area of benefit reserves					
Regional parks reserve	Any funding surplus or deficit relating to the provision of regional parks is used only on subsequent regional parks expenditure	59	2	(61)	-
Public transport reserve	Any funding surplus or deficit relating to the provision of public transport services is used only on subsequent public transport expenditure	3,550	4,107	(4,000)	3,657
Transport planning reserve	Any funding surplus or deficit relating to the provision of public transport planning services is used only on subsequent public transport planning expenditure	264	8	-	272
WRS reserve	Any funding surplus or deficit relating to the Wellington Regional Strategy implementation is used only on subsequent Wellington Regional Strategy expenditure	896	27	(378)	545
Iwi reserve	Any funding surplus or deficit relating to the provision of iwi project fund is used only on subsequent iwi project funding expenditure	715	21	-	736
WREMO reserve	Contributions by other local authorities to run the WREMO	437	98	-	535
Catchment scheme reserves	Any funding surplus or deficit relating to the provision of flood protection and catchment management schemes is used only on subsequent flood protection and catchment management expenditure	10,202	1,668	(596)	11,274
Land management reserves	Any funding surplus or deficit relating to the provision of targeted land management schemes is used only on subsequent land management expenditure	2,813	806	(102)	3,517
		18,936	**6,737**	**(5,137)**	**20,536**
Contingency reserves					
Environmental legal reserve	To manage the variation in legal costs associated with resource consents and enforcement	10	-	(10)	-
Flood contingency reserves	To help manage the costs for the repair of storm damage throughout the region	3,448	303	-	3,751
Rural fire reserve	To help manage the costs of rural fire equipment	83	2	-	85
		3,541	**305**	**(10)**	**3,836**
Special reserves					
Election reserve	To manage the variation in costs associated with the election cycle	246	97	-	343
Corporate systems reserve	To manage the variation in costs associated with key IT infrastructure and software.	1,028	-	(1,028)	-
Long Term Plan reserve	To manage variation in costs associated with Long term plan process	391	172	(474)	89
Masterton Building Reserve	To manage variation in costs associated with the Masterton Building	312	-	(312)	-
Wellington Analytics Reserve	Contribution by other local authorities for set up costs	932	544	-	1,476
Environmental Restitution Reserve	To manage variation in costs associated with environmental restoration projects	265	74	-	339
Low Carbon Acceleration Fund Reserve	To manage costs associated with reducing Council's carbon footprint	(84)	84	-	-
General Reserve	To manage variation in costs associated with new initiative projects	8,919	5,178	(4,800)	9,297
		12,009	**6,149**	**(6,614)**	**11,544**
Re-budget reserve					
Re-budgeted reserve	Expenditure that has been rated for in 2023/24 when the project will not be completed until 2024/25	4,073	1,523	(4,073)	1,523
Earthquake proceeds reserve	To manage future repair and maintenance due to the Kaikoura earthquake	602	-	(602)	-
		4,675	1,523	(4,675)	1,523
Total reserve balances		**39,161**	**14,714**	**(16,436)**	**37,439**

All figures on this page exclude GST.

Ko te moni tārewa

Debt

As at 30 June 2024

	Opening balance 2023 $000	Additions $000	Repayments $000	Closing balance 2024 $000	Finance costs $000
Regional leadership					
Strategic planning	21,043	7,162	(1,050)	27,155	1,340
Public transport					
Public transport	252,788	37,820	(17,275)	273,333	12,771
Water supply					
Water supply	199,846	103,018	(5,617)	297,247	12,432
Environment (including Parks)					
Environment	21,485	7,226	(1,712)	26,999	1,282
Flood protection and control works					
Flood protection and control works	173,135	27,572	(5,619)	195,088	8,575
Investments (including Warm (Wellington)					
Property and other	49,886	2,418	(6,915)	45,389	2,493
	718,183	**185,216**	**(38,188)**	**865,211**	**38,893**

	Council Actual 2024 $000
Total activities debt	865,211
Treasury internal funding (1)	180,880
	1,046,091
External debt (current)	209,091
External debt (non-current)	837,000
	1,046,091

(1) Greater Wellington Regional Council 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.
All figures on this page exclude GST.

He whakamarama mo nga Tauaki Putea: Notes to the Financial Statements

1 Reporting entity

1.1 Reporting entity

Greater Wellington Regional Council (Greater Wellington) is a regional local authority governed by the Local Government Act 2002. Greater Wellington's principal address is 100 Cuba Street, Wellington, New Zealand. Greater Wellington Group consists of Greater Wellington and its subsidiaries as disclosed below.

Greater Wellington provides water supply, regional parks, public transport, flood protection and environmental regulation and management to the Greater Wellington region for community and social benefit, and not for a financial return. Accordingly, Greater Wellington has designated itself and the Group as public benefit entities (PBE's) and applies New Zealand Tier 1 Public Sector Public Benefit Entity accounting standards (PBE Accounting Standards).

The financial statements of Greater Wellington are for the year ended 30 June 2024. The financial statements were authorised for issue by the council on 31 October 2024.

1.2 Accounting judgements and estimations

The preparation of financial statements in conformity with PBE Accounting Standards requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These results form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised, when the revision affects only that period. If the revision affects current and future periods, it is reflected in those periods.

(i) Property, Plant and Equipment and Investment Property

Operational Port Land was independently valued by Colliers International, a registered valuer, on 30 June 2024.

Flood Protection Land and Infrastructure assets was revalued for the year ended 30 June 2024. For further detail refer to disclosure under note 15.

Council and management have undertaken a process to determine what constitutes Investment Property and what constitutes Property, Plant and Equipment. There is an element of judgement in this. There is a development Port plan, and those items of land that are considered integral to the operations of the port have been included in Operational Port Land. Land held specifically for capital appreciation or to derive rental income has been classed as Investment Property.

(ii) Capital Work in Progress

This includes capital projects requiring resource consent to proceed. Management regularly reviews these projects to determine whether the assumptions supporting the project proceeding continue to be valid. The Capital Works in Progress balance is carried forward on the basis the project has been determined to proceed.

(iii) Income tax calculations

See note 8 for details.

2 Accounting policies

2.1 Basis of preparation

Statement of compliance
The financial statements of the Greater Wellington and Group have been prepared in accordance with the requirements of the Local Government Act 2002, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements and service performance information are prepared in accordance with Tier 1 PBE Accounting Standards and comply with PBE Accounting Standards.

The consolidated financial statements are presented in New Zealand dollars, rounded to the nearest thousand ($000). The functional currency of Greater Wellington and the Group is New Zealand dollars. The consolidated financial statements have been prepared on a historical cost basis, except for investment properties, forestry assets, derivative financial instruments and certain infrastructural assets that have been measured at fair value.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

2.2 Basis of consolidation

The consolidated financial statements include the Group. Subsidiaries are those entities controlled directly or indirectly by the Parent. The financial statements of subsidiaries are included in the consolidated financial statements using the purchase method. A list of subsidiaries is included in note 20.

The minority interest represents Manawatu Wanganui Regional Council's 23.1% share of CentrePort Limited. Greater Wellington's investment in subsidiaries is held at cost in its own "Parent entity" accounts.

Associates are entities in which the Group has significant influence but not control over their operations. Greater Wellington's share of the assets, liabilities, revenue and expenditure are included in the financial statements of the Group on an equity accounting basis.

All significant intercompany transactions are eliminated on consolidation.

2.3 Grants and subsidies expenditure

Discretionary grants and subsidies are recognised as expenses when Greater Wellington has advised their decision to pay and when the attached conditions, if any, are satisfied. Non-discretionary grants are recognised as expenses on receipt of an application that meets the specified criteria.

2.4 Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

2.5 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.

The Group has the following classes of Investment Property:

- Developed investment properties
- Land available for development

2.6 Financial guarantee contracts

A financial guarantee contract requires Greater Wellington or Group to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, the fair value of the liability is initially measured using a valuation technique, such as considering the credit enhancement arising from the guarantee or the probability that Greater Wellington will be required to reimburse a holder for a loss incurred, discounted to present value. If the fair value of a guarantee cannot be reliably determined at initial recognition, a liability is recognised at the amount of the loss allowance determined in accordance with the expected credit loss (ECL) model described in Note 11.

Financial guarantees are subsequently measured at the higher of:

- the amount determined in accordance with the ECL model described in Note 11; and
- the amount initially recognised less, when appropriate, cumulative amortisation as revenue.

2.7 Foreign currency

In the event that the Group has any material foreign currency risk, it will be managed by derivative instruments to hedge the currency risk.

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at balance date are translated to New Zealand dollars at the foreign exchange rate ruling at that date. Foreign exchange gains and losses arising on their translation are recognised in the statement of comprehensive revenue and expenses.

2.8 Goods and services tax

All items in the financial statements are stated exclusive of Goods and Services Tax (GST), except for receivables and payables, which include GST.

2.9 Service concession asset and liability

Greater Wellington (as guarantor) has entered into a service concession arrangement with Tranzit, NZ Bus, and Mana (the Operators) to provide bus services with double decker buses. These buses meet the definition of service concession asset and are initially recognised at fair value and subsequently measured in accordance with PBE IPSAS 32. They are depreciated over a useful life of 30 years on a straight-line basis. An initial financial liability is also recognised which is accounted for using the amortised cost model leading to finance expenses over 15 years.

2.10 Overhead allocation and internal transactions

Greater Wellington allocates overhead from support service functions on a variety of different bases that are largely determined by usage. The treasury operation of Greater Wellington is treated as an internal banking activity. Any surplus generated is credited directly to the statement of comprehensive revenue and expenses.

Individual significant activity operating revenue and operating expenditure are stated inclusive of any internal revenues and internal charges. These internal transactions are eliminated in Greater Wellington and the Group's financial statements.

The democratic process costs have not been allocated to significant activities, except where there is a major separate community of benefit other than the whole region, i.e. regional water supply and regional transport.

2.11 Equity

Equity is the community's interest in Greater Wellington and the Group and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of components to enable clearer identification of the specified uses of equity within Greater Wellington and the Group. The components of equity are accumulated funds, revaluation reserves, fair value reserves and other reserves.

Asset revaluation reserve

This reserve relates to the revaluation of property, plant, and equipment to fair value.

Fair value reserve

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

2.12 Statement of cash flow

The following are the definitions used in the statement of cash flow:

(a) Operating activities comprise the principal revenue producing activities of the Group and other activities that are not considered to be investing or financing activities.

(b) Investing activities are those activities relating to the acquisition and disposal of Property, Plant and Equipment, Investment Property, Intangible Assets and Joint Ventures. Investments include securities not falling within the definition of cash.

(c) Financing activities are those activities that result in the changes in size and composition of the capital structure of the Group. This includes both equity and debt not falling within the definition of cash. Dividends paid in relation to capital structure are included in financing activities.

2.13 Budget figures

The budget figures are those approved by the Council at the beginning of the year in the 2023/24 Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Greater Wellington for the preparation of these financial statements.

2.14 Standards and amendments issued and not yet effective

Amendment issued but not yet effective and early adopted is:

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)

Amendments to PBE IPSAS 1 Presentation of Financial Reports change the required disclosures for fees relating to services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories. The amendments to PBE IPSAS 1 aim to address concerns about the quality and consistency of disclosures an entity provides about fees paid to its audit or review firm for different types of services. The enhanced disclosures are expected to improve the transparency and consistency of disclosures about fees paid to an entity's audit or review firm. This is effective for the year ended 30 June 2025.

Information relating to enhanced disclosures are presented in note 6.

Standard issued but not yet effective and not early adopted is:

PBE IFRS 17 Insurance Contracts

This new standard sets out accounting requirements for insurers and other entities that issue insurance contracts and applies to financial reports covering periods beginning on or after 1 January 2026.

3 Revenue from exchange and non-exchange transactions

Accounting policy

Revenue is measured at fair value. Revenue is recognised when billed or earned on an accrual basis.

Exchange transaction revenue arises when Greater Wellington provide goods or services directly to a third party and receive approximately equal value in return. Non-exchange transaction revenue arises when Greater Wellington receives value from another party without having to directly provide goods or services of equal value.

Greater Wellington's significant items of revenue are recognised and measured as follows:

(i) Rates and levies

Rates and levies are a statutory annual charge and are recognised in the year the assessments are issued.

(ii) Government grants and subsidies

Greater Wellington receives government grants from Waka Kotahi/NZ Transport Agency. These grants subsidise part of Greater Wellington's costs for the following – the provision of public transport subsidies to external transport operators, the capital purchases of rail rolling stock within a Greater Wellington subsidiary and transport network upgrades owned by KiwiRail. The grants and subsidies are recognised as revenue when eligibility has been established by the grantor. Other grants and contributions from territorial local authorities are recognised as revenue when eligibility has been established by the grantor.

(iii) User charges
Revenue from user charges is recognised when billed or earned on an accrual basis.

(iv) Dividends
Revenue from dividends is recognised on when the right to receive payment has been established and in surplus and deficit.

(v) Interest
Interest is accrued using the effective interest rate method. The effective interest rate method discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(vi) Sales of goods
Other revenue is recognised when billed or earned on an accrual basis. Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Vested assets are recognised as revenue when control over the asset is obtained.

	Council			Group	
	Actual 2024 $000	Budget 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Revenue from exchange transactions:					
Water supply	53,138	53,140	42,063	53,138	42,063
Subsidiaries revenue	-	-	-	81,891	80,468
Dividends	2,528	2,000	2,491	128	91
Interest received	20,588	9,980	10,929	24,431	13,898
Rental income	4,266	2,553	5,733	35,822	31,027
Subvention revenue	4,181	1,800	-	-	-
Total exchange	**84,701**	**69,473**	**61,216**	**195,410**	**167,547**
Revenue from non-exchange transactions:					
General rates	78,807	77,979	73,790	78,807	73,790
Targeted rates					
- Public transport rate	114,492	113,009	90,573	114,492	90,573
- River management rate	10,785	10,785	7,874	10,785	7,874
- Warm Greater Wellington rate	1,091	1,138	1,364	1,091	1,364
- Regional Economic Development rate	4,743	4,744	4,621	4,743	4,621
- South Wairarapa district river rates	102	102	102	102	102
- Wairarapa scheme and stopbank rates	1,858	1,858	1,681	1,858	1,681
Rates, penalties, remissions and rebates	1,636	866	1,178	1,636	1,178
Grants and subsidies	162,793	132,866	204,047	162,793	204,048
Transport improvement grants	18,364	21,178	17,838	18,364	17,838
Provision of goods and services	88,116	145,805	64,660	86,378	59,526
Total non-exchange	**482,787**	**510,330**	**467,728**	**481,049**	**462,595**
Total exchange and non-exchange	**567,488**	**579,803**	**528,944**	**676,459**	**630,142**

4 Employee benefits

Accounting policy

Employee benefits expense

Employment costs relate to the remuneration paid directly to staff, and other employee benefits such as other associated costs such as recruitment and training.

Defined contribution schemes

Employer contributions to defined contribution schemes and/or KiwiSaver is accounted for as defined contribution superannuation schemes and is expensed in the surplus or deficit as incurred.

	Council			Group	
	Actual 2024 $000	Budget 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Employee benefits expense	82,242	79,376	70,984	113,201	99,583
Defined contribution plan employer contributions	4,909	4,622	4,161	4,909	4,161
Total personnel costs	**87,151**	**83,998**	**75,145**	**118,110**	**103,744**

5 Depreciation and amortisation

	Council		Group	
	Actual 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Port wharves and paving	-	-	6,495	5,508
Land and buildings	3,411	2,759	4,112	3,525
Plant and equipment	2,378	2,547	7,889	7,849
Rail rolling stock	-	-	19,249	24,207
Motor vehicles	1,384	878	1,384	879
Flood protection	4,082	1,005	4,082	1,005
Water infrastructure	18,647	18,570	18,647	18,570
Transport infrastructure	3,937	2,850	10,503	8,494
Navigational aids	62	67	62	67
Parks and forests	3,207	3,218	3,207	3,218
Right to use	1,544	1,528	1,544	1,528
Amortisation - Computer software	749	966	752	1,154
Total depreciation and amoritisation costs	**39,401**	**34,388**	**77,926**	**76,004**

6 Other operating expenditure

	Council			Group	
	Actual 2024 $000	**Budget 2024 $000**	**Actual 2023 $000**	**Actual 2024 $000**	**Actual 2023 $000**
Other operating expenses					
Fees incurred for services provided by the audit firm	611	448	393	1,047	828
Rates and insurance	6,147	5,344	4,318	15,189	12,384
Directors' fees	-	-	-	679	610
Subscriptions LGNZ	402	498	337	402	337
Operating lease rentals	7,419	8,476	6,991	7,419	6,991
Energy and utilities	5,426	3,989	3,533	5,426	3,533
Councillor fees and costs	1,192	1,355	1,190	1,192	1,190
Repairs and maintenance expenses	4,418	6,458	4,121	28,420	25,113
Materials and supplies	25,197	25,853	23,120	44,158	23,120
Contractors and consultants	120,152	119,105	86,727	125,780	110,952
Other operating expenses	2,837	1,224	2,673	17,212	17,162
Total other expenditure	**173,801**	**172,750**	**133,403**	**246,924**	**202,220**

	Council		Group	
	Actual 2024 $000	**Actual 2023 $000**	**Actual 2024 $000**	**Actual 2023 $000**
Fees incurred for services provided by the audit firm				
Audit of the financial statements				
Fees to Audit New Zealand for audit of the financial statements and performance information	416	387	527	490
Fees to Deloitte for audit of the Council's subsidiaries' financial statements	-	-	320	309
Total	**416**	**387**	**847**	**799**
Other assurance services and other agreed-upon procedures engagements				
Fees to Audit New Zealand for audit of the long term plan	189	-	189	-
Fees to Audit New Zealand for audit of the Debenture Trust Deed	6	6	6	6
Fees to Deloitte for audit of the Council's subsidiaries' insurance license (agreed upon procedures engagement)	-	-	5	5
Fees to Deloitte for audit of the Council's subsidiaries' Greenhouse Gas Emissions Inventory Report (limited assurance engagement)	-	-	-	13
Fees to Deloitte for audit of the Council's subsidiaries' annual solvency return to the Reserve Bank of New Zealand (reasonable assurance engagement)	-	-	-	5
Total	**195**	**6**	**200**	**29**
Total fees incurred for services provided by the audit firm	**611**	**393**	**1,047**	**828**

7 Fair value movements through surplus or deficit

	Council			Group	
	Actual 2024 $000	**Budget 2024 $000**	**Restated Actual 2023 $000**	**Actual 2024 $000**	**Restated Actual 2023 $000**
Fair value movements in financial instruments					
Interest rate swaps	(1,895)	(7,030)	14,478	(1,895)	14,478
LGFA Borrower notes	(170)	-	(117)	(170)	(117)
	(2,065)	**(7,030)**	**14,361**	**(2,065)**	**14,361**
Fair value change in other assets					
Impairment on buildings *	-	-	(27,831)	-	(27,831)
	-	**-**	**(27,831)**	**-**	**(27,831)**
Fair value movements of investment properties					
Investment properties	-	-	-	10,525	(1,509)
	-	-	-	10,525	(1,509)
Total	**(2,065)**	**(7,030)**	**(13,470)**	**8,460**	**(14,979)**

* Prior year balance restated. Refer to note 35 for further details.

8 Taxation

Accounting policy

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at 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 statement of financial position and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which Greater Wellington and the Group expects to recover or settle the carrying amount of its assets and liabilities.

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

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

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive income or directly in equity.

	Council		Group	
	Actual 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Income tax recognised in profit or loss Tax expense/(benefit) comprises:				
Current tax expense/(benefit)	-	-	5,628	4,026
Adjustments recognised in the current period in relation to the deferred tax of prior periods	-	-	-	-
Deferred tax expense/(income) relating to the origination and reversal of temporary differences	-	-	(10,863)	(12,847)
Tax expense	**-**	**-**	**(5,235)**	**(8,821)**
Surplus/(deficit) from operations	(50,259)	(6,111)	(56,389)	(29,810)
Income tax expense/(benefit) calculated at 28%	(14,073)	(1,711)	(15,789)	(8,347)
Surplus/(deficit) not subject to taxation				
Non-deductible expenses	160,905	143,230	165,087	147,624
Non-assessable income	(151,480)	(145,983)	(157,973)	(150,090)
Land and buildings reclassification	-	-	(2,947)	422
Tax effect of unimputed portion of intercompany dividend	-	-	-	-
Tax loss offsets from or subventions paid to Group companies	3,010	-	3,010	-
Unused tax losses and temporary differences not recognised as deferred tax assets	5,818	4,464	-	-
Tax effect of imputation credits	-	-	-	-
Temporary differences	-	-	-	-
Recognition of deferred tax on buildings / Change in use of assets	-	-	1,812	76
Insurance proceeds on non-depreciable assets	-	-	112	(85)

	Council		Group	
	Actual 2024 $000	**Actual 2023 $000**	**Actual 2024 $000**	**Actual 2023 $000**
Permanent differences	-	-	1,453	1,682
Recognition of previously unrecognised deferred tax on losses	(4,180)	-	-	-
(Under)/over provision of income tax in previous year	-	-	-	(103)
Tax expense	**-**	**-**	**(5,235)**	**(8,821)**

Greater Wellington's net income subject to tax consists of its assessable income net of related expenses derived from Greater Wellington and the Group, including the CentrePort Group, and any other council controlled organisations. All other income currently derived by the Greater Wellington is exempt from income tax.

	Council		Group	
	Actual 2024 $000	**Actual 2023 $000**	**Actual 2024 $000**	**Actual 2023 $000**
Tax expense/(benefit) is attributable to:				
Continuing operations	-	-	(5,235)	(8,821)
	-	**-**	**(5,235)**	**(8,821)**

Tax loss sharing

On 26 April 2023, the Greater Wellington Group (including WRC Holdings Limited and its wholly owned subsidiaries) and the CentrePort Consolidated Group ("Centreport Tax Consolidated Group") entered into a Tax Loss Sharing Agreement. Under the Tax Loss Sharing Agreement, the Greater Wellington Group will receive subvention payments from the Centreport Tax Consolidated Group, with the equivalent losses offset, where the companies elect to do so.

During the 2024 year, a subvention payment of $4.18m (2023: Nil) was received (in relation to the 30 June 2023 income year) for the utilisation of the Greater Wellington Group's losses and tax loss offsets of $10.75m were made (2023: nil) by the Greater Wellington Group against the CentrePort Tax Consolidated Group's taxable profits.

9 Deferred tax

	Council		Group	
	Actual 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
The balance comprises temporary differences attributable to:				
Tax losses	-	-	45,891	41,425
Temporary differences	-	-	531	914
	-	**-**	**46,422**	**42,339**
Other				
Temporary differences	-	-	(124,269)	(131,051)
Sub-total other	-	-	(124,269)	(131,051)
Total deferred tax liabilities	**-**	**-**	**(77,847)**	**(88,712)**

	Property, plant and equipment $000	Trade and other payables $000	Other financial liabilities $000	Tax losses $000	Insurance Recoverable $000	Total $000
Movements - Group						
Balance at 1 July 2022	(120,007)	989	(393)	34,018	(20,250)	(105,643)
Charged to income	2,256	(75)	(99)	7,406	3,359	12,847
Charge to equity	4,084	-	-	-	-	4,084
Balance at 30 June 2023	**(113,667)**	**914**	**(492)**	**41,424**	**(16,891)**	**(88,712)**

	Property, plant and equipment $000	Trade and other payables $000	Other financial liabilities $000	Tax losses $000	Insurance Recoverable $000	Total $000
Movements - Group						
Balance at 1 July 2023	(113,667)	914	(492)	41,424	(16,891)	(88,712)
Charge to income	772	(384)	(97)	4,467	6,107	10,865
Charge to equity	-	-	-	-	-	-
Balance at 30 June 2024	**(112,895)**	**530**	**(589)**	**45,891**	**(10,784)**	**(77,847)**

	Council		Group	
	Actual 2024	Actual 2023	Actual 2024	Actual 2023
Unrecognised deferred tax balances				
Tax losses	19,859	18,222	-	-
Temporary differences	**19,859**	**18,222**	**-**	**-**

Tax losses not recognised

Greater Wellington has $70.924 million of unrecognised tax losses at Parent level (2023: $65.077 million) available to be carried forward and to be offset against taxable income in the future. The tax effect of losses at 28% was $19.859 million (2023: $18.222 million).

The ability to carry forward tax losses is contingent upon continuing to meet the requirements of the Income Tax Act 2007.

10 Cash and cash equivalents

Accounting policy

Cash and cash equivalents includes cash in hand, deposits held on call with banks, and other short term, highly liquid investments with original maturities of three months or less.

Although cash and cash equivalents at 30 June 2024 are subject to the expected credit loss requirements of PBE IPSAS 41, no allowance has been recognised as the estimated allowance is negligible due to the high credit quality of the counterparty banks.

Interest rates

Cash at bank and on hand earns interest at the official cash rate. Short- term deposits are made for varying terms of between one day and three months depending on the immediate cash requirements of Greater Wellington and the Group. They earn interest at the respective short-term deposit rates and the fair value of cash and cash equivalents is the stated value. As at 30 June 2024, there are $10 million (2023: $10 million) at 6.07% (2023: 5.72%) invested in a money market term deposit.

	Council		Group	
	Actual 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Cash at bank and in hand	18,584	17,243	99,053	131,873
Total cash and cash equivalents	**18,584**	**17,243**	**99,053**	**131,873**

11 Trade and other receivables

Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

Greater Wellington and the Group apply the simplified ECL model of recognising lifetime ECL for short-term receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Rates are “written off”:

- when remitted in accordance with the Council’s rates remission policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Maori freehold land) of the Local Government (Rating) Act 2002.

Amounts in other non-rates categories of receivables are written off when there is no reasonable expectation of recovery.

Rates receivable

Greater Wellington does not provide for ECL on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding rates.

Other categories of receivable

Due to minimal historical credit losses, Greater Wellington and Group do not provide for ECL on other non-rates categories of receivable unless the effect of forward-looking factors is considered material.

	Council		Group	
	Actual 2024 $000	**Restated Actual 2023 $000**	**Actual 2024 $000**	**Restated Actual 2023 $000**
Current receivables from non-exchange transactions				
Rates and water levies receivable*	26,316	22,850	26,316	22,850
Accrual revenue	21,121	8,921	21,121	8,921
Other receivable**	8,823	889	8,823	889
Total current receivables from non-exchange transactions	**56,260**	**32,660**	**56,260**	**32,660**
Non-current receivables from non-exchange transactions				
National Ticketing Solution implementation costs	2,013	-	2,013	-
Total non-current receivable s from non-exchange transactions	**2,013**	**-**	**2,013**	**-**
Total receivables from non-exchange transactions	**58,273**	**32,660**	**58,273**	**32,660**
Current receivables from exchange transactions				
Trade customer ***	10,673	7,712	18,343	15,490
Prepayment and other receivable	11,736	14,628	17,993	19,162
Total current receivables from exchange transactions	**22,409**	**22,340**	**36,336**	**34,652**
Less: Allowance for Expected Credit Losses (ECL)	-	-	-	-
Total trade and other receivables	**80,682**	**55,000**	**94,609**	**67,312**

* Greater Wellington uses the region's territorial authorities to collect its rates. Payment of the final instalment of rates is not received until after year end.
**Trade customers are non-interest bearing and are generally on 30-90 day terms. Therefore, the carrying value of debtors and other receivables approximates fair value.
*** Prior year balance restated. Refer to note 35 for further details.

Trade customer receivables

The ECL rates for trade customer receivables at 30 June 2023 and 30 June 2024 are based on the payment profile of revenue on credit over the prior two years at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the expected recoverability of receivables. Given the short period of credit risk exposure, the effects of macroeconomic factors are not considered significant.

There have been no changes since 30 June 2023 in the estimation techniques or significant assumptions in measuring the loss allowance.

The allowance for credit losses based on GWRC and the Group's credit loss matrix is as follows:

	Current	31 to 60 days	61 to 90 days	More than 90 days	Total
Council 2024					
Expected credit loss rate	0%	0%	0%	0%	-
Gross receivable amount ($000)	4,436	5,338	378	521	10,673
Lifetime ECL ($000)	-	-	-	-	-
Group 2024					
Expected credit loss rate	0%	0%	0%	0%	-
Gross receivable amount ($000)	12,106	5,338	378	521	18,343
Lifetime ECL ($000)	-	-	-	-	-
Council 2023					
Expected credit loss rate	0%	0%	0%	0%	-
Gross receivable amount ($000)	7,335	5	110	262	7,712
Lifetime ECL ($000)	-	-	-	-	-
Group 2023					
Expected credit loss rate	0%	0%	0%	0%	-
Gross receivable amount ($000)	13,703	664	539	584	15,490
Lifetime ECL ($000)	-	-	-	-	-

12 Inventories

Accounting policy

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first in first out (FIFO) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

	Council		Group	
	Actual 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Harbours				
Kaiwharahwhara crushed concrete	-	-	548	465
Water supply	5,016	3,025	5,016	3,025
Wairarapa	674	1,145	674	1,145
Other inventories				
CentrePort spare stock	-	-	2,080	2,042
CentrePort fuel and stock	-	-	206	205
Total inventory	**5,690**	**4,170**	**8,524**	**6,882**
No inventories are pledged as securities for liabilities (2023: Nil)				

13 Other financial assets

Accounting policy

Other financial assets are initially recognised at fair value.

Purchases and sales of financial assets are recognised on trade date, the date on which Greater Wellington and the Group commits to purchase or sell the asset.

Financial assets are derecognised when the contractual rights to receive cash flows from the financial asset expire, are waived, or have been transferred in a way that qualifies for derecognition.

At acquisition, other financial assets are classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through other comprehensive revenue and expense (FVTOCRE); and
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless it is classified at FVTSD, in which case any directly attributable transaction costs are recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and Greater Wellington and Group's management model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets; or if it is an equity investment not held for trading that has been designated at initial recognition as subsequently measured at FVTOCRE.

Financial assets that do not meet the criteria for measurement at amortised cost or FVTOCRE are subsequently measured at FVTSD.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, receivables, and loans to subsidiaries.

Subsequent measurement of financial assets at FVTOCRE

Financial assets in this category are unlisted equity investments designated as FVTOCRE. They are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity.

Unlisted equity investments held by Greater Wellington and Group are strategic investments intended to be held for the medium to long term and not for trading. Greater Wellington and Group designate all unlisted equity investments into the FVOTCRE category other than equity interests in subsidiaries and associates (see Note 20) and equity interests in joint ventures (see Note 14).

The fair value of unlisted equity investments is calculated based on Greater Wellington's share of net assets of the companies.

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit.

Expected credit losses (ECL) allowance

Greater Wellington and Group recognise an allowance for ECL for all debt instruments not classified as FVTSD. ECL are the probability weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Greater Wellington and Group in accordance with the contract and the cash flows it expects to receive. ECL are discounted at the effective interest rate of the financial asset.

ECL are recognised in two stages. ECL are provided for credit losses that result from default events that are possible within the next 12 months (12 month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a debt instrument has increased significantly since initial recognition, Greater Wellington and Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Greater Wellington and the Group's historical experience and informed credit assessment and including forward-looking information.

Greater Wellington and Group consider a debt instrument to be in default when a contractual cash flow is more than 90 days past due. Greater Wellington and Group may determine a default occurs prior to this if internal or external information indicates the counterparty is unlikely to pay its credit obligations in full. The Greater Wellington measures ECL on loan commitments at the date the commitment becomes irrevocable. If the ECL measured exceeds the gross carrying amount of the debt instrument, the ECL are recognised as a provision.

	Council		Group	
	Actual 2024 $000	**Actual 2023 $000**	**Actual 2024 $000**	**Actual 2023 $000**
Loan/Advances				
Loan to WRC Holdings Limited	44,569	44,544	-	-
Loans and Advances to Joint Venture	-	-	10,355	9,934
Stadium advance	2,038	2,028	2,038	2,028
Warm Wellington funding	2,544	3,811	2,544	3,811
Unlisted equity investments				
Civic Financial Services Limited shares	80	80	80	80
New Zealand Local Government Funding Agency Limited shares	7,900	7,804	7,900	7,804
Deposits				
Bank deposits with maturity terms more than three months	163,600	102,892	163,600	102,892
New Zealand Local Government Funding Agency Limited borrower notes	22,581	14,878	22,581	14,878
Contingency fund				
Bulk water supply contingency fund	50,910	47,941	50,910	47,941
Material damage property insurance contingency fund	12,981	12,093	12,981	12,093
Major flood contingency fund	9,023	8,280	9,023	8,280
	316,226	**244,352**	**282,012**	**209,742**
Current financial assets	283,735	172,768	239,166	172,224
Noncurrent financial assets	32,491	71,584	42,846	37,518
Total financial assets	**316,226**	**244,352**	**282,012**	**209,742**

The investment amounts stated below as part of the note are nominal amounts and do not include accrued interest.

Loan to WRC Holdings Limited
Greater Wellington loaned $44 million (2023: $44 million) to its wholly owned subsidiary WRC Holdings Limited. The rate per 30 June 2024 is 6.1175% (2023: 6.1075%) and is reset quarterly.

Loans and advances to Joint Venture

Direct Connect Container Services Limited
CentrePort provided a secured and interest bearing long term shareholder advance to Direct Connect Container Services Ltd of $7.0 million, in October 2021. Interest is payable on the principal of 7.0% per annum. Income from the loan for the year ended 30 June 2024 was $491,000 (2023: $490,000). The loan is repayable on 29 November 2029.

During the year ended 30 June 2023, CentrePort provided a secured and interest bearing long term shareholder advance to Direct Connect Container Services Ltd of $1.9 million. Interest is payable on the principal of 7.0% per annum. Income from the loan for the year ended 30 June 2024 was $134,000. The loan is repayable on 4 August 2025.

At 30 June 2024, CentrePort has $1.1 million (2023: $1.1 million) of unsecured advances to Direct Connect Container Services. There is no interest charged on these advances and they are repayable on demand. This cash advance is shown on the balance sheet net of CentrePort's share of losses, $742,000 (2023: $534,000).

Marlborough Inland Hub Limited
During the year ended 30 June 2023, CentrePort provided a secured and interest bearing long term shareholder loan to Marlborough Inland Hub Limited of $500,000. Interest is payable on the 30th of June each year or as otherwise provided by agreement at an interest rate of the OCR from time to time plus a margin of 1.5%. Income from the loan for the year ended 30 June 2024 was $35,000 (2023: $18,000). The loan is repayable on demand.

Advance to Wellington Regional Stadium Trust
Greater Wellington advanced $25 million to the Wellington Regional Stadium Trust in August 1998. The advance was on an interest free basis with limited rights of recourse. The obligations of Greater Wellington to fund the Trust are defined under a Funding Deed dated 30 January 1998. Under the terms of this deed, any interest charged on the limited recourse loan is accrued and added to the loan. The advance is not repayable until all non-settlor debts of the Trust are extinguished and is subject to the Trust's financial ability to repay debt at that time. Greater Wellington without prejudice expected that the Stadium would not repay the advance and consequently the asset is fully impaired.

Later advance to Wellington Regional Stadium Trust
Greater Wellington advanced $2.1 million (2023: $2.1 million) to Wellington Regional Stadium Trust as part of a joint loan facility with Wellington City Council. The advance was drawn progressively across the 2021 and 2022 financial years with the first two years after initial drawdown being interest free and an interest rate of 3% thereafter. The advance is unsecured and matures in December 2030.

The carrying value of the advance is recognised at a discount to the total loan amount, reflecting the interest rate terms. The discount will unwind progressively over the remaining term until the advance matures at the full principal amount.

Civic Financial Services Limited
Greater Wellington holds 80,127 shares (2023: 80,127 shares) in the New Zealand Local Government Insurance Corporation, trading as Civic Financial Services Limited.

New Zealand Local Government Funding Agency Limited
Greater Wellington is a founding shareholder of the New Zealand Local Government Funding Agency Limited (LGFA) and holds 1,866,000 fully paid shares (2023: 1,866,000). It has also invested $21.1 million (2023: $14.1 million) in LGFA borrower notes, which return on average 5.98% as at 30 June 2024 (2023: 5.96%). The LGFA has

the right to elect to convert the borrower notes into redeemable shares. This can only occur after it has fully called on its unpaid capital and only in the situation of their being at risk of imminent default.

LGFA borrower notes
LGFA borrower notes are subordinated convertible debt instruments that Greater Wellington is required to subscribe for when borrowing from the LGFA. The subscription rate is 2.5% of the total amount borrowed. The borrower notes plus interest will be redeemed when the related Greater Wellington borrowing is repaid or LGFA may convert them to redeemable shares under certain circumstances.

LGFA borrower notes are measured at fair value using discounted cash flows based on the interest rate yield curve at the reporting date.

Warm Wellington
The Warm Wellington programme provides funding to ratepayers for home insulation and clean heating in association with the Energy Efficiency and Conservation Authority. Under this programme Greater Wellington provided up to $5,000 assistance to ratepayers. The assistance is fully recovered by way of a targeted rate on those ratepayers that participate in the programme. The Programme was discontinued in the latter part of the 2020/21 financial year.

Bank deposits with maturity terms more than three months
Greater Wellington has invested $159 million (2023: $102 million) of its funds in short-term deposits with an average rate of 6.34% (2023: 5.99%).

Bulk water supply contingency fund
Greater Wellington is holding $49.6 million (2023: $47.3 million) in bulk water supply contingency funds. The funds are invested in term deposits. The weighted average rate is 6.22% (2023: 5.95%).

Material damage property insurance contingency fund
Greater Wellington has invested $12.6 million (2023: $12 million) of its material damage property insurance contingency fund in short-term deposits with an average rate of 6.33% (2023: 6.11%).

Major flood contingency fund
Greater Wellington has invested $8.6 million (2023: $8.1 million) of its major flood contingency fund in a short-term deposit with a rate of 6.48% (2023: 5.87%).

14 Aggregated joint venture information

Interests in joint ventures
A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture.

An investment is accounted for using the equity method from the date on which the investee becomes a joint venture.

The requirements of PBE IPSAS 26 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with PBE IPSAS 26 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) to its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with PBE IPSAS 26 to the extent that the recoverable amount of the investment subsequently increases.

When a Group entity transacts with a joint venture of the Group, profit and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interest in the joint venture that are not related to the Group.

Name of joint venture (Held by CentrePort Limited)	Principal activity	2024 Percentage ownership %	2023 Percentage ownership %
Harbour Quays D4 Limited*	Commercial rental property	76.9%	76.9%
Direct Connect Container Services Limited	Transport hubbing and logistics	38.5%	38.5%
Marlborough Inland Hub Limited	Development	38.5%	38.5%
Dixon & Dunlop Limited	Construction and development	38.5%	38.5%

Marlborough Inland Hub Limited

On 29 June 2022, Marlborough Inland Hub Limited was established as a joint venture between the Group and Port of Marlborough New Zealand Limited. The joint venture holds land and assets used to fulfil a Grape Supply Agreement in Marlborough valued at $14.2 million. The land component of the property was revalued at 30 June 2022 from $10.6 million to $12.3 million. For the year ended 30 June 2024, management have obtained a desktop assessment of the land which has concluded that the lands carrying value is not materially different to the fair value as at that date.

Dixon & Dunlop Limited

On 31 August 2021, CentrePort Limited purchased 50% of the shares in Dixon & Dunlop Limited for $4.1 million. CentrePort's interest in Dixon & Dunlop has been accounted for using the equity method. During the year ended 30 June 2024, CentrePort received cash dividends of $1.95 million (2023: $1.25 million).

* All companies are incorporated and operate in New Zealand

Summarised Balance Sheet

	Actual 2024 $000	Actual 2023 $000
Current		
Cash and cash equivalents	2,152	3,449
Other current assets (excluding cash)	1,517	1,962
Total current assets	3,669	5,411
Other current liabilities (including trade payables)	(1,349)	(1,833)
Total current liabilities	**(1,349)**	**(1,833)**
Non-current		
Assets	37,734	38,321
Total non-current assets	**37,734**	**38,321**
Financial liabilities	(19,085)	(19,060)
Other liabilities	(1,539)	(1,746)
Total non-current liabilities	**(20,624)**	**(20,806)**
Net assets	**19,430**	**21,093**

Summarised Statement of Comprehensive Income

	Actual 2024 $000	Actual 2023 $000
Revenue	16,500	19,582
Operating expenses	(14,262)	(16,542)
Net finance cost	-	-
Total comprehensive income	**2,238**	**3,040**

Reconciliation of Summarised Financial Information

	Actual 2024 $000	Actual 2023 $000
Opening carrying value	**13,211**	**12,818**
Profit/(loss) for the year	1,119	1,521
Adjustments	-	(19)
Movement through OCI	-	-
Applied against loan	173	141
Dividend	(1,950)	(1,250)
Closing carrying value	**12,553**	**13,211**

15 Property, plant and equipment

Property, plant and equipment 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.

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

- Wharves, paving and Seawalls
- Operational land and buildings
- Operational plant and equipment
- Operational vehicles
- Flood protection infrastructural assets
- Transport infrastructural assets
- Rail rolling stock
- Navigational aids infrastructural assets
- Parks and forests infrastructural assets
- Capital work in progress
- Regional water supply infrastructural assets
- Right of use assets

All property, plant and equipment is initially recorded at cost.

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 Group 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.

Property, plant, and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Revaluation

Infrastructural assets are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every five years, except operational port freehold land which is valued every three years.

Revaluation movements are accounted for on a class of asset basis. The fair value of revalued assets is recognised in the financial statements of Greater Wellington and the Group and reviewed at the end of each reporting period to ensure that the carrying value is not materially different from its fair value. Any revaluation increase in the class of asset is recognised in other comprehensive revenue and expenses and accumulated as a separate component of equity in the asset revaluation reserve, except to the extent it reverses a previous revaluation decrease for the same asset previously recognised in the statement of revenue and expenses, in which case the increase is credited to the statement of revenue and expenses to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation is charged to the statement of revenue and expenses to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation.

The following assets are revalued at least every five years:

Flood protection

The flood protection infrastructure assets were valued at 30 June 2024 using Optimised Depreciated Replacement Cost (ODRC) methodology in accordance with the guidelines published by the National Asset Management Steering (NAMS) Group.

The valuations were carried out by a team of qualified and experienced flood protection engineers from within the Flood Protection department. The asset valuation was undertaken by Colin Gerrard (BSc, MSc) and reviewed by Helen Barclay (BE, CPEng, CMEngNZ). In conclusion, the 2024 valuation of Greater Wellington's flood protection assets is deemed acceptable and appropriate for financial reporting purposes.

Western flood protection land was valued as at 30 June 2024 by Brian Whitaker ANZIV, SPINZ, using a derived value rate per hectare, based on sales data of rural and reserve land from recognised valuation sources which reflects fair value.

Baker and Associates valued Wairarapa flood protection land as at 30 June 2024. Land valuation was completed by Fergus Rutherford MPINZ, BBS VPM using comparison to market sales of comparable type land in similar locations to each parcel, which reflects fair value.

Management performed a desktop assessment to assess if there are any indications that the carrying value of these revalued assets is materially different to the estimated fair value. The flood protection desktop assessment indicated that no adjustment to carrying values was required. The outcome of the assessment is supported by separate review performed by Damwatch.

Riverlink properties

Greater Wellington has been acquiring properties around Te Awa Kairangi Hutt River since 2016 in preparation for the significant flood protection works associated to the RiverLink project. The buildings were recognised at cost as part of the land and building assets. However, the land has been valued every three to five years as part of the overall flood protection infrastructure assets. The project has now progressed considerably with a memorandum of agreement being agreed with Waka Kotahi towards the end of June 2023, whereby some properties that have been acquired by Greater Wellington have been identified to be sold to Waka Kotahi for their infrastructure projects. A demolition schedule of the relevant buildings on this land identified for sale to Waka Kotahi was also agreed in August 2023.

The accounting standards require us to value the land and buildings based on its overarching designation and intended use of the area as 'open space'. Consequently, an impairment loss of Nil (2023: $27.8 million) relating to the buildings has been recognised in the statement of comprehensive revenue and expense. Further, a reduction in value to Nil (2023: $32.6 million) relating to land has also been recognised in the asset revaluation reserve.

However, it is important to note that the actual use of the land has an underlying intrinsic value to the Hutt Valley and wider Region as the land will host proposed cycle and pedestrian corridors, improved flood banks and recreational green areas that will enhance the liveability of the Hutt Valley and also significantly reduce the risk and impact of severe flood events on Hutt City. Overall, the RiverLink project is expected to deliver environmental restoration and flood resilience, alongside benefits to the social and economic vitality of communities around Te Awa Kairangi Hutt River.

Parks and forests

The parks and forests land and buildings were valued at 30 June 2022. Land and improvements have been valued using the market value methodology by Fergus Rutherford, Registered Valuer of Baker and Associates Limited. Roads, fences, bridges, tracks and other park infrastructure were valued at 30 June 2022 and have been valued using ODRC methodology. Peter Ollivier, Senior Project Director of Calibre Consulting Limited reviewed the unit rate methodology.

Public transport

Operational assets and rail infrastructural and rolling stock are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value. They are revalued every five years.

GWRL public transport rail station infrastructural assets and rolling stock were independently valued by Mike Morales, FPINZ, FNZIV, PINZ Registered Plant and Machinery Valuer, a Director of Bayleys Valuations Limited as at 30 June 2023 using Optimised Depreciated Replacement Cost (ODRC) methodology.

GWRC public transport bus stops, bus hubs and park and ride land assets were independently valued by Mike Morales, FPINZ, Registered

Plant and Machinery Valuer, Director of Bayleys Valuations Limited and Paul Butchers FPINZ as at 30 June 2023 using Optimised Depreciated Replacement Cost (ODRC) methodology.

Regional water supply

Regional water supply infrastructure assets were valued by Mike Morales Director of Bayleys as at 30 June 2022 using ODRC methodology. Water supply buildings were revalued by Paul Butcher, BBS, FPINZ, Registered Valuer, a Director of Bayleys Valuations Limited as at 30 June 2022 using ODRC methodology.

Water urban based land assets were valued by Telfer Young (Martin J Veale, Registered Valuer, ANZIV, SPINZ) as at 30 June 2022 using current market value methodology in compliance with PINZ professional Practice (Edition 5) Valuation for Financial Reporting and NZ PBE IPSAS 17 Property Plant and Equipment.

Water catchment and rural based assets were valued by Baker and Associates (Fergus T Rutherford, Registered Valuer, BBS (VPM), ANZIV) as at 30 June 2022 using current market value methodology in compliance with PINZ Professional Practice (Edition 5) Valuation for Financial Reporting and NZ PBE IPSAS 17 Property Plant and Equipment.

Greater Wellington Regional Council Group (including CentrePort Limited)

Operational Port Land is stated at fair value at the date of revaluation and is determined by reference to the highest and best use of land as determined by the independent valuer. Operational Port Land was last independently valued by the firm Colliers International, a registered valuer, on 30 June 2022.

Operation Port Land which was transferred to Investment Property during the year was valued by Colliers International at the date of transfer.

For the year ended 30 June 2023, management in conjunction with Colliers International have performed a desktop assessment of port operational land which has concluded that the carrying values are not materially different to their fair values as at that date. On that basis there are no changes to the assessed values or assumptions other than the transfer of certain properties to investment property and the reduction in provision for land resilience as amounts are spent and capitalised in the assets.

At 30 June 2011 the Group purchased the Metropolitan rail assets from Kiwi Rail wholly owned by the New Zealand Government.

The consideration for these assets which includes stations, platforms, and rail rolling stock was for a nominal consideration of $1.00.

The assets were recognised in the Group accounts via the statement of revenue and expense. Greater Wellington Rail public transport rail station infrastructural assets and its rolling stock were valued by Bayleys using ODRC methodology at 30 June 2023.

Any increase in the value on revaluation is taken directly to the asset revaluation reserve. However, if it offsets a previous decrease in value for the same asset recognised in the statement of revenue and expenses, then it is recognised in the statement of revenue and expenses. A decrease in the value on revaluation is recognised in the statement of revenue and expense where it exceeds the increase of that asset previously recognised in the asset revaluation reserve.

Property, Plant and Equipment is recorded at cost less accumulated depreciation and impairment. Cost represents the value of the consideration to acquire the assets and the value of other directly attributable costs that have been incurred in bringing the assets to the location and condition necessary for their intended service. All Property, Plant and Equipment is depreciated, excluding land.

Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to Greater Wellington and the Group and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition. 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 Group 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.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds to the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

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	2 to 100 years
Operational port freehold land	Indefinite
Operational land	Indefinite
Operational buildings	5 to 75 years
Operational plant and equipment	2 to 40 years
Operational vehicles	2 to 34 years
Flood protection infrastructural assets	10 years to indefinite
Transport infrastructural assets	4 to 150 years
Rail rolling stock	20 to 30 years
Navigational aids infrastructural assets	10 to 50 years
Parks and forests infrastructural assets	5 to 155 years
Regional water supply infrastructural assets	3 to 214 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.

Impairment of property, plant, and equipment

Property, plant, and equipment that has a finite useful life is reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

Value in use for non-cash-generating assets
Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets
Cash-generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

15 Property, plant and equipment

Council 2024	Land and Buildings $000	Plant and Equipment $000	Motor Vehicle $000	Flood Protection $000	Navigational aids $000	Parks and Forests $000	Transport Infrastructure $000	Water Infrastructure $000	Right to use $000	Total $000
Operating assets										
Opening net book value	11,569	86,596	4,594	462,540	1,911	126,565	64,391	654,172	23,192	1,435,530
Disposals/written off net	(337)	(325)	(44)	(1,673)	(143)	(280)	(77)	(762)	-	(3,641)
Reclassification	295	-	-	-	(409)	114	-	-	-	-
Revaluation gain/(loss)	-	-	-	192,367	1,342	-	-	-	-	193,709
Additions	2,923	881	4,091	22,139	-	3,574	1,128	8,931	-	43,667
Depreciation charge	(3,411)	(2,379)	(1,384)	(4,083)	(62)	(3,207)	(3,938)	(18,644)	(1,544)	(38,652)
Work in progress movement	-	-	141	6,112	11	3,305	8,651	98,039	-	116,259
	-	-	-	-	-	-	-	-	-	-
Total	**11,039**	**84,773**	**7,398**	**677,402**	**2,650**	**130,071**	**70,155**	**741,736**	**21,648**	**1,746,872**
At cost and valuation	17,014	26,004	11,288	622,499	2,601	130,524	49,296	625,626	30,889	1,515,741
Work in progress	-	71,078	568	57,144	49	5,932	26,013	153,030	-	313,814
Accumulated depreciation	(5,975)	(12,309)	(4,458)	(2,241)	-	(6,385)	(5,154)	(36,920)	(9,241)	(82,683)
Total	**11,039**	**84,773**	**7,398**	**677,402**	**2,650**	**130,071**	**70,155**	**741,736**	**21,648**	**1,746,872**

15 Property, plant and equipment

Council 2023	Land and Buildings $000	Plant and Equipment $000	Motor Vehicle $000	Flood Protection $000	Navigational aids $000	Parks and Forests $000	Transport Infrastructure $000	Water Infrastructure $000	Right to use $000	Total $000
Opening net book value	35,608	29,628	2,893	472,602	1,949	129,514	58,094	662,821	24,720	1,417,829
Disposals/written off net	-	(9)	-	(9)	(9)	(125)	(386)	(110)	-	(648)
Reclassification *	(8,889)	-	-	(9,680)	-	-	-	-	-	(18,569)
Revaluation gain/loss *	-	-	-	(32,677)	-	-	1,957	-	-	(30,720)
Impairment *	(27,831)	-	-	-	-	-	-	-	-	(27,831)
Additions	15,439	46	2,302	15,077	-	794	3,497	9	-	37,164
Depreciation charge	(2,758)	(2,547)	(878)	(1,005)	(67)	(3,218)	(2,850)	(18,570)	(1,528)	(33,421)
Work in progress movement	-	59,478	277	18,232	38	(400)	4,079	10,022	-	91,726
Total	**11,569**	**86,596**	**4,594**	**462,540**	**1,911**	**126,565**	**64,391**	**654,172**	**23,192**	**1,435,530**
At cost and valuation	15,464	29,220	10,090	417,210	2,280	127,150	53,896	617,727	30,889	1,303,926
Work in progress	-	71,074	427	51,033	38	2,627	17,362	54,994	-	197,555
Accumulated depreciation	(3,895)	(13,698)	(5,923)	(5,703)	(407)	(3,212)	(6,867)	(18,549)	(7,697)	(65,951)
Total	**11,569**	**86,596**	**4,594**	**462,540**	**1,911**	**126,565**	**64,391**	**654,172**	**23,192**	**1,435,530**

* Prior year balance restated. Refer to note 35 for further details.

15 Property, plant and equipment

Group 2024	Land and Buildings $000	Plant and Equipment $000	Motor Vehicle $000	Flood Protection $000	Navigational aids $000	Parks and Forests $000	Transport Infrastructure $000	Water Infrastructure $000	Wharves and paving $000	Rolling stock $000	Right to use $000	Total $000
Opening net book value	137,167	135,482	4,593	462,540	1,911	126,565	190,934	654,171	99,036	359,782	23,192	2,195,373
Disposals/written off net	(488)	(353)	(44)	(1,673)	(143)	(280)	(77)	(762)	-	-	-	(3,820)
Reclassification	(153)	406	-	-	(409)	114	-	-	42	-	-	-
Revaluation gain/loss	8,705	-	-	192,367	1,342	-	-	-	-	-	-	202,414
Impairment	-	-	-	-	--	-	-	-	-	-	-	-
Additions	9,090	5,161	4,091	22,139	-	3,574	12,011	8,931	6,175	538	-	71,710
Depreciation charge	(4,112)	(7,892)	(1,384)	(4,083)	(62)	(3,207)	(10,505)	(18,644)	(6,493)	(19,248)	(1,544)	(77,174)
Work in progress movement	278	1,206	141	6,112	11	3,305	6,840	98,039	16,445	9,461	-	141,838
Total	**150,487**	**134,010**	**7,397**	**677,402**	**2,650**	**130,071**	**199,203**	**741,735**	**115,205**	**350,533**	**21,648**	**2,530,341**
At cost and valuation	165,523	137,972	11,287	622,499	2,601	130,524	174,513	625,625	137,363	355,457	30,889	2,394,253
Work in progress	1,054	74,572	568	57,144	49	5,932	36,411	153,030	44,974	14,325	-	388,059
Accumulated depreciation	(16,090)	(78,534)	(4,458)	(2,241)	-	(6,385)	(11,721)	(36,920)	(67,132)	(19,249)	(9,241)	(251,971)
Total	**150,487**	**134,010**	**7,397**	**677,402**	**2,650**	**130,071**	**199,203**	**741,735**	**115,205**	**350,533**	**21,648**	**2,530,341**

15 Property, plant and equipment

Group 2023	Land and Buildings $000	Plant and Equipment $000	Motor Vehicle $000	Flood Protection $000	Navigational aids $000	Parks and Forests $000	Transport Infrastructure $000	Water Infrastructure $000	Wharves and paving $000	Rolling stock $000	Right to use $000	Total $000
Opening net book value	161,484	72,737	2,893	472,602	1,949	129,514	204,772	662,821	85,792	365,975	24,720	2,185,259
Disposals/written off net	-	(27)	-	(9)	(9)	(125)	(1,348)	(111)	(293)	-	-	(1,922)
Reclassification *	(33,814)	3,078	-	(9,680)	-	-	-	-	(3,078)	-	-	(43,494)
Revaluation gain/loss *	9,636	-	-	(32,677)	-	-	(26,618)	-	-	13,981	-	(35,678)
Impairment *	(27,831)	-	-	-	-	-	-	-	-	-	-	(27,831)
Additions	31,188	9,008	2,302	15,077	-	794	20,235	9	15,219	2,536	-	96,368
Depreciation charge	(3,525)	(7,849)	(879)	(1,005)	(67)	(3,218)	(8,494)	(18,570)	(5,508)	(24,207)	(1,528)	(74,850)
Work in progress movement	29	58,535	277	18,232	38	(400)	2,387	10,022	6,904	1,497	-	97,521
Total	**137,167**	**135,482**	**4,593**	**462,540**	**1,911**	**126,565**	**190,934**	**654,171**	**99,036**	**359,782**	**23,192**	**2,195,373**
At cost and valuation	165,535	138,420	10,089	417,210	2,280	127,150	167,218	617,728	130,521	355,710	30,889	2,162,750
Work in progress	750	72,319	427	51,033	38	2,627	30,583	54,992	29,152	4,072	-	245,993
Accumulated depreciation	(29,118)	(75,257)	(5,923)	(5,703)	(407)	(3,212)	(6,867)	(18,549)	(60,637)	-	(7,697)	(213,370)
Total	**137,167**	**135,482**	**4,593**	**462,540**	**1,911**	**126,565**	**190,934**	**654,171**	**99,036**	**359,782**	**23,192**	**2,195,373**

* Prior year balance restated. Refer to note 35 for further details.

Infrastructure assets – further disclosures

Council 2024	Closing book value $000	Additions: Assets transferred to Council $000	Estimated replacement cost $000
Infrastructural assets			
Water treatment plants and facilities	335,059	1,079	390,961
Other water assets	211,501	7,843	239,302
Flood protection and control works	620,262	22,139	641,180
Total infrastructural assets	**1,166,822**	**31,061**	**1,271,443**

Council 2023	Closing book value $000	Additions: Assets transferred to Council $000	Estimated replacement cost $000
Infrastructural assets			
Water treatment plants and facilities	347,691	-	378,448
Other water assets	251,488	9	265,629
Flood protection and control works	411,507	15,077	406,780
Total infrastructural assets	**1,010,686**	**15,086**	**1,050,857**

Capital Work in Progress

Capital work in progress includes capital projects requiring resource consent to proceed. Management regularly review these projects to determine whether the assumptions supporting the project proceeding continue to be valid. The Capital Work in Progress balance is carried forward on the basis the projects have been determined they will proceed.

2023			2024	
Group ($000)	Parent ($000)		Group ($000)	Parent ($000)
750	-	Land and Buildings	1,054	-
72,319	71,074	Plant and Equipment	74,569	71,076
427	427	Motor Vehicle	568	568
51,033	51,033	Flood Protection	57,146	57,146
38	38	Navigational aids	49	49
2,627	2,627	Parks and Forests	5,932	5,932
30,583	17,362	Transport infrastructure	36,411	26,013
54,992	54,992	Water infrastructure	153,030	153,030
29,152	-	Wharves and paving	44,974	-
4,072	-	Rolling stock	14,325	-
245,993	**197,553**		**388,058**	**313,814**

Service Concession Arrangement

Background:

Greater Wellington (as grantor) has entered into an arrangement with Tranzit, NZ Bus, and Mana (the Operators) to provide bus services. The arrangement requires Operators to provide timetable services using double decker buses under contracts terms of 15 years.

During this period, the operator will earn revenues from operating the buses while Greater Wellington pays the service fees and substantively control the use of the double decker buses as specified in the agreement. At the end of the contract term, the ownership of those buses will transfer to Greater Wellington with the price determined using a contracted formula.

Service concession asset

The double decker buses were initially recognised at fair value of $31 million in 2018/19 and have been subsequently measured in accordance with PBE IPSAS 32. They have an estimated useful life of 20 years and are depreciated on a straight-line basis.

Service concession liability

$31 million of financial liability in relation to the service concession arrangement has also been initially recognised in 2018/19. This financial liability has been subsequently accounted for using the amortised cost model leading to finance expenses over 15 years.

Operational Port Land

Operational Port Land is measured at fair value less any allowance for impairment.
Operational Port Land was independently valued by Colliers International, a registered valuer, on 30 June 2023. The assessed value at that time was $83.8 million which was adjusted by $14.4 million for estimated Operational Port Land resilience costs, to arrive at fair value for financial reporting purposes.

	Council		Group	
	Actual 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Industrial Zoned Land	-	-	98,245	98,245
Commercial Zoned	-	-	-	-
Other Port Land	-	-	29,566	29,566
	-	-	127,811	127,811
Less Provision for Land Resilience	-	-	-	(14,425)
Additions, Transfers, and Disposals of Port Land since valuation	-	-	-	-
Total Operational Port Land	**-**	**-**	**127,811**	**113,386**
Industrial Zoned Land				
Industrial Zoned Land as at 1 July	-	-	98,245	113,511
Additions	-	-	-	23
Transfers to Investment Property	-	-	-	(24,925)
Increase / (decrease) in fair value	-	-	-	9,636
	-	**-**	**98,245**	**98,245**
Commercial Zoned Land				
Commercial Zoned Land as at 1 July	-	-	-	-
Additions	-	-	-	-
Transfers/Reclassifications	-	-	-	-
Increase / (decrease) in fair value	-	-	-	-
	-	**-**	**-**	**-**
Other Port Land				
Other Port Land as at 1 July	-	-	29,566	29,566
Additions	-	-	-	-
Transfers/Reclassifications	-	-	-	-
Increase / (decrease) in fair value	-	-	-	-
	-	**-**	**29,566**	**29,566**
Provision for Land Resilience				
Provision for Land Resilience as at 1 July	-	-	(14,425)	(27,763)
Additions	-	-	6,166	13,338
Transfers/Reclassifications	-	-	(448)	-
Change in Provision for Land Resilience charged to Revaluation Reserve	-	-	8,707	-
	-	**-**	**-**	**(14,425)**

Valuation approach - Operational Port Land

The fair value of Industrial Zoned Land is on a vacant basis, reflecting the land in its current state, however, ignoring any and all operational buildings, structures and improvements involved in the day- to-day operation of port related activities. Industrial Zoned Land is made up of Freehold land and Land leased out to third parties ("Leasehold Land") as part of port operations.

Each freehold parcel of land is valued on a rate per square metre basis using the direct sales comparison approach. In carrying out this comparison, consideration is given to:

- sales of land or development sites within the wider Wellington region
- size, shape, location and access to services, including road frontage, exposure to vehicles, allowable height, and density of use
- the current state of the Wellington and wider New Zealand economy
- the current state of Wellington property markets including the office, industrial, large format retail, residential accommodation, and hotel accommodation markets

Each leasehold parcel of land is valued using a Capitalised Net Rental approach, where market ground rental is capitalised with reference to sales of lessors interests, with an allowance made for differences between contract and market rents adjusted for the terms of the lease.

Significant inputs into this valuation approach are:

- comparable recent rental settlements on a rate per square metre of land
- perpetually renewable or terminating lease
- rental review periods; and
- forecast trends for interest rates and market based property yields.

Market rental is assessed using both the:

- Classic approach under which the valuer adjusts a basket of comparable rental settlements for a ground rental rate per square metre and multiplies by the land area leased, and the
- Traditional approach whereby the valuer assesses a market land value and applies a market based ground rental percentage against this value.

Key assumptions underlying the valuation are set out below:

- It is assumed that there is a structural sea wall along the reclamation edge to ensure that all sites offer appropriate stability for commercial development. All costs associated with ensuring the land is resilient are to be borne by CentrePort and have been excluded from the valuer's assessed value. This has been taken into account in the fair value as noted in the "Operational Port Land Resilience" adjustment below.

The following table summarises the valuation approach used by the valuers in 2023 to arrive at an assessed value together with the Provision for Land Resilience and the sensitivity of the valuation to movements in unobservable inputs. Given the desktop exercise completed at 30 June 2024 the value and assumptions remain unchanged other than an adjustment for transfers to investment property in the 2024 financial year and movements in the provision for land resilience:

Industrial Zoned Land	Assessed Value Value	Valuation approach	Key valuation assumptions	Valuation impact
Freehold Land	$ 86.8m (2023: $86.8m)	Direct Sales Comparison approach	Weighted average land value the rate per sqm applied to the subject property. This ranges from $50psqm to $1,650psqm (2023: $50psqm to $1,650psqm)	+ 5% $4.4m (2023: + 5% $4.4m)
		Market Capitalisation	Capitalisation rate the rate of return determined through analysis of comparable, market related sales transactions, which is applied to a property sustainable net income to derive value. The rate selected was 6.25% (2023: 6.25%)	+ 0.25% $0.1m (2023: + 0.25% $0.1m)
		Discounted Cash Flow	Discount rate the rate of return used to determine the present value of future cash flows. The rate used was 7.5% (2023: 7.5%)	+ 0.25% $0.1m (2023: + 0.25% $0.1m)
Leasehold Land	$11.5m (2023: $11.5m)	Capitalised Net Rental approach	Weighted average land value the rate per sqm applied to the subject property. This ranges from $1,500psqm to$1,750psqm (2023: $1,500psqm to $1,750psqm)	+ 5% $0.6m (2023: + 5% $0.6m)
Assessed Value	**$98.2m (2023: $98.2m)**			
Provision for Land Resilience	$nil (2023: $14.4m)	Cost estimates	Estimated cost of completing land resilience work.	+ 15% $2.2m (2023: + 15% $2.2m)
Total Fair Value	**$98.2m (2023: $83.8m)**			

Operational Port Land resilience

During the period the remaining land resilience provision has been reduced to nil (2023: $14.5m) following the completion of the work that was needed to be undertaken to support the land and achieve the assessed value determined by Colliers International in their independent valuation. The reduction is comprised of $6.2m of work undertaken during the year less $0.4m of incurred costs reclassified to Property, Plant and Equipment, and $8.7m of adjustment through Other Comprehensive Income.

Valuation approach - other port land

Other Port Land is made up of Freehold land and land leased out to third parties (“Leasehold Land”). Significant ancillary services are provided to these third parties. Leasehold Land is valued using a combination of the following approaches:

- Capitalised Net Market Rental approach - This is where market ground rental is capitalised with reference to sales of lessors interests, with an allowance made for differences between contract and market rents adjusted for the terms of the lease.

- Market Capitalisation approach - This is where fair value is determined by assessing the property's market ground rental and then capitalising this using an appropriate yield.
- Discounted Cashflow approach - This is where fair value is determined by a present value of the projected cashflow of the property over a period, making allowances for such variables as discount rates, growth rates, rental levels, vacancy allowances, capital expenditure and outgoings, and terminal yields.

Significant inputs into these valuation approaches are:

- comparable recent rental settlements on a rate per square metre of land
- perpetually renewable or terminating lease
- rental review periods; and
- forecast trends for interest rates and market based property yields.

Market ground rental is assessed using the traditional approach whereby the valuer assesses a market land value and applies a market based ground rental percentage against this value.

The following table summarises the key inputs and assumptions used by the valuer to arrive at fair value and the sensitivity of the valuation to movements in unobservable inputs. Given the desktop exercise completed at 30 June 2024, the value and assumptions remain unchanged since 2022, other than an adjustment for transfers to investment property in the 2024 financial year and movements in the provision for land resilience:

Other Port Land	Assessed Value	Valuation approach	Key valuation assumptions	Valuation impact
Leasehold Land	$24.5m (2023: $24.5m)	Capitalised Net Market Rental	Weighted average land value the rate per sqm applied to the subject property. This ranges from $150psqm to $750psqm (2023: $150psqm to $750psqm)	+ 5% $1.2m (2023: + 5% $1.2m)
Freehold Land	$5.0m (2023: $5.0m)	Market Capital-isation	Market capitalisation rate – the rate of return determined through analysis of comparable, market related sales transactions, which is applied to a property's sustainable net income to derive value. This is set at 8.25% (2023: 8.25%)	+ 0.25% $0.3m (2023: + 0.25% $0.3m)
		Discounted Cashflow	Discount rate - the rate of return used to determine the present value of future cash flows. The rate used was 8.75% (2023:8.75%)	+ 0.25% $0.2m (2023: + 0.25% $0.2m)
Total Fair Value	$29.6m (2023: $29.6m)			

Greater Wellington Rail Limited (GWRL)
All other property, plant and equipment are carried at cost less accumulated depreciation and any allowance for impairment.

16 Lease receivables

Accounting policy

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

	Council		Group	
	Actual 2024 $000	Restated Actual 2023 $000	Actual 2024 $000	Restated Actual 2023 $000
Current *	-	21,530	-	21,530
Total lease receivables	**-**	**21,530**	**-**	**21,530**

* Prior year balance restated. Refer to note 35 for further details.

Finance lease arrangements

During the year ended 30 June 2023, Council entered into an arrangement to transfer residential and commercial units on Pharazyn and Marsden streets to Waka Kotahi as part of the RiverLink project. The transfer is subject to a final survey.

Substantially all of the risks and rewards of ownership of the assets have transferred and as such the transaction is classified as a finance lease.

The maturity analysis of lease receivables to be received are as follows:

	Council		Group	
	Actual 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Less than 1 year	-	21,530	-	21,530
Unearned finance income	-	-	-	-
Total present value of minimum lease payments	**-**	**21,530**	**-**	**21,530**

17 Intangible assets

Software

Software is a finite life intangible and is recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives between 1 and 5 years. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

New Zealand Emission Trading Scheme

New Zealand Units (NZU's) received for pre 1990 forests are recognised at fair value on the date received. They are recognised as an asset in the balance sheet 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.

NZU's 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 NZU's to be surrendered to Government.

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

Council	Software	Emission Units	Total
Year ended 30 June 2024			
Opening net book amount	1,656	15,217	16,873
Additions	-	606	606
Disposals	-	-	-
Revaluation	-	2,248	2,248
Amortisation charge **	(749)	-	(749)
Work in progress movement	17	-	17
Closing net book amount	**924**	**18,071**	**18,995**
At 30 June 2024			
Cost and valuation	6,814	18,071	24,885
Valuation	-	-	-
Accumulated amortisation and impairment	(5,890)	-	(5,890)
Net book amount	**924**	**18,071**	**18,995**

Council	Software $000	Emission units $000	Total $000
Year ended 30 June 2023			
Opening net book amount	2,598	26,010	28,608
Additions	-	178	178
Amortisation charge **	(966)	-	(966)
Work in progress movements	24	-	24
Revaluation	-	(10,971)	(10,971)
Amortisation charge **	-	-	-
Closing net book amount	**1,656**	**15,217**	**16,873**
At 30 June 2023			
Cost and valuation	14,575	15,217	29,792
Accumulated amortisation and impairment	(12,919)	-	(12,919)
Net book amount	**1,656**	**15,217**	**16,873**

Group	Software $000	Emission Units $000	Total $000
Year ended 30 June 2024			
Opening net book amount	1,824	15,217	17,041
Additions	-	606	606
Disposals	-	-	-
Revaluation	-	2,248	2,248
Amortisation charge **	(893)	-	(893)
Working in progress movement	17	-	17
Closing net book amount	**948**	**18,071**	**19,019**
At 30 June 2024			
Cost and valuation	9,359	18,071	27,430
Accumulated amortisation and impairment	(8,411)	-	(8,411)
Net book amount	**948**	**18,071**	**19,019**

Group	Software $000	Emission units $000	Total $000
Year ended 30 June 2023			
Opening net book amount	2,955	26,010	28,965
Additions	-	178	178
Amortisation charge **	(1,154)	-	(1,154)
Work in progress movement	23	-	23
Revaluation	-	(10,971)	(10,971)
Closing net book amount	**1,824**	**15,217**	**17,041**
At 30 June 2023			
Cost	17,900	15,217	33,117
Accumulated amortisation and impairment	(16,076)	-	(16,076)
Net book amount	**1,824**	**15,217**	**17,041**

No intangible assets are pledged as security for liabilities.

**The amortisation expense is included in operating expenses in the statement of comprehensive income.

18 Insurance coverage, asset values and contingency funds

Section 31 A (a) LG Act Amendment Act No 3

a) The total value of all assets of the local authority that are covered by insurance contracts, and the maximum amount to which they are insured.

	Value of assets covered by insurance $000	Maximum level of insurance coverage $000
Council assets	2,976,131	321,294
Rolling stock	619,196	195,000
Total	**3,595,327**	**516,294**

b) The total value of all assets of the local authority that are self-insured, and the value of any fund maintained by the local authority

	Value of fund maintained $000	Total value of assets self-insured $000
Council assets	85,789	193,266
Rolling stock		20,000
Total	**85,789**	**213,266**

Our level of insurance is set based on loss modelling, for example, the maximum probable loss, for Flood Protection assets, is based on a 1,000 year average return 7.3 earthquake from the Wellington fault. The 90th percentile damage estimate for Flood Protection assets has been calculated at $96 million by Tonkin & Taylor and Aon.

The Government will provide up to 60% of the loss of Infrastructure assets such as stopbanks, flood protection structures and below ground water infrastructure assets. This support is laid down in section 26 of the Guide to the National Civil Defence Plan Emergency Management Plan.

The total value of all assets of the local authority that are covered by financial risk sharing arrangements, and the maximum amount available to the local authority under those arrangements.

Council's insurance cover is shared with Hutt City Council, Upper Hutt City Council, Kapiti Coast District Council and Porirua City Council. The Council shares its building and equipment insurance with these four Councils to the value of $600 million, based on our Council assets of $1.053 million and sharing Group assets of $2.578 million.

19 Investment properties

Accounting policy

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

Greater Wellington holds no investment in properties.

The Group's investment properties comprise of CentrePort Limited Group developed and undeveloped investment properties.

The Group has the following classes of Investment Property:

- Developed Investment Property
- Land Available for Development

Valuation approach

Investment properties are measured at fair value, which is based on active market prices, adjusted if necessary, for any difference in the nature, location or condition of the specific asset at the reporting date.

The fair value of investment properties is based on the highest and best use for commercial property.

Developed Investment Property - Valuation

Developed Investment Property consists of the building and a leasehold interest in the land for the Customhouse. The property is leased to a third party.

Developed Investment Property is valued using a combination of the following approaches:

- Market capitalisation approach - This is where the fair value is determined by capitalising the property's market ground rental with reference to sales of lessors' interests, and then an allowance is made for the difference between contract rent (either over or under) discounted until a notional equilibrium point in the lease term
- Discounted cashflow approach - This is where fair value is determined by a present value of the projected cashflow of the property over a period, making allowances for such variables as discount rates, growth rates, rental levels, vacancy allowances, capital expenditure and outgoings, and terminal yields.
- Contract Income approach - This is where fair value is determined by directly capitalising the passing income. This method is effective where income is receivable from a secure tenant, however, this is less effective where the current contract rent varies from the assessed market rent due to various factors.

Land Available for Development - Valuation

Land Available for Development consists of the Harbour Quays Development Land and the Northern Reclamation (2023: Harbour Quays Development Land and the Northern Reclamation).

Land Available for Development is valued using a Direct Sales Comparison approach. This is where the subject property is compared with recently sold properties of a similar nature with fair value determined through the application of positive and negative adjustments for their differing features. In carrying out this comparison, consideration is given to sales of similar property within the wider Wellington region, along with adjustments for factors such as the size, shape, location, access to services including road frontage, exposure to vehicles, allowable height, and density of use of the property.

Other key assumptions underlying the valuation are set out below:

- It is assumed that all 'normal' site services are fully reinstated, and no allowance has been made for any remedial or repair work required to the site or surrounding land and infrastructure.
- The valuation is based on the current Masterplan and the provision of several development sites across the precinct. Any alteration to the Masterplan or development sites may have an impact on the valuation.

- There are limitations to the soil along the reclamation edge and ground improvements are needed across the sites to mitigate the risk of lateral spread. This was factored into the valuation and the adopted values reflect the requirement for additional sub terrain site strengthening costs likely to be incurred as part of any new development.
- The valuation assumed that CentrePort will maintain the sea wall along the reclamation edge. All costs associated with the annual maintenance of the sea wall have been excluded from the valuation.
- All interim income generated from the vacant sites has been disregarded. This income does help offset operating expenses and holding costs, however, many of the 'vacant' land sales referenced to value the subject land, also similarly have existing income pending redevelopment.

The table below summarises the valuation approach used by the valuers before allowances for infrastructure service costs to arrive at fair value and the sensitivity of the valuation to the movements in unobservable inputs. The key valuation assumptions have been revised as at 30 June 2024, including movements in the estimated cost to repair services to undeveloped sites, rebuild a seawall and complete ground improvement works.

Class of Property	Fair Value $'000	Valuation approach	Key valuation assumptions	Valuation impact
Developed Invest-ment Property	$28.0m (2023:$30.5m)	Market Capitalisation	Capitalisation rate - the rate of return determined through analysis of comparable, market related sales transactions, which is applied to a property's sustainable net income to derive value. The rate selected was 7.13% (2023: 7.0%)	+0.13% $0.5m -0.13% $1.0m (2023: +0.25% $1.5m -0.25% $1.0m)
		Discounted Cashflow	Discount rate - the rate of return used to determine the present value of future cashflows. The rate selected was 8.25% (2023: 8.25%)	+0.25% $0.6m -0.25% $0.6m (2023:+0.25% $0.6m -0.25% $0.6m)
Land Available for Development	$68.7m (2023: $64.6m)	Direct Sales Comparison	Weighted average land value the rate per sqm applied to the subject property. The rates applied ranged from $150 - $2750 per sqm (2023: $125 - $2,625 per sqm)	+5.0% $3.6m -5.0% $3.6m (2023: +5.0% $3.4m -5.0% $3.4m)
Assessed Value	**$96.7m (2023: $95.1m)**			
Cost to repair services to undeveloped sites, rebuild a seawall and complete ground improvement works	$nil (2023: $9.0m)	Cost estimates	Estimated cost of completing works on Land Available for Development.	+10% $nil -10% $nil (2023: +10% $0.9m -10% $0.9m)
Total Fair Value				

	Council		Group	
	Actual 2024 $000	**Actual 2023 $000**	**Actual 2024 $000**	**Actual 2023 $000**
Developed investment properties	-	-	28,000	30,500
Land available for development	-	-	68,650	55,625
	-	**-**	**96,650**	**86,125**

	Council		Group	
	Actual 2024 $000	**Actual 2023 $000**	**Actual 2024 $000**	**Actual 2023 $000**
Developed investment properties brought forward	-	-	30,500	31,767
Additions	-	-	-	155
Increase / (decrease) in fair value	-	-	-	(1,253)
Disposals	-	-	(2,500)	(169)
Developed investment properties carried forward	**-**	**-**	**28,000**	**30,500**
Land available for development brought forward	-	-	55,625	30,850
Additions / (disposals)	-	-	-	106
Transfer from / (to) developed investment properties	-	-	-	24,925
Impairment on Earthquake damage	-	-	-	-
Increase / (decrease) in fair value	-	-	13,025	(256)
Land available for development carried forward	**-**	**-**	**68,650**	**55,625**
Total investment properties	**-**	**-**	**96,650**	**86,125**

20 Investments in subsidiaries and associates

Accounting policy

Greater Wellington consolidates as subsidiaries in the Group financial statements all entities over which Greater Wellington may direct the governance policies so as to obtain benefits from the activities of the entity. This power generally exists where Greater Wellington has an interest of 50% or more of Council controlled organisations or more than one half of the voting rights on the governing body.

The investment in subsidiaries is carried at cost in the council's parent entity financial statements.

Breakdown of investments in subsidiaries and associates:

		2024 %	2023 %
WRC Holdings Limited	Subsidiary of Greater Wellington	100	100
CentrePort Limited*	Subsidiary of WRC Holdings Limited	76.9	76.9
Greater Wellington Rail Limited	Subsidiary of WRC Holdings Limited	100	100
Wellington Regional Economic Development Agency Limited (trading as WellingtonNZ)	Minority Interest	20	20
Wellington Water Limited	Associates of Greater Wellington	17	17

All the companies mentioned above were incorporated in New Zealand and have a balance date of 30 June.

All significant intra group transactions have been eliminated on consolidation.

* On 14 October 2022, the Reserve Bank of New Zealand granted a licence under The Insurance (Prudential Supervision) Act 2010 for CentrePort Captive Insurance Limited to operate as a captive insurance company. As at 30 June 2024, CentrePort Captive Insurance has not issued any insurance contracts (2023: Nil).

** Greater Wellington owns 17% of the voting rights but is entitled to 15% of the distribution of surpluses and dividends in Wellington Water Limited.

	Actual 2024	Actual 2023
WRC Holdings Limited (shares)	355,245	337,145
Wellington Water Limited (voting shares)	150	150
Total investment in subsidiaries	**355,395**	**337,295**

For commercial sensitivity purposes, the financial information of associates is not disclosed.

21 Derivative financial instruments

Accounting Policy

Derivative financial instruments are used to manage exposure to interest rate risks arising from Greater Wellington's financing activities and exposure to foreign exchange risks arising from operational activities. In accordance with its Treasury management policies, Greater Wellington does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date based on the forward interest rate yield curve. The resulting gain or loss is recognised in surplus or deficit.

The portion of the fair value of an interest rate swap derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the interest rate swap classified as non-current.

The full fair value of any foreign exchange contract derivative is classified as current if the contract is due for settlement within 12 months of balance date; otherwise foreign exchange contract derivatives are classified as non-current.

At 30 June 2024 Greater Wellington and Group had entered into the following interest rate swap agreements:

	Council		Group	
	Actual 2024 $000	**Actual 2023 $000**	**Actual 2024 $000**	**Actual 2023 $000**
Current asset portion				
Interest rate swaps	6,767	7,075	6,767	7,075
Total current asset portion	**6,767**	**7,075**	**6,767**	**7,075**
Non-current asset portion				
Interest rate swaps	19,952	21,164	19,952	21,164
Total non-current asset portion	**19,952**	**21,164**	**19,952**	**21,164**
Total derivative financial instruments - assets	**26,719**	**28,239**	**26,719**	**28,239**
Current liability portion				
Interest rate swaps	-	-	-	-
Total current liability portion	**-**	**-**	**-**	**-**
Non-current liability portion				
Interest rate swaps	871	496	871	496
Total non-current liability portion	**871**	**496**	**871**	**496**
Total derivative financial instruments - liabilities	**871**	**496**	**871**	**496**
Total net fair value	**25,848**	**27,743**	**25,848**	**27,743**

For more information on interest rate swaps and foreign exchange contracts, please refer to note 26 Financial Instruments. The fair values of the derivative financial instruments have been determined using a discounted cashflow technique based on market prices at balance date.

22 Trade and other payables

	Council		Group	
	Actual 2024 $000	**Restated Actual 2023 $000**	**Actual 2024 $000**	**Restated Actual 2023 $000**
Trade payables	73,757	81,390	90,090	95,295
Deposits and bonds*	32	32	44	41
Revenue in advance	763	504	763	504
Accrued interest on borrowings	10,279	8,569	10,279	8,569
Amounts due to related parties	5,938	6,232	-	-
Total current creditors and other payables	**90,769**	**96,727**	**101,176**	**104,409**

* Prior year balance restated. Refer to note 35 for further details.

Trade and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value approximates their fair value.

23 Interest bearing liabilities

Accounting policy

Borrowings are recorded at amortised cost.

		Council		Group	
	Note	**Actual 2024 $000**	**Actual 2023 $000**	**Actual 2024 $000**	**Actual 2023 $000**
Current debt liabilities					
Bank overdraft	(i)	-	-	-	-
Commercial paper	(ii)	113,091	103,477	113,091	84,517
Floating rate notes		96,000	50,000	96,000	50,000
NZ Green Investment Finance	(vi)	-	-	12,000	12,000
Total current debt liabilities		**209,091**	**153,477**	**221,091**	**146,517**
Non-current debt liabilities					
Fixed rate bond	(v)	75,000	25,000	75,000	25,000
Floating rate notes	(iii)	762,000	597,000	762,000	597,000
Total non-current debt liabilities		**837,000**	**622,000**	**837,000**	**622,000**
Total debt liabilities		**1,046,091**	**775,477**	**1,058,091**	**768,517**

Terms and conditions

Greater Wellington provides security to lenders as required in the form of debenture stock which provides a charge over rates and rates income.

(i) Greater Wellington has no overdraft facility. As at 30 June 2024 Greater Wellington has $140 million (2023: $120 million) credit lines of which $140 million (2023: $120 million) is undrawn. Two credit lines are for $35 million (2023: $35 million) each with one maturing in May 2029 and the other one maturing in June 2028. These two facilities can be repaid or drawn down until expiry and have the ability to be extended annually at the discretion of the bank. A third facility is for $70 million (2023: $50 million) and has no maturity date, with the provider having a 15 month notice period. All three facilities are subject to a charge over rates. As at 30 June 2024 the Group had no bank overdraft balance (2023: $0).

(ii) Greater Wellington has issued four (2023: five) commercial papers as at 30 June 2024. Three mature within three months from balance date and two matures between 3 month and 1 year. Their weighted average interest rate is 5.72% (2023: 5.77%).

(iii) As at 30 June 2024 GWRC has issued 32 (2023: 24) Floating Rate Notes (FRN) as per the below table. The interest rates are ranging between 5.8675% and 6.5951% (2023: 5.7675% and 6.5475%) and are reset quarterly based on the 90 day bank bill rate plus a margin.

	Less than 1 year $000	1-2 years $000	2-5 years $000	More than 5 years $000	Carrying amount $000
Maturity Floating Rate Notes					
2024	96,000	50,000	348,000	364,000	858,000
2023	50,000	96,000	128,000	373,000	647,000

(iv) WRC Holdings Limited has received a $44 million loan from Greater Wellington which matures on 15 October 2024 and is repriced quarterly. The loan has an interest rate of 6.1175%. (2023: 6.1075%).

(v) As at 30 June 2024 GWRC has issued three (2023: one) semi-annual Fixed Rate Bonds with interest rates ranging between 4.31% and 5.26% (2023: 4.31%)

	Less than 1 year $000	1-2 years $000	2-5 years $000	More than 5 years $000	Carrying amount $000
Maturity Fixed Rate Bonds					
2024	-	-	50,000	25,000	75,000
2023	-	-	-	25,000	25,000

(vi) NZ Green Investment Finance

CentrePort entered has a $15 million debt facility with New Zealand Green Investment Finance (NZGIF) to accelerate investment into low carbon projects.

The Group has drawn down $12 million of this facility at balance date (2023: $12 million). The interest rate is based on BKBM (bank bill bid settlement) rate plus a margin payable on funds drawn. A commitment fee is also payable on the facility limit. The facility was renewed on 7 June 2023 for a term of 13 months. The Lender has first ranking security over all current and future assets held by the Group.

24 Employee entitlements and provisions

Accounting policy

Employee entitlements
A provision for employee entitlements is recognised as a liability in respect of benefits earned by employees but not yet received at balance date when it is probable that settlement will be required, and they are capable of being measured reliably. The present value is determined by discounting the future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liabilities.
Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the statement of revenue and expenses as incurred. Greater Wellington belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme. Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

Provisions

A provision is recognised in the statement of financial position when Greater Wellington and the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an amount will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

	Council		Group	
	Actual 2024 $000	**Actual 2023 $000**	**Actual 2024 $000**	**Actual 2023 $000**
Current liability				
Employee benefits	6,407	6,427	10,561	10,380
Provision	-	-	-	-
Non-current portion				
Employee benefits	128	164	265	287
Total employee benefit liabilities	**6,535**	**6,591**	**10,826**	**10,667**

A provision for employee entitlements is recognised as a liability in respect of benefits earned by employees but not yet received at balance date when it is probable that settlement will be required, and they are capable of being measured reliably. The present value is determined by discounting the future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liabilities.

The rate used for discounting the provision for future payments is 4.7% (2023: 4.6%).

Many public and private sector entities, including Greater Wellington Regional Council, are continuing to investigate historic underpayment of holiday entitlements. For such employers that have workforces that include differential occupational groups with complex entitlements, non-standard hours, allowances and/or overtime, the process of assessing compliance with the Holidays Act (2003) (the Act) and determining the underpayment is time consuming and complicated. For the current year, Greater Wellington has a provision balance of $1.06 million (2023: $1.12 million) for the Holiday Act remediation payment.

	Annual leave $000	**Long service leave $000**	**Earthquake repair works $000**	**Total $000**
Council 2024				
Opening carrying value	6,427	164	-	6,591
Addition	(20)	(36)	-	(56)
Carrying amount at end of year	**6,407**	**128**	**-**	**6,535**

	Annual leave $000	**Long service leave $000**	**Earthquake repair works $000**	**Total $000**
Council 2023				
Opening carrying value	6,846	139	66	7,051
Addition	(419)	25	(66)	(460)
Carrying amount at end of year	**6,427**	**164**	**-**	**6,591**

25 Note to statement of cash flows

Reconciliation of surplus / (deficit) after income tax to net cash flow from operating activities

	Council		Group	
	Actual 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Surplus / (deficit) after tax	**(50,259)**	**(6,111)**	**(51,154)**	**(20,989)**
Add / (less) noncash items				
Depreciation and amortisation	39,400	34,388	78,040	76,004
Impairment of property, plant and equipment, goodwill and software	-	27,831	(10,525)	27,831
Net / (loss) gain on sale of fixed assets	2,124	(2,658)	1,783	(1,415)
Gain / (loss) on fair value of financial instruments	2,065	(14,361)	-	(14,361)
Interest accrued on investments	(8,768)	(3,361)	(8,768)	(3,361)
Equity accounted earnings from associate companies	-	-	(1,794)	(1,107)
Change in value of future tax benefit	-	-	(4,964)	(5,775)
Increase / (decrease) of emission units allocations	(606)	(178)	(606)	(178)
Decrease / (increase) in value of investment property	-	-	2,065	1,509
Movement in provision	-	-	-	-
Add / (less) movements in working capital				
Accounts receivable	(29,835)	35,977	(29,049)	37,511
Warm Wellington receivable	-	(295)	-	(295)
Inventory	(1,519)	100	(1,642)	705
Accounts payable	(1,343)	(2,089)	(1,566)	(5,058)
Employee provisions	(56)	(460)	159	(205)
Tax	-	-	(3,878)	(3,873)
Other	-	-	-	-
Add / (less) items classified as investing or financing				
Accounts payable related to fixed assets	-	-	1,666	1,571
Accounts receivable related to investment property	-	-	-	-
Net cash inflow/(outflow) from operating activities	**(48,797)**	**68,783**	**(30,233)**	**88,514**

Reconciliation of liabilities arising from financing activities	Council Actual 2024 $000	Council Actual 2023 $000	Group Actual 2024 $000	Group Actual 2023 $000
Loan funding	320,614	167,413	320,614	168,413
Debt repayment	(50,000)	(30,000)	(50,000)	(30,000)
Dividends paid to noncontrolling interests	-	-	(1,615)	(1,385)
	270,614	**137,413**	**268,999**	**137,028**

	Council			
Cashflows from financing activities	**Commercial Paper $000**	**LGFA Floating Rate Notes $000**	**LGFA Bonds $000**	**Total $000**
Opening balance 1 July 2023	103,477	647,000	25,000	775,477
Additions	417,692	261,000	50,000	728,692
Repayments	(408,078)	(50,000)	-	(458,078)
Closing balance 30 June 2024	**113,091**	**858,000**	**75,000**	**1,046,091**

	Group				
Cashflows from financing activities	**Commercial Paper $000**	**LGFA Floating Rate Notes $000**	**LGFA Bonds $000**	**NZ Green Investment $000**	**Total $000**
Opening balance 1 July 2023	84,517	647,000	25,000	12,000	768,517
Additions	417,692	261,000	50,000	-	728,692
Repayments	(389,118)	(50,000)	-	-	(439,118)
Closing balance 30 June 2024	**113,091**	**858,000**	**75,000**	**12,000**	**1,058,091**

26 Financial instruments

Greater Wellington and Group have a series of policies to manage the financial risks associated with its operations. These risks include market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk, other price risk off-market equity price risk), credit risk, and liquidity risk.

Greater Wellington and Group seek to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures. The use of financial instruments is governed by Treasury policies which are approved by the Council / the board of directors respectively. The policies do not allow Greater Wellington and the Group to enter into any transaction that is speculative in nature.

(a) Market risk

Currency risk

Currency risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Greater Wellington and the Group manages currency risk by ensuring that where possible asset purchases are denominated in New Zealand dollars. Any foreign currency risks arising from contractual commitments and liabilities are managed by entering into forward foreign exchange contracts to hedge the foreign currency risk exposure. This means that the Group is able to fix the New Zealand dollar amount payable prior to delivery of goods and services from overseas.

As at 30 June 2024 Greater Wellington does not have any foreign exchange contracts (2023: Nil). In the Group there is no FX contract as per 30 June 2024 (2023: no contract).

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Greater Wellington and Group are exposed to fair value interest rate risk on fixed interest rate debt and investments, and on financial instruments carried at fair values based on market interest rates.

To minimise the risk on external debt, management monitors the levels of interest rates on an ongoing basis and uses forward rate and swap agreements as well as interest rate collars (options) to manage interest rate exposures for future periods. At 30 June 2024, Greater Wellington and the Group had entered into the following interest rate swap agreements:

	Council		Group	
Movement in interest rate:	**2024 $000**	**2023 $000**	**2024 $000**	**2023 $000**
Less than one year	55,000	30,000	55,000	30,000
One to two years	85,000	55,000	85,000	55,000
Two to five years	335,000	205,000	335,000	205,000
Greater than five years	310,000	320,000	310,000	320,000
Total fair value interest rate risk	**785,000**	**610,000**	**785,000**	**610,000**

At 30 June 2024, the fixed interest rates of swaps of the Council and Group vary from 1.20% to 5.17% (2023: 1.20% to 5.40%).

Cashflow interest rate risk

Cashflow interest rate risk is the risk that the cashflows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose the Group to cashflow interest rate risk.

Generally, Greater Wellington and the Group raises long term borrowings at floating rate and swaps this back into fixed rates using interest rate swaps to manage the cashflow interest rate risk. Under the interest rate swaps Greater Wellington and the Group agrees with other parties to exchange, at specific intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

Other price risk - Off-market equity price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

Greater Wellington is exposed to off-market equity price risk in the valuation of its non-listed equity investments. The valuation is based on the net asset backing of the issuer companies and therefore subject to variation according to the operating results and capital structure of those entities.

Sensitivity analysis

The tables below illustrate the potential profit and (loss) impact for reasonably possible market movements, with all other variables held constant, based on Greater Wellington and the Group's financial instrument exposures at balance date.

	Council				Group			
30 June 2024 Interest rate risk	**+1% Surplus/ (deficit) $000**	**+1% Equity $000**	**-1% Surplus/ (deficit) $000**	**-1% Equity $000**	**+1% Surplus/ (deficit) $000**	**+1% Equity $000**	**-1% Surplus/ (deficit) $000**	**-1% Equity $000**
Financial assets								
Cash at bank and term deposits	186	-	(186)	-	990	-	(990)	-
New Zealand Local Government Funding Agency Limited borrower notes	194	-	(194)	-	194	-	(194)	-
Bank deposits	1,590	-	(1,590)	-	1,590	-	(1,590)	-
Bulk water supply contingency fund	496	-	(496)	-	496	-	(496)	-
Material damage property insurance contingency fund	126	-	(126)	-	126	-	(126)	-
Major flood contingency fund	86	-	(86)	-	86	-	(86)	-
Loan to WRC Holdings Limited	440	-	(440)	-	-	-	-	-
Derivatives	21,914	-	(23,477)	-	21,914	-	(23,477)	-
Financial liabilities								
NZ Green Investment Fund	-	-	-	-	(120)	-	120	-
Commercial paper	(1,131)	-	1,131	-	(1,131)	-	1,131	-
Floating rate notes	(8,580)	-	8,580	-	(8,580)	-	8,580	-
Derivatives	2,966	-	(2,858)	-	2,966	-	(2,858)	-
Total sensitivity to interest rate risk	**18,287**	**-**	**(19,742)**	**-**	**18,531**	**-**	**(19,986)**	**-**

30 June 2023 Interest rate risk	Council +1% Surplus/ (deficit) $000	+1% Equity $000	-1% Surplus/ (deficit) $000	-1% Equity $000	Group +1% Surplus/ (deficit) $000	+1% Equity $000	-1% Surplus/ (deficit) $000	-1% Equity $000
Financial assets								
Cash at bank and term deposits	172	-	(172)	-	1,319	-	(1,319)	-
New Zealand Local Government Funding Agency Limited borrower notes	137	-	(137)	-	137	-	(137)	-
Bank deposits	1,020	-	(1,020)	-	1,020	-	(1,020)	-
Bulk water supply contingency fund	473	-	(473)	-	473	-	(473)	-
Material damage property insurance contingency fund	120	-	(120)	-	120	-	(120)	-
Major flood contingency fund	81	-	(81)	-	81	-	(81)	-
Loan to WRC Holdings Limited	440	-	(440)	-	-	-	-	-
Derivatives	21,156	-	(22,817)	-	21,156	-	(22,817)	-
Financial liabilities								
NZ Green Investment Ltd	-	-	-	-	(120)	-	120	-
Commercial paper	(1,035)	-	1,035	-	(845)	-	845	-
Floating rate notes	(6,470)	-	6,470	-	(6,470)	-	6,470	-
Derivatives	1,456	-	(1,517)	-	1,456	-	(1,517)	-
Total sensitivity to interest rate risk	**17,550**	**-**	**(19,272)**	**-**	**18,327**	**-**	**(20,049)**	**-**

(b)Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Financial instruments that expose Greater Wellington and the Group to credit risk are principally bank balances, bonds and deposits, loans and advances to community and related entities, receivables, investments and derivatives. Greater Wellington also provides financial guarantees that expose it to credit risk.

Bank balances, bank bonds and notes as well as short term investments are held with New Zealand registered banks in accordance with Greater Wellington's Treasury Risk Management Policy. No collateral is held by Greater Wellington in respect of bank balances or investments. CentrePort Limited performs credit evaluations on all customers requiring credit and generally does not require collateral.

The initial Stadium advance from 1998 is reliant on the Stadium Trust repaying all its external debt prior to making repayments to the settling trustees. The repayment of the stadium advance is not expected to be realised.

The December 2020 advance to the Wellington Regional Stadium Trust matures in December 2030 and is expected to be repaid.

Concentration of credit risk

Greater Wellington derives the majority of its income from rates, the regional water supply levy, train fares and transport subsidies. Regional water supply levies are collected from the four Wellington metropolitan cities and rates are collected for Greater Wellington by the territorial authorities in the region on an agency basis. Funding for public transport is received from the Waka Katahi/New Zealand Transport Agency and the Te Manatu Waka/Ministry of Transport.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

	Council		Group	
	2024 $000	**2023 $000**	**2024 $000**	**2023 $000**
Cash at bank and term deposits	18,584	120,135	99,053	234,765
Trade and other receivables	80,682	55,000	94,609	88,842
New Zealand Local Government Funding Agency Limited borrower notes	22,581	14,878	22,581	14,878
Stadium advance	2,038	2,028	2,039	2,028
Derivative financial instrument assets	26,719	28,239	26,719	28,239
Bulk water supply contingency fund	50,910	47,941	50,910	47,941
Material damage property insurance contingency fund	12,981	12,093	12,981	12,093
Major flood contingency fund	9,023	8,280	9,023	8,280
Loan to WRC Holdings Limited	44,569	44,544	-	-
Loans and Advances to Joint Ventures	-	-	9,786	9,934
Total credit risk	**268,087**	**354,668**	**327,701**	**447,000**

Greater Wellington is exposed to credit risk as a guarantor of all the LGFA's borrowings. Information about this exposure is explained in Note 27.

Credit quality of financial assets

The credit quality of financial assets can be assessed by reference to Standard & Poor's credit rating or to historical information about counterparty default rates.

	Council		Group	
Counterparties with credit ratings	**2024 $000**	**2023 $000**	**2024 $000**	**2023 $000**
New Zealand Local Government Funding Agency Limited borrower notes				
AAA	22,851	14,878	22,851	14,878
Total LGFA borrower notes	**22,851**	**14,878**	**22,851**	**14,878**
Cash at bank and term deposits				
AA-	187,045	145,274	246,508	252,898
Moody's A1 = A+ S&P	59,476	20,466	70,476	20,466
A	24	22,708	10,024	29,708
Total cash at bank and term deposits	**246,545**	**188,448**	**327,008**	**303,072**
Derivative financial instruments				
AA-	20,018	21,813	20,018	21,813
Moody's A1 = A+ S&P	6,291	6,426	6,291	6,426
Total derivative financial instruments	**26,309**	**28,239**	**26,309**	**28,239**

(c) Liquidity risk

Liquidity risk is the risk that Greater Wellington and the Group will encounter difficulty in raising funds to meet financial commitments as they fall due.

Greater Wellington minimises liquidity risk principally by maintaining liquid financial investments and undrawn committed lines with its relationship banks in accordance with the Treasury Risk Management Policy. The investments are in either short-term deposits or negotiable securities that are readily traded in the wholesale market. All counterparties have an A or better S&P rating. CentrePort Limited reduces its exposure to liquidity risk through a bank overdraft and a New Zealand dollar commercial bill facility.

Contractual maturity analysis of financial liabilities

The table below analyses Greater Wellington and the Group's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date.

Future interest payments on floating rate debt are based on the floating rate applicable to the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments.

	Less than 1 year $000	1-2 years $000	2-5 years $000	More than 5 years $000	Contractual cashflows $000	Carrying amount $000
Council 2024						
Financial liabilities						
Trade and other payables	90,769	-	-	-	90,769	90,769
Commercial paper	115,000	-	-	-	115,000	113,091
Derivatives	(6,959)	(5,146)	(7,627)	(10,879)	(30,611)	(25,848)
Floating rate notes	147,350	96,759	452,794	410,208	1,107,111	858,000
Fixed rate bonds	3,688	3,688	57,361	26,930	91,667	75,000
Service concession liability	-	-	-	-	-	21,025
Total financial liabilities	**349,848**	**95,301**	**502,528**	**426,259**	**1,373,936**	**1,132,037**
Council 2023						
Financial liabilities						
Trade and other payables	118,257	-	-	-	118,257	118,257
Commercial paper	106,000	-	-	-	106,000	103,477
Derivatives	(7,298)	(5,846)	(8,500)	(11,472)	(33,116)	(27,743)
Floating rate notes	88,019	129,634	208,775	420,876	847,304	647,000
Fixed rate bonds	1,078	1,078	3,233	28,008	33,397	25,000
Service concession liability	-	-	-	-	-	22,861
Total financial liabilities	**306,056**	**124,866**	**203,508**	**437,412**	**1,071,842**	**888,852**
Group 2024						
Financial liabilities						
Trade and other payables	101,176	-	-	-	101,176	101,176
Commercial paper	115,000	-	-	-	115,000	113,091
Derivatives	(6,959)	(5,147)	(7,627)	(10,878)	(30,611)	(25,848)
Floating rate notes	147,350	96,759	452,794	410,208	1,107,111	858,000
Fixed rate bonds	3,688	3,688	57,361	26,930	91,667	75,000
Service concession liability	-	-	-	-	-	21,025
NZ Green Investment Finance	12,006	-	-	-	12,006	12,000
Total financial liabilities	**372,261**	**95,300**	**502,528**	**426,260**	**1,396,349**	**1,154,444**
Group 2023						
Financial liabilities						
Trade and other payables	125,939	-	-	-	125,939	125,939
Commercial paper	86,000	-	-	-	86,000	84,517
Derivatives	(7,298)	(5,846)	(8,500)	(11,472)	(33,116)	(27,743)
Floating rate notes	88,019	129,634	208,775	420,876	847,304	647,000
Fixed Rate Bond	1,078	1,078	3,233	28,008	33,397	25,000
Service concession liability	-	-	-	-	-	22,861
NZ Green Investment Finance	12,006	-	-	-	12,006	12,000
Total financial liabilities	**305,744**	**124,866**	**203,508**	**437,412**	**1,071,530**	**889,574**

Financial guarantees

Greater Wellington is exposed to liquidity risk as a guarantor of all the LGFA's borrowings. This guarantee becomes callable in the event of the LGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in Note 27 Contingencies.

(d)Fair value

For those financial instruments recognised at amortised cost in the statement of financial position, fair value is approximately their carrying value

Fair value hierarchy

For those instruments recognised at fair value in the balance sheets, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) - Financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2) - Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in active markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) - Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position.

Council	Significant non observable inputs Level 3 $000	Observable inputs Level 2 $000	Quoted market price Level 1 $000	Total $000
30 June 2024				
Financial assets at fair value				
New Zealand Local Government Funding Agency Limited borrower notes	-	22,581	-	22,581
Civic Financial Services Limited shares	80	-	-	80
New Zealand Local Government Funding Agency Limited shares	7,900	-	-	7,900
Derivative financial assets	-	26,719	-	26,719
Total financial asset at fair value	**7,980**	**49,300**	**-**	**57,280**
Financial liabilities at fair value				
Derivative financial liabilities	-	871	-	871
Total financial liabilities at fair value	**-**	**871**	**-**	**871**

Council	Significant non observable inputs $000	Observable inputs $000	Quoted market price $000	Total $000
30 June 2023				
Financial assets at fair value				
New Zealand Local Government Funding Agency Limited borrower notes	-	14,878	-	14,878
Civic Financial Services Limited shares	80	-	-	80
New Zealand Local Government Funding Agency Limited shares	7,804	-	-	7,804
Derivative financial assets	-	28,239	-	28,239
Total financial assets at fair value	**7,884**	**43,117**	**-**	**51,001**
Financial liabilities at fair value				
Derivative financial liabilities	-	496	-	496
Total financial liabilities at fair value	**-**	**496**	**-**	**496**

Group	Significant non observable inputs $000	Observable inputs $000	Quoted market value $000	Total $000
30 June 2024				
Financial assets at fair value				
New Zealand Local Government Funding Agency Limited borrower notes	-	22,581	-	22,581
Civic Financial Services Limited shares	80	-	-	80
New Zealand Local Government Funding Agency Limited shares	7,900	-	-	7,900
Derivative financial assets	-	26,719	-	26,719
Investment securities at FVTOCRE	-	378	20.447	20,825
Total financial assets at fair value	**7,980**	**49,678**	**20.447**	**78,105**
Financial liabilities at fair value				
Derivative financial liabilities	-	871	-	871
Total financial liabilities at fair value	**-**	**871**	**-**	**871**
30 June 2023				
Financial assets at fair value				
New Zealand Local Government Funding Agency Limited borrower notes	-	14,878	-	14,878
Civic Financial Services Limited shares	80	-	-	80
New Zealand Local Government Funding Agency Limited shares	7,804	-	-	7,804
Derivative financial assets	-	28,239	-	28,239
Investment securities at FVTOCRE	-	-	-	-
Total financial assets at fair value	**7,884**	**43,117**	**-**	**51,001**
Financial liabilities at fair value				
Derivative financial liabilities	-	496	-	496
Total financial liabilities at fair value	**-**	**496**	**-**	**496**

There were no transfers between the different levels of the fair value hierarchy.

(e)Financial instrument categories

Financial instruments are classified into one of the following measurement categories depending on the nature and characteristics of the financial instrument and the purpose for which it is held:

- Financial assets and liabilities measured at fair value through surplus or deficit (FVTSD);
- Financial assets and liabilities measured at amortised cost;
- Financial assets and liabilities measured at fair value through other comprehensive revenue and expense (FVTOCRE).

Council	Mandatorily measured at FVTSD $000	Measured at amortised cost $000	Designated measured at FVTOCRE $000	Total $000
Financial assets				
30 June 2024				
Cash and cash equivalents	-	18,584	-	18,584
Receivables and prepayments	-	80,682	-	80,682
NZ Local Government Funding Agency shares	-	-	7,900	7,900
Civic Financial Services Limited shares	-	-	80	80
NZ Local Government Funding Agency borrower notes	22,581	-	-	22,581
Warm Wellington Funding	-	2,544	-	2,544
Bank Deposits with maturity terms more than 3 months	-	163,600	-	163,600
Stadium advance	-	2,038	-	2,038
Bulk Water Supply Contingency Fund	-	50,910	-	50,910
Material Damage Property Insurance Contingency Fund	-	12,981	-	12,981
Major Flood Contingency Fund	-	9,023	-	9,023
Derivative financial assets	26,719	-	-	26,719
Loan to WRC Holdings Limited	-	44,569	-	44,569
Total financial assets	**49,300**	**384,931**	**7,980**	**442,211**
30 June 2023				
Cash and cash equivalents	-	17,243	-	17,243
Receivables and prepayments	-	55,000	-	55,000
NZ Local Government Funding Agency shares	-	-	7,804	7,804
Civic Financial Services Limited shares	-	-	80	80
NZ Local Government Funding Agency borrower notes	14,878	-	-	14,878
Warm Wellington Funding	-	3,811	-	3,811
Bank Deposits with maturity terms more than 3 months	-	102,892	-	102,892
Stadium advance	-	2,028	-	2,028
Bulk Water Supply Contingency Fund	-	47,941	-	47,941
Material Damage Property Insurance Contingency Fund	-	12,093	-	12,093
Major Flood Contingency Fund	-	8,280	-	8,280
Derivative financial assets	28,239	-	-	28,239
Loan to WRC Holdings Limited	-	44,544	-	44,544
Total financial assets	**43,117**	**293,832**	**7,884**	**344,833**

Group	Mandatorily measured at FVTSD $000	Measured at amortised cost $000	Designated measured at FVTOCRE $000	Total $000
Financial assets				
30 June 2024				
Cash and cash equivalents	-	99,053	-	99,053
Receivables and prepayments	-	94,609	-	94,609
NZ Local Government Funding Agency shares	-	-	7,900	7,900
Civic Financial Services Limited shares	-	-	80	80
NZ Local Government Funding Agency borrower notes	22,581	-	-	22,581
Warm Wellington Funding	-	2,544	-	2,544
Bank Deposits with maturity terms more than 3 months	-	163,600	-	163,600
Stadium advance	-	2,038	-	2,038
Bulk Water Supply Contingency Fund	-	50,910	-	50,910
Material Damage Property Insurance Contingency Fund	-	12,981	-	12,981
Major Flood Contingency Fund	-	9,023	-	9,023
Derivative financial assets	26,719	-	-	26,719
Other financial assets	-	14,584	20,825	35,409
Total financial assets	**49,300**	**449,342**	**28,805**	**527,447**
30 June 2023				
Cash and cash equivalent	-	131,873	-	131,873
Receivables and prepayments	-	88,842	-	88,842
NZ Local Government Funding Agency shares	-	-	7,804	7,804
Civic Financial Services Limited shares	-	-	80	80
NZ Local Government Funding Agency borrower notes	14,878	-	-	14,878
Warm Wellington Funding	-	3,811	-	3,811
Bank Deposits with maturity terms more than 3 months	-	102,892	-	102,892
Stadium advance	-	2,028	-	2,028
Water Supply Contingency Investment	-	47,941	-	47,941
Material Damage Property Insurance Contingency Fund	-	12,093	-	12,093
Major Flood Contingency Fund	-	8,280	-	8,280
Loans and Advances to Joint Ventures	-	-	-	-
Derivative financial assets	28,239	-	-	28,239
Other financial assets	-	-	-	-
Total financial assets	**43,117**	**397,760**	**7,884**	**448,761**

Council	Mandatorily measured at FVTSD $000	Measured at amortised cost $000	Total $000
Financial Liabilities			
30 June 2024			
Payables	-	90,769	90,769
Commercial paper	-	113,091	113,091
Floating rate notes	-	858,000	858,000
Fixed rate bond	-	75,000	75,000
Derivative financial liabilities	871	-	871
Service concession liability	-	21,025	21,025
Total financial liabilities	**871**	**1,157,886**	**1,158,756**
30 June 2023			
Payables	-	118,257	118,257
Commercial paper	-	103,477	103,477
Floating rate notes	-	647,000	647,000
Fixed rate bond	-	25,000	25,000
Derivative financial liabilities	496	-	496
Service concession liability	-	22,861	22,861
Total financial liabilities	**496**	**916,595**	**917,091**

Group	Mandatorily measured at FVTSD $000	Measured at amortised cost $000	Total $000
Financial Liabilities			
30 June 2024			
Payables	-	101,176	101,176
Commercial paper	-	113,091	113,091
Floating rate notes	-	858,000	858,000
Fixed rate bond	-	75,000	75,000
NZ Green Investment Finance	-	12,000	12,000
Derivative financial liabilities	871	-	871
Service concession liability	-	21,025	21,025
Total financial liabilities	**871**	**1,181,292**	**1,182,163**
30 June 2023			
Payables	-	126,483	126,483
Commercial paper	-	84,517	84,517
Floating rate notes	-	647,000	647,000
Fixed rate bond	-	25,000	25,000
NZ Green Investment Finance	-	12,000	12,000
Derivative financial liabilities	496	-	496
Service concession liability	-	22,861	22,861
Total financial liabilities	496	917,861	918,357

27 Contingencies

	Council		Group	
	Actual 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Legal proceedings and obligations	524	1,255	524	1,255
Uncalled capital - WRC Holdings Limited				
50,000,000 $1 shares uncalled and unpaid	50,000	50,000	-	-
3,000,000 $1 shares, called and paid	-	826	-	-
25,200,000 $1 shares, partly called and partly paid	7,926	-	-	-
New Zealand Local Government Funding Agency Limited				
1,886,000 $1 shares uncalled and unpaid	1,886	1,886	-	-
Total contingencies liability	**60,336**	**53,967**	**524**	**1,255**

Legal proceedings and obligations

Legal proceedings and obligations against the Group and the Council exist as a result of past events which are currently being contested. The amounts shown reflect potential liability for financial reporting purposes only and do not represent an admission that any claim is valid. The outcome of these remains uncertain at the end of the reporting period. The maximum exposure to the Group is anticipated to be approximately $524,000.

Contingent liabilities

New Zealand Local Government Funding Agency Guarantee

Greater Wellington is a founding shareholder of the New Zealand Local Government Funding Agency Limited (LGFA). As part of the arrangement Greater Wellington has guaranteed the debt obligations of the LGFA along with other shareholders of the LGFA in proportion to its level of rates revenue. Greater Wellington believes the risk of this guarantee being called on is extremely low, given the internal liquidity arrangements of the LGFA, the lending covenants of the LGFA and the charge over rates the LGFA has from councils. Total security stock certificates on issue are $23.841 billion (2023: $18.570 billion).

CentrePort contingent liabilities

CentrePort Limited and CentrePort Properties Limited were added as defendants on 27 April 2021 to proceedings commenced by Statistics New Zealand against Beca Limited and Dunning Thornton Consultants Limited. The proceedings concern Statistics House which sustained damage and was subsequently demolished following the Kaikoura earthquake in November 2016. During the 2024 financial year, CentrePort settled the remaining claim against CentrePort Properties Limited and this matter is therefore no longer a Contingent Liability.

Unquantifiable contingent liabilities

The incorrect application of the general rate differential within Wellington City from 2019/20 to 2022/23 has resulted in an under payment of rates by business ratepayers and an over payment of rates by residential and rural ratepayers over a four-year period. The Council considered four options to resolve the issue being, (1) validation of the collection of rates for the period through legislation, (2) taking no retrospective remedial action, (3) providing a refund to residential and rural ratepayers, and (4) providing a credit to affected rateable dwellings. On 26 October 2023, Council decided to take no retrospective remedial action, including no provision for refunds, but will seek to identify a Wellington City Member of Parliament who would be willing to sponsor a local bill to validate the collection of rates for the four-year period. Until legislation is passed, Council will be at risk of an unquantifiable level of potential rebates or refunds to affected rate payers until the earlier of June 2029 or the passing of the local bill. As the amount cannot be quantified, an unquantified contingent liability has been disclosed accordingly.

Council is involved in a civil claim as a result of a dispute. As the matter has not been finalized, an amount cannot be quantified, an unquantifiable contingent liability has therefore been disclosed.

Contingent assets

CentrePort contingent assets
Following a shipping incident during the year CentrePort has made a claim for salvage services in respect of the assistance rendered by the CentrePort tugs Tapuhi and Tiaki and the pilot launch Te Haa. CentrePort's salvage claim is guided by the Maritime Transport Act 1994, the International Convention on Salvage and relevant salvage awards published by Lloyds. CentrePort is working with the ship owner to agree an appropriate salvage reward (2023: Nil).

28 Related party transactions

Related party disclosures have not been made for transaction with related parties that are with a normal supplier or client/recipient relationship on terms and condition no more favourable than those that it is reasonable to expect Greater Wellington and the Group would have adopted in dealing with the party at arm's length in the same circumstances.

Related party disclosures have also not been made for transactions with entities within the Greater Wellington Group, where the transactions are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such transactions.

Related party transactions required to be disclosed
Greater Wellington has paid Wellington NZ totals grants of $5.3 million during the year (2023: $4.7 million). This grant partly funds Wellington NZ activities, of supporting the development of economic development strategies and initiatives for Wellington. Greater Wellington has collected these funds for the grant via the targeted WREDA rate from all ratepayers.

During the year, Greater Wellington issued commercial paper of $nil million (2023: $19 million) to its subsidiary CentrePort Limited through private placement transaction.

Greater Wellington Rail Limited (GWRL) owed $864,593 to Wellington Regional Council (2023: GWRL owed $428,952 to Wellington Regional Council). The net interest paid to Wellington Regional Council during the year is $438,223 (2023: $446,723).

GWRL pays a management fee of $57,536 (2023: $55,736) to Wellington Regional Council for administrative and management services, meeting expenses and travel reimbursement.

WRC Holding Group advanced $5,938 million to Wellington Regional Council (2023: $6,232 million).

Key management personnel

Council	Parent Actual 2024 $000	Parent Actual 2023 $000
Remuneration	1,205	1,261
Fulltime equivalent members	13	13
Executive Leadership Team including the Chief Executive		
Remuneration	3,030	2,831
Fulltime equivalent members	10	10
Total key management personnel remuneration	**4,235**	**4,092**
Total full-time equivalent personnel	**22**	**23**

Due to the difficulty in determining the full-time equivalent for Councillors, the full time equivalent figure is taken as the number of Councillors.

29 Remuneration

Chief Executive remuneration

For the year ending 30 June 2024, Greater Wellington's Chief Executive, appointed under section 42(1) of the Local Government Act 2002, received a total remuneration from Greater Wellington of $455,932 (2023: $433,493).

	Actual 2024 $	Actual 2023 $
Councillor remuneration		
Councillor R Blakeley (until 14 October 2022)	-	24,806
Councillor J Brash (until 14 October 2022)	-	24,806
Councillor P Lamason (until 14 October 2022)	-	24,806
Councillor G Hughes (until 14 October 2022)	-	24,806
Councillor J van Lier (until 14 October 2022)	-	20,022
Councillor A Staples	103,029	94,833
Councillor P Gaylor	101,371	85,696
Councillor K Laban	84,830	78,845
Councillor and Chair D Ponter	173,238	170,067
Councillor C KirkBurnnand	96,992	75,015
Councillor D Lee	84,830	82,723
Councillor R Connelly	84,824	78,845
Councillor T Nash	94,442	85,696
Councillor H Ropata (from 15 October 2022)	87,927	59,073
Councillor D Bassett (from 15 October 2022)	73,854	50,555
Councillor S Woolf (from 15 October 2022)	71,050	50,555
Councillor Y Saw (from 15 October 2022)	71,130	50,555
Councillor Q Duthie (from 15 October 2022)	77,718	48,486
Total Councillors remuneration	**1,205,235**	**1,130,188**

The following table identifies the number of full-time employees, including employees on maternity leave and their fixed term replacements, and the full-time equivalent number of all other part-time, fixed term and casual employees as at the end of the reporting period, 30 June 2024.

	Number of employees	
	2024	**2023**
$60,000 and below	5	15
$60,001 - $79,999	124	142
$80,000 - $99,999	228	193
$100,000 - $119,999	124	121
$120,000 - $139,999	121	86
$140,000 - $159,999	63	37
$160,000 - $179,999	45	31
$180,000 - $199,999	36	24
$200,000 - $239,999	18	14
$240,000 - $480,000	18	15
Total employees	782	678
The number of full-time employees as at 30 June	713	606
The full-time equivalent number of all other non-full-time employees	49	51
The number of employees receiving total remuneration of less than $60,000	5	15

A full-time employee or full-time equivalent is based on a 40 hour week.

Total annual remuneration has been calculated to include any non-financial benefits and other payments in excess of normal remuneration, such as employer KiwiSaver contribution.

If the number of employees for any band was 5 or less then it has been combined with the next highest band. Including the Chief Executive, the top band range is $240,000 - $480,000.

30 Capital commitments and operating leases

Capital commitments

Capital commitments relate to obligations which the Group and the Council have committed to. This specifically relates to work that is yet to commence and the expenditure that is yet to be incurred.

The Group's and the Council's capital commitments are as follows:

	Council		**Group**	
	Actual 2024 $000	**Actual 2023 $000**	**Actual 2024 $000**	**Actual 2023 $000**
Property, plant and equipment	438	-	438	322
Water infrastructure	43,551	58,348	43,551	58,348
Flood protection	22,799	3,978	22,799	3,978
Transport infrastructure	-	-	45,020	48,207
Motor vehicles	-	-	-	-
Total capital commitments	**66,788**	**62,326**	**111,808**	**110,855**

WRC Holdings Limited has no capital or operating commitments as at 30 June 2024 (2023: Nil).

At balance date, CentrePort commitments in respect of contracts for capital expenditure amounted to $nil for the Group (2023: $332 thousand).

Greater Wellington Rail at balance date had commitments in respect of contracts for capital expenditure of $45 million (2023: $48.2 million). This relates to the heavy maintenance the rolling stock.

Operating leases

Greater Wellington and the Group leases office space, office equipment, vehicles, land, buildings and wharves. Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are charged as expenses in the periods in which they are incurred.

Consolidated entity as lessee:
Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Consolidated entity as lessor:
Operating leases relate to subleases of properties (excluding land) leased with lease terms between 1 and 12 years, with an option to extend for a further period between 1 and 6 years. All operating lease contracts (excluding land) contain market review clauses. An operating lease relating to land has a term of 125 years. The lessee does not have an option to purchase the property or land at expiry of the lease period.

Lease incentive
In the event that lease incentives are provided to lessees to enter into operating leases, such incentives are recognised as a reduction of rental income on a straight-line basis.

Operating leases as lessee

Future minimum lease payments under non-cancellable operating leases as at 30 June are as follows:

	Council		Group	
	Actual 2024 $000	Actual 2023 $000	Actual 2024 $000	Actual 2023 $000
Within one year	22,765	21,543	23,068	21,877
After one year but no more than five years	75,732	67,434	76,944	68,602
More than five years	73,268	100,533	75,795	103,243
Total non-cancellable operating leases	**171,765**	**189,510**	**175,807**	**193,722**

These leases have an average life of between 1 and 13 years with some renewal option included in the contracts. There are no restrictions placed upon the lessee by entering into these leases.

During the year $7.419 million was recognised as an expense in the statement of comprehensive income (2023: $5.052 million).

Operating leases as lessor

Greater Wellington and the Group leases its investment properties under operating leases. The lease terms have non-cancellable terms from one to four years. The future aggregated minimum lease receipts to be collected under non-cancellable operating leases are as follows:

	Council		Group	
	Actual 2024 $000	Restated* Actual 2023 $000	Actual 2024 $000	Restated* Actual 2023 $000
Within one year	2,016	2,354	32,775	23,201
After one year but no more than five years	4,560	6,121	75,544	59,378
More than five years	22,981	25,756	219,682	181,055
Future minimum lease payments expected to be received in relation to non-cancellable sub-leases of operating leases not recognised in the financial statements	**29,557**	**34,231**	**328,001**	**263,634**

No contingent rents have been recognised in the statement of comprehensive income during the period.

* Prior year balance has been restated. An error was identified in the calculation of the future lease receipts to be collected under non-cancellable operating leases for the 2022/23 financial year. The contract dates used in the calculation was incorrect, primarily due to a system change. The error did not have any impact on the financial results.

Correction of the error in the 30 June 2024 financial statements has resulted in the following restatements to comparative numbers for the year ended 30 June 2023.

GRWC Council	Before Adjustment 2023 $000	Correction of Error 2023 $000	Restated* 2023 $000
Within one year	3,255	(901)	2,354
After one year but no more than five years	8,802	(2,681)	6,121
More than five years	164,318	(138,562)	25,756
Future minimum lease payments expected to be received in relation to non-cancellable sub-leases of operating leases not recognised in the financial statements	176,375	(142,144)	34,231

GRWC Group	Before Adjustment 2023 $000	Correction of Error 2023 $000	Restated* 2023 $000
Within one year	24,102	(901)	23,201
After one year but no more than five years	62,059	(2,681)	59,378
More than five years	319,617	(138,562)	181,055
Future minimum lease payments expected to be received in relation to non-cancellable sub-leases of operating leases not recognised in the financial statements	**405,778**	**(142,144)**	**263,634**

Electric vehicle commitments

Greater Wellington agreed to a series of greenhouse gas (carbon) reduction targets for its corporate operations and areas of direct influence. As a result, Greater Wellington has endorsed an action plan which puts forward a preference to accelerate the implementation of an electric bus fleet in the region by 2030.

In the 2019 financial year council had resolved to add 98 electric buses to the fleet of 10 electric buses in the Metlink fleet and entered into contracts with operators for the supply of these. 88 (2023: 88) of 98 new electric buses have been added into the fleet by financial year 2024 plus an additional 1 has been converted from the diesel fleet to electric. However, the amounts payable is still commercially sensitive and have not been disclosed.

31 Severance payments

There were three employees (2024: 193,000) who received a severance payment (2023: $0). This disclosure has been made in accordance with section 33 of Schedule 10 of the Local Government Act 2002. The value of each of the severance payments was $24,000, $52,000, and $117,000.

32 Rating base information

	Total 2024	Total 2023
(a) the number of rating units within the district or region of the local authority at the end of the preceding financial year:	213,274 units	210,045 units
(b) the total capital value of rating units within the district or region of the local authority at the end of the preceding financial year:	$240.583 billion	$217.342 billion
(c) the total land value of rating units within the district or region of the local authority at the end of the preceding financial year.	$145.9 billion	$128.6 billion

33 Major variances between actual and budget

	Council	Council
Statement of comprehensive revenue and expenses	**Actual 2024 $000**	**Budget 2024 $000**
Revenue		
Rates and levies	265,016	262,755
Grants and subsidies –Transport Operational	162,793	132,866
Other revenue	119,189	163,343
Total operating revenue before transport improvements	**546,998**	**558,964**
Expenditure		
Finance costs	(52,039)	(41,566)
Employee benefits	(87,151)	(83,998)
Grants and subsidies	(261,164)	(252,202)
Other operating expenses including depreciation and amortisation	(213,202)	(205,931)
Operational surplus / (deficit) for the year before transport improvements	**(66,558)**	**(24,733)**
Grants and subsidies – Transport Improvement	18,364	21,178
Surplus / (deficit) for the year before tax and fair value gains / (losses)	**(48,194)**	**(3,555)**
Fair value gains / (losses) in revenue and expenditure statement	(2,065)	(7,030)
Operating surplus / (deficit) for the year	**(50,259)**	**(10,585)**
Statement of Financial Position		
Assets		
Current	393,445	297,222
Non-current	2,175,718	2,125,487
Total assets	**2,569,163**	**2,422,709**
Liabilities		
Ratepayers equity	1,403,873	1,347,143
Current liabilities	306,266	285,649
Non-current liabilities	859,024	789,917
Total equity and liabilities	**2,569,163**	**2,422,709**
Statement of cash flow		
Cashflows from operating activities	(49,989)	29,501
Cashflows from investing activities	(219,284)	(211,768)
Cashflows from financing activities	270,614	179,305
Net increase / (decrease) in cash, cash equivalents and bank overdraft	**1,341**	**(2,962)**
Cash and cash equivalents at the beginning of the year	**17,243**	**23,804**
Cash and cash equivalents at the end of the year	**18,584**	**20,842**

Greater Wellington's 2023/24 net operating deficit before fair value gains and losses is $48.2 million, compared to a budgeted deficit of $3.5 million. Total comprehensive deficit is $50.3 million including asset revaluation ($nil), fair value movements (-$2.1 million) which is $39.7 million over budget.

Statement of comprehensive revenue and expenditure

Grants and subsidies revenue
Grants and subsidies revenue is significantly higher than budget mainly due to lower passenger revenue collection which results in an increased grants and subsidies to be claimed from Waka Kotahi due to higher net cost incurred.

Other revenue
Other revenue is lower than budget mainly due to lower patronage levels from increase working from home practises post covid. Budget amounts was set pre Covid in 2020.

Finance costs
Finance costs are significantly higher than budget due to rising interest costs.

Grants and subsidies expenditure
Grants & subsidies expenditure exceeds the budget due to CPI indexation on bus and rail contracts, driven by the higher inflation rate.

Other Expenses
Other expenditure is over budget mainly due to a change in accounting treatment of Floodplain Management costs and asset impairment loss across Environment and Water group not budgeted for.

Statement of financial position

Total assets
The current assets are significantly higher than budget mainly due to surplus funds being invested in maturities not exceeding twelve months. The non-current assets balance is significantly higher than budget mainly due to the revaluation of the flood protection assets being higher than budgeted offset by lower actual capital expenditure.

Ratepayers equity
Ratepayers equity is higher than the budget mainly due to the revaluation of the flood protection assets being higher than budgeted offset by the increased deficit for the year.

Current and non-current liabilities
Total liabilities are significantly higher than budget mainly due to the timing of raising more short-term and long-term debt as compared to budget.

34 Events occurring after the balance date

Local Water Done Well Legislation

In December 2023, the Government announced a new strategy for the management and delivery of local water services - encompassing drinking water, wastewater, and stormwater – under the initiative titled "Local Water Done Well". This legislation, passed on 2 September 2024, establishes the Local Water Done Well framework and outlines the initial steps for a revamped new water services system. It introduces a fresh approach to managing and delivering water services, utilising financially sustainable models that meet regulatory requirements. Greater Wellington is now working on developing a water service delivery plan in response to this new Government policy.

CentrePort Committed Cash Advance Facility Guarantee

Greater Wellington has provided a debt guarantee to Bank of New Zealand for CentrePort's cash advance facility. The facility was entered into on 11 July 2024, has a limit of $50 million, and matures on 11 July 2026. Greater Wellington considers that the risk of this guarantee being called on is low as CentrePort has sufficient liquid assets to meet its debt obligations.

No dividend was declared post balance date by WRC Holdings (2023: Nil).

There were no other subsequent events up to the date of these financial statements which would affect the amounts or disclosures in the financial statements.

35 Prior Period Error

During the year ended 30 June 2023, Council entered into an arrangement to transfer residential and commercial units on Pharazyn and Marsden streets to Waka Kotahi as part of the RiverLink project. The transfer is subject to a final survey.

The financial statements for the year ended 30 June 2023, included non-current assets held for disposal amounting to $1.8 million.

During the current financial year, Greater Wellington sought an external accounting opinion regarding the treatment of these assets. It was concluded that the accounting treatment most closely aligned to the economic substance of the agreement is a finance lease.

Although there are some risks retained by the Council, these are primarily in the situation that the Riverlink project cannot proceed as planned. Council expects that it is very likely NZTA will complete the purchase of the Crown Required Land once the Final Survey is complete. NZTA has the right to construct on the Crown Required Land and purchase the land outright once that construction is complete. As such, substantially all the risks and rewards of ownership have transferred to NZTA and the appropriate classification is a finance lease.

Consequential changes are made to notes to the financial statement, where relevant.

Correction of the error in the 30 June 2024 financial statements has resulted in the following restatements to comparative numbers for the year ended 30 June 2023:

GWRC Council

Statement of Comprehensive Revenue and Expense	2023 Before Adjustment $'000	Correction of Error $'000	2023 Restated $'000
Other gains	(280)	2,960	2,680
Total revenue and gains	**528,664**	**2960**	**531,625**
Impairment on buildings	(36,720)	8,889	(27,831)
Operating surplus/(deficit) after tax	**(17,961)**	**11,850**	**(6,111)**
Other comprehensive revenue and expenses			
Revaluation on infrastructure assets	(38,573)	7,854	(30,719)
Total comprehensive income	**(67,505)**	**19,703**	**(47,802)**

	2023 Before Adjustment $'000	Correction of Error $'000	2023 Restated $'000
Asset revaluation reserves			
Increase/(decrease) in asset revaluation reserves	(38,573)	7,854	(30,719)
Closing asset revaluation reserve	**856,534**	**7,854**	**864,388**
Retained earnings			
Operating surplus/(deficit) after tax	(17,961)	11,850	(6,111)
Closing accumulated funds	**328,254**	**11,850**	**340,104**
Total closing equity	**1,238,377**	**19,703**	**1,258,078**

Statement of Financial Position	2023 Before Adjustment $'000	Correction of Error $'000	2023 Restated $'000
Trade and other receivables	76,530	(21,530)	55,000
Lease Receivables	-	21,530	21,530
Assets Held for Disposal	1,827	(1,827)	-
Total current assets	**279,613**	**(1,827)**	**277,786**
Total assets	**2,162,059**	**(1,827)**	**2,160,232**
Trade and other payables	118,257	(21,530)	96,727
Total current liabilities	**278,161**	**(21,530)**	**256,631**
Total liabilities	**923,682**	**(21,530)**	**902,152**
Total Equity	**1,238,377**	**19,703**	**1,258,080**

GWRC Group

Statement of Comprehensive Revenue and Expense	2023 Before Adjustment $'000	Correction of Error $'000	2023 Restated $'000
Other gains	(1,523)	2,960	1,437
Total revenue and gains	**628,619**	**2,960**	**631,579**
Impairment on buildings	(36,720)	8,889	(27,831)
Operating surplus/(deficit) after tax	**(32,839)**	**11,850**	**(20,989)**
Other comprehensive revenue and expenses			
Revaluation on infrastructure assets	(43,531)	7,854	(35,677)
Total comprehensive income	**(83,257)**	**19,703**	**(63,554)**

	2023 Before Adjustment $'000	Correction of Error $'000	2023 Restated $'000
Asset revaluation reserves			
Increase/(decrease) in asset revaluation reserves	(39,447)	7,854	(31,593)
Closing asset revaluation reserve	**951,141**	**7,854**	**958,995**
Retained earnings			
Operating surplus/(deficit) after tax	(32,839)	11,850	(20,989)
Closing accumulated funds	**684,953**	**11,850**	**696,803**
Total closing equity	**1,759,847**	**19,703**	**1,779,550**

Statement of Financial Position	2023 Before Adjustment $'000	Correction of Error $'000	2023 Restated $'000
Trade and other receivables	88,842	(21,530)	67,312
Lease Receivables	-	21,530	21,530
Assets Held for Disposal	1,827	(1,827)	-
Total current assets	**408,723**	**(1,827)**	**406,896**
Total assets	**2,822,102**	**(1,827)**	**2,820,275**
Trade and other payables	125,939	(21,530)	104,409
Total current liabilities	**285,561**	**(21,530)**	**264,031**
Total liabilities	**1,062,255**	**(21,530)**	**1,040,725**
Total Equity	**1,759,847**	**19,703**	**1,779,550**

He tauākī whākinga a te Pūrongo ā-Tau mō te tau ka oti i te 30 o Hune 2024

Annual Report disclosure statement for year ended 30 June 2024

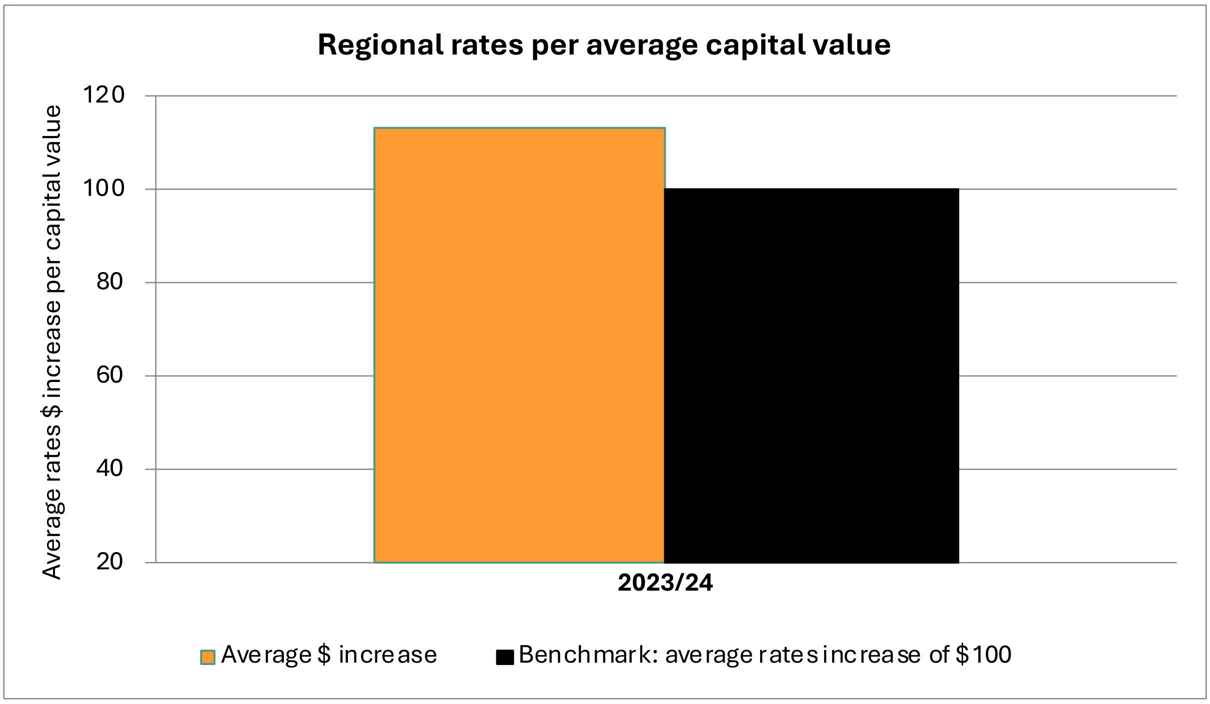
What is the purpose of this statement?

The purpose of this statement is to disclose the Council's 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 annual report 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.

The following graphs need to be read collectively and in conjunction with the attached financial statements. Individually these graphs show a particular view on one aspect of the financial health and management of the Council.

It is also important to keep in mind the overall strategy and policies the Council has also adopted when reading these graphs. These are included within the Long-Term Plan 2021-31.

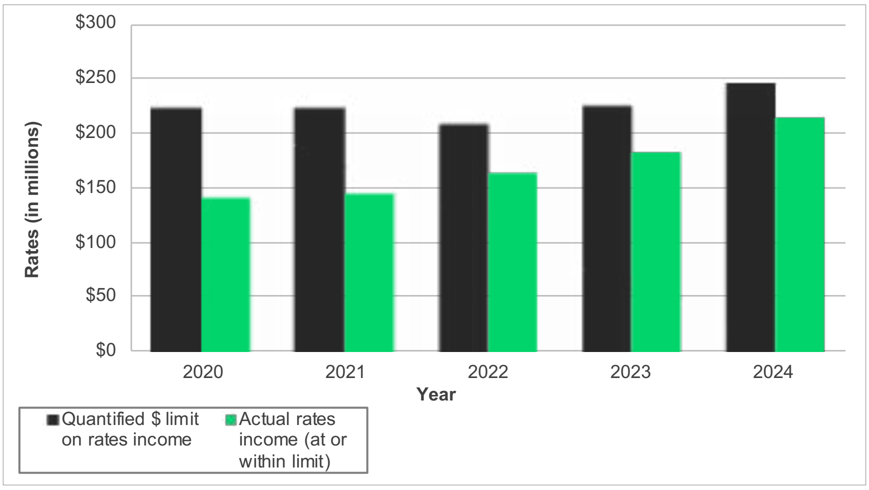


Rates (income) affordability

The Council meets the rates affordability benchmark if:

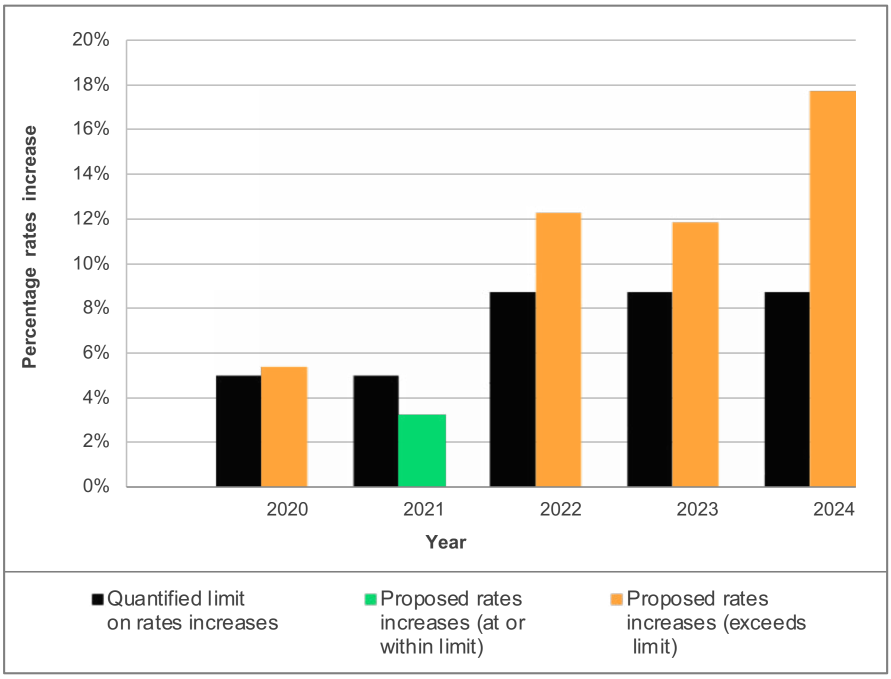
- Its actual rates income equal or is less than each quantified limit on rates; and
- Its actual rates increase equal or are less than each quantified limit on rates increases.

The following graph compares the Council's actual rates income with a quantified limit on rates set out in the financial strategy of the Council's Long-Term Plan. The quantified limit is the estimated rates requirement, which is set at 45 percent of the total of that year's operating revenue.



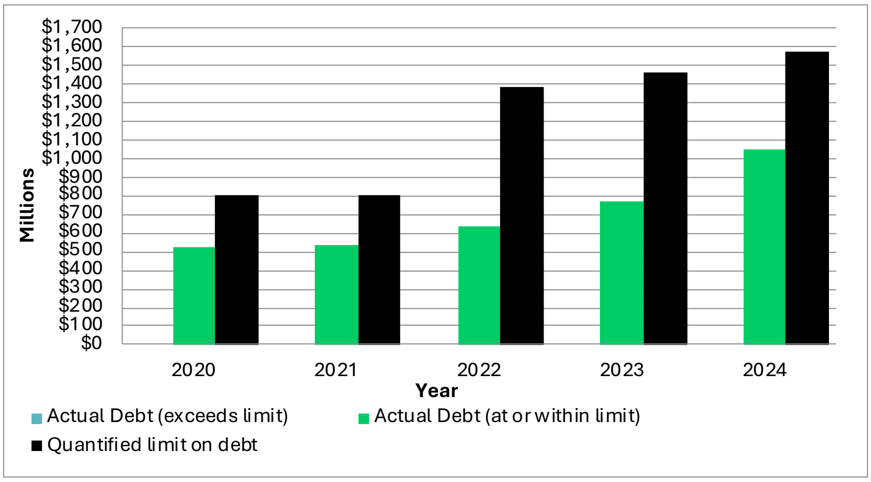
Rates (increase) affordability

The following graph compares the Council's actual rates increases with a quantified limit on rates increases set out in the financial strategy of the Council's Long-Term Plan. The quantified limit is the estimated rates requirement at 45 percent of the total of that year's operating revenue.



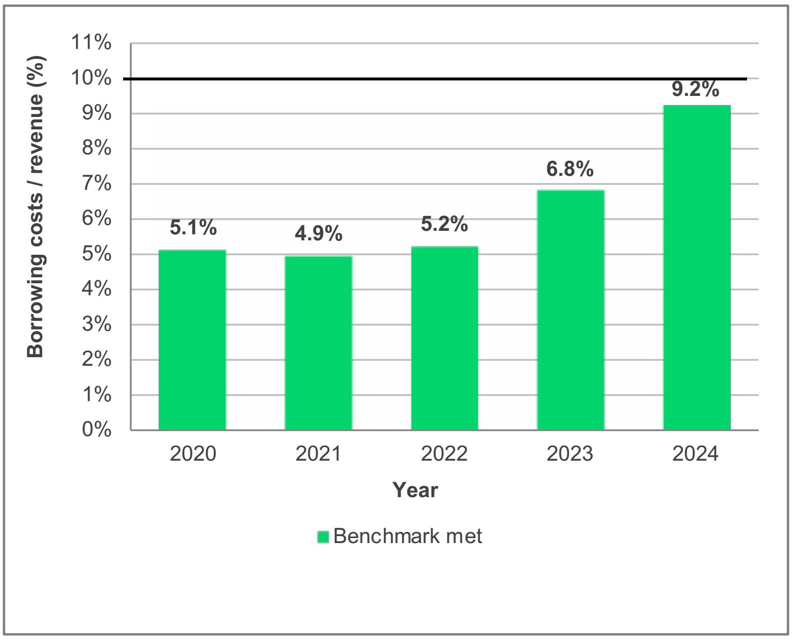
Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy of the Council's Long-Term Plan. The quantified limit is that net debt/total revenue is lower than the allowable maximum as indicated in the Financial Strategy. The Council continues to satisfy this benchmark test.



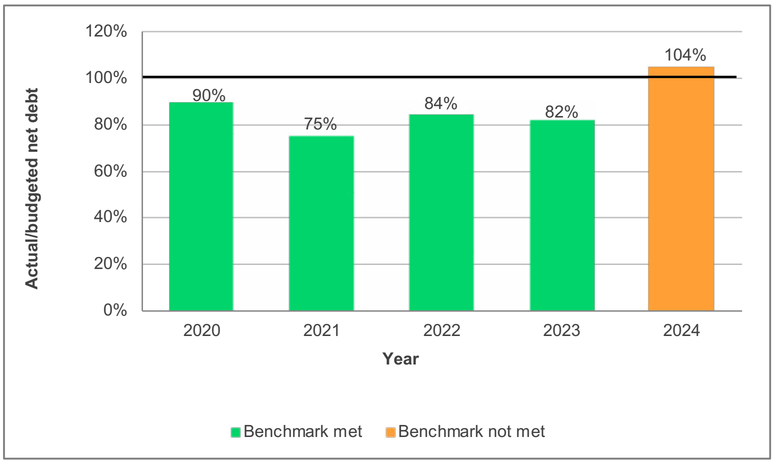
Debt servicing benchmark

The following graph displays the Council's borrowing costs as a proportion of planned revenue. The benchmark prudential limit is set by Central Government at 10% for non-high population growth regions. The Council meets this benchmark.



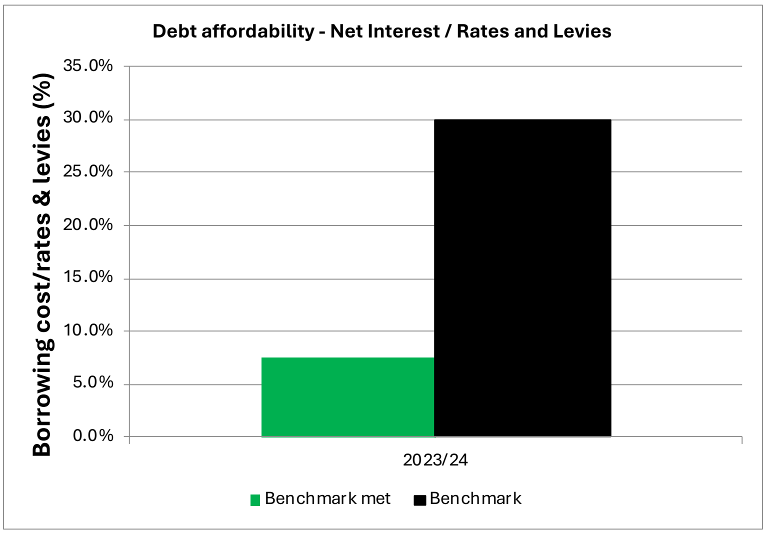
Debt control benchmark

The following graph displays the Council's actual net debt as a proportion of planned net debt. Percentages close to 100% indicate that our actual result is close to what we planned. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables). The Council does not meet the debt control benchmark for 2024.



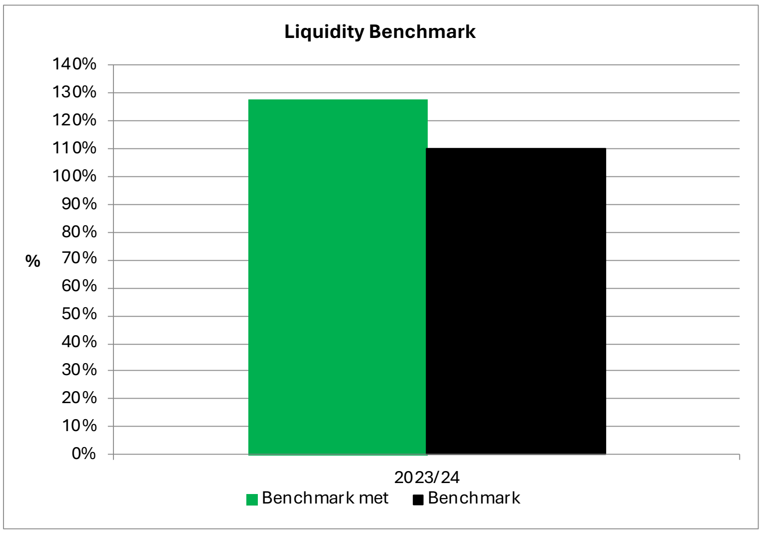
Debt affordability

The graph below compares the Council's planned debt with a quantified limit on borrowing set out in the financial strategy of the Council's Long-Term Plan. The quantified limit is that net interest/total rates & levies is less than 30 percent.



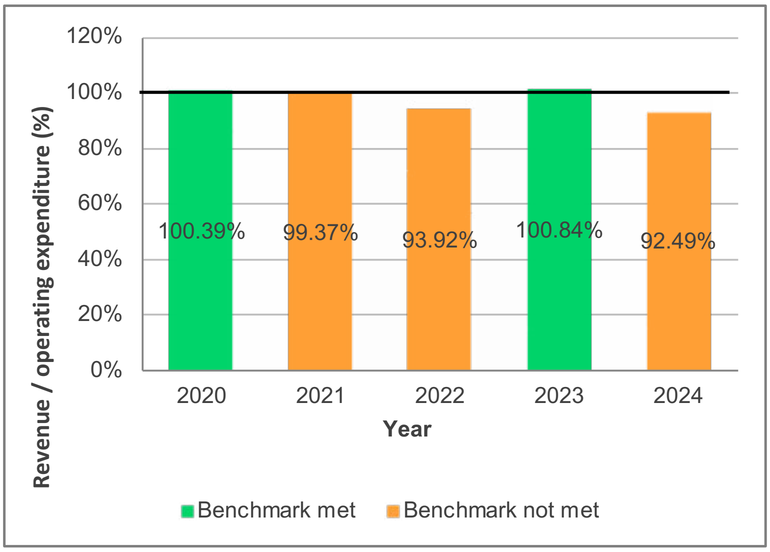
Liquidity benchmark

The graph below compares the Council's borrowing with a quantified limit on borrowing set out in the financial strategy of the Council's Long-Term Plan. The quantified limit is that liquidity is more than 110 percent. Liquidity is defined as external debt plus committed loan facilities plus liquid investments divided by external debt.



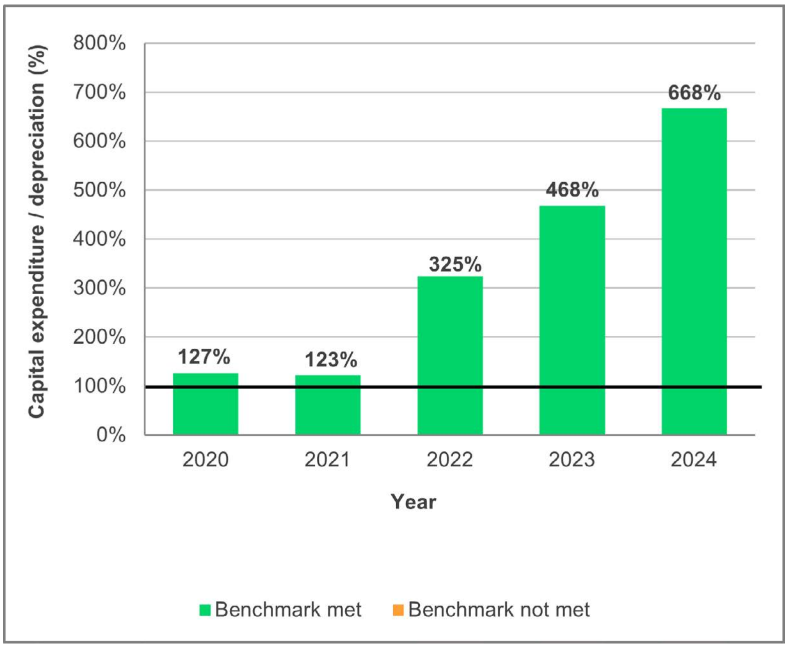
Balanced budget benchmark

The following graph displays the Council's revenue (excluding gains on derivative financial instruments) as a proportion of operating expenses (excluding losses on derivative financial instruments). The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses. The Council does not meet the balanced budget benchmark for 2024.



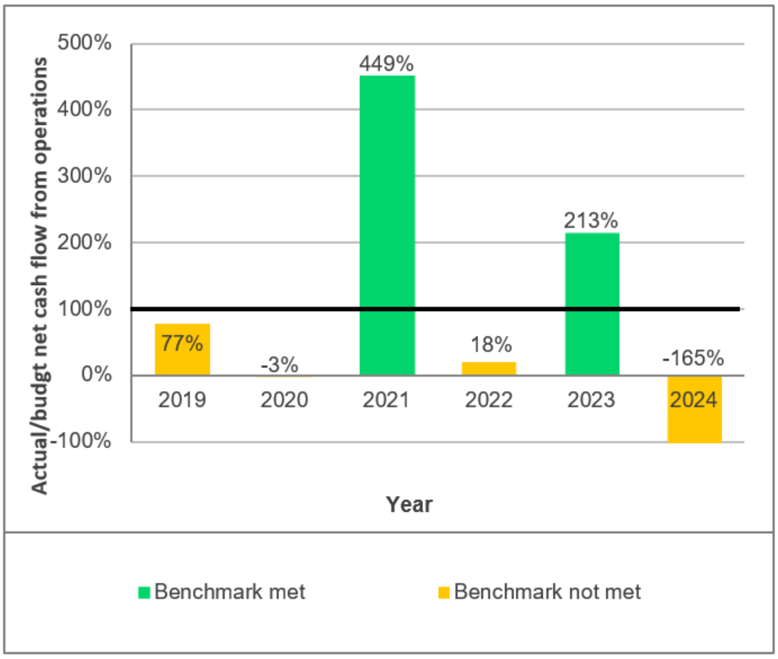
Capital expenditure and depreciation

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services. The Council meets this benchmark as its capital expenditure on network services is greater than depreciation on network services.



Operational control benchmark

This graph displays the Council's actual net cashflow from operations as a proportion of its planned net cash flow from operations. With infrastructure projects, there are often variations in timing that cause large differences between budget and actual in a given period.



He tauākī mō te tutukinga o ngā tūtohu me ngā haepapa

Statement of compliance and responsibility

Compliance

The Council and Greater Wellington's management confirm that all the statutory requirements of the Local Government Act 2002 in relation to the annual report have been complied with.

Responsibility

The Council and Greater Wellington management accept responsibility for preparing the annual financial statements and judgements used in them. The Council and Greater Wellington management accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and Greater Wellington management, the annual financial statements for the year ended 30 June 2024 fairly reflect the financial position and operations of the Greater Wellington Regional Council.

Daran Ponter
Chair
31 October 2024

Nigel Corry
Chief Executive
31 October 2024

Alison Trustrum-Rainey
Group Manager Finance & Risk
31 October 2024

He Pūrongo Arotake Pūtea
Independent Auditor's Report

To the readers of the Greater Wellington Regional Council's annual report for the year ended 30 June 2024

The Auditor-General is the auditor of Greater Wellington Regional Council (the Regional Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand, to report on the information in the Regional Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the Regional Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the Regional Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 31 October 2024. This is the date on which we give our report.

Opinion on the audited information

Unmodified opinion on the audited information, excluding the statement of service provision

In our opinion:

- the financial statements on pages 98 to 102 and pages 107 to 175:
  - present fairly, in all material respects:
    - the Regional Council and Group's financial position as at 30 June 2024;
    - the results of the operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the funding impact statement on page 103, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the Regional Council's annual plan;
- the statement about capital expenditure for each group of activities on pages 88 to 95, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the Regional Council's Long-term plan and annual plan; and
- the funding impact statement for each group of activities on pages 88 to 95, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the Regional Council's Long-term plan.

Qualified opinion on the statement of service provision

In our opinion, except for the possible effects of the matters described in the Basis for our opinion on the audited information section of our report, the statement of service provision of the Regional Council on pages 28 and 33 to 69:

- presents fairly, in all material respects, the Regional Council's levels of service for each group of activities for the year ended 30 June 2024, including:
  - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
  - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- complies with generally accepted accounting practice in New Zealand.

Report on the disclosure requirements

We report that the Regional Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 176 to 181, which represent a complete list of required disclosures and accurately reflects the information drawn from the Regional Council's audited information and, where applicable, the Regional Council's long-term plan and annual plans.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities relating to the audited information, we comment on other information, and we explain our independence.

Basis for our opinion on the audited information

Statement of service provision: Our work was limited in relation to measurement of greenhouse gas emissions

The Regional Council has chosen to include two measures of greenhouse gas (GHG) emissions in its performance information.

The emissions reported in the performance year for both measures relate to estimated emissions generated in the previous year. That is, in the 2024 performance year, the Regional Council reports on the Regional Council and Group's emissions from the year ended 30 June 2023.

We consider this material performance information because the Regional Council has declared a climate emergency and because of the public interest in climate change related information.

Reduction in tonnes of CO2 equivalent (tCO2e) emissions

The Regional Council's performance information includes a performance measure on the quantity of GHG emissions from the Regional Council and Group. This includes emissions generated directly by the Group itself, emissions from the services that the Council is responsible for (such as public transport) and emissions from the use of the Council's assets (such as grazing in regional parks). The Regional Council is still developing the systems and controls needed to produce reliable evidence to support the data inputs and estimations used in the measurement of GHG emissions. This includes the measurement of material emissions from public transport and grazing activities which rely on data from third parties. Therefore, we were unable to obtain sufficient appropriate evidence to conclude whether the reported performance is materially correct.

Tonnes of CO_2 emitted per year on Metlink Public Transport Services

The Regional Council's performance information also includes a performance measure specifically on the quantity of emissions generated from Metlink Public Transport services. For the same reason as above, we were unable to obtain sufficient appropriate evidence to conclude whether the reported performance is materially correct.

As a result of these issues, our work was limited and there were no practicable audit procedures we could apply to obtain assurance over the reported results for the two performance measures described above.

Our opinion on these performance measures was also qualified for the 2023 performance year.

Without further modifying our opinion, we also draw attention to the inherent uncertainty disclosure on page 28 of the annual report, which outlines the inherent uncertainty in the reported GHG emissions. Quantifying GHG emissions is subject to inherent uncertainty because the scientific knowledge and methodologies to determine the emissions factors and processes to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards.

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the "Responsibilities of the auditor for the audited information" section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

Responsibilities of the Council for the audited information

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council's responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the Regional Council and the Group or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the Regional Council's long-term plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Regional Council and Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the statement of service provision, as a reasonable basis for assessing the levels of service achieved and reported by the Regional Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the Regional Council and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Regional Council and the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure, and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the audited information of the entities or business activities within the Group to express an opinion on the consolidated audited information. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 1 to 27, 29 to 32, 70 to 87, 96 to 97, 103 to 106 and 182, but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

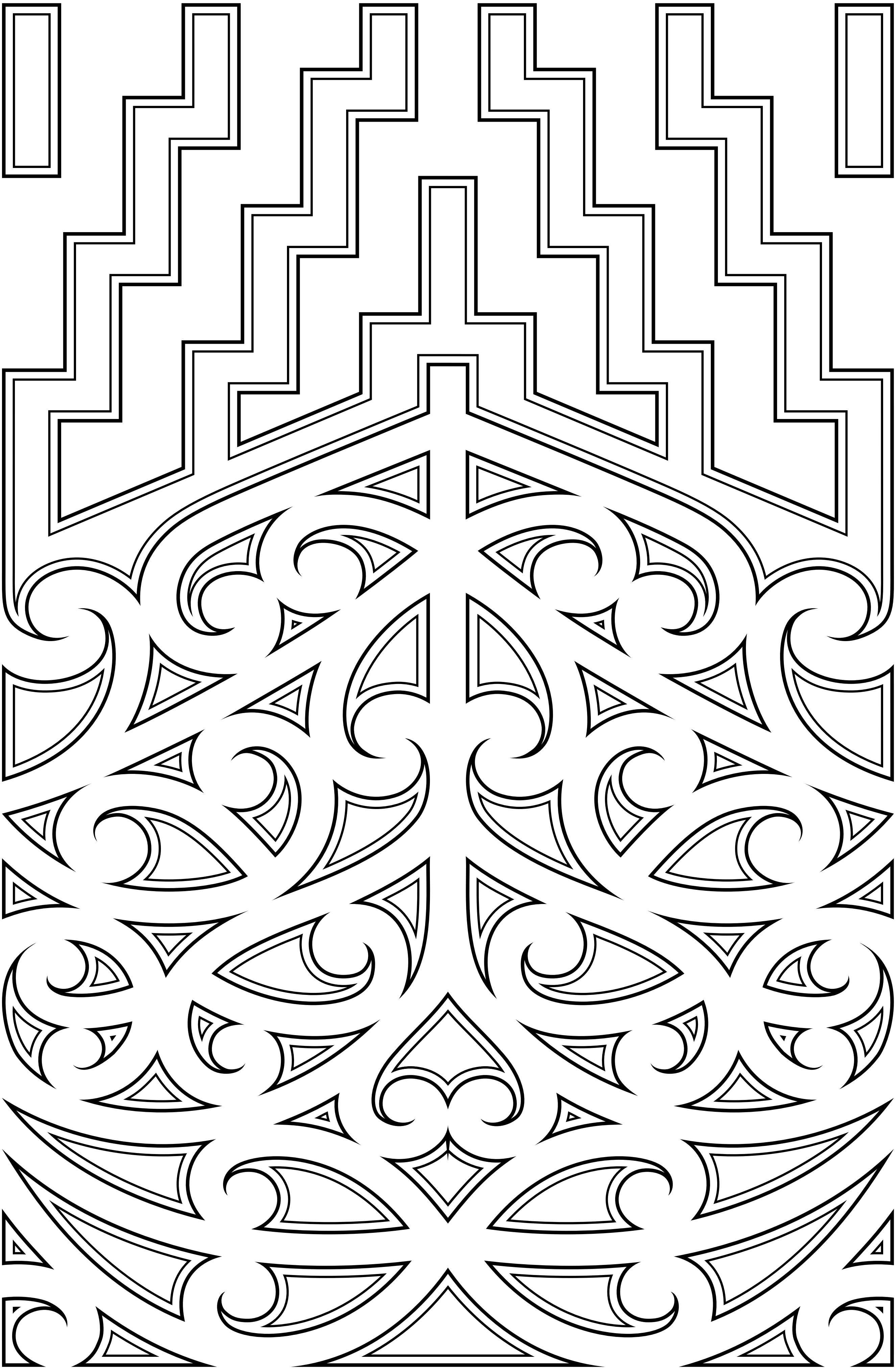
Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the ***Basis for our opinion on the audited information*** section above, we could not obtain sufficient evidence to confirm the reported quantity of GHG emissions from the Regional Council and group or the Metlink Public Transport services. Accordingly, we are unable to conclude whether the other information on page 25, that includes information about these emissions, is materially misstated with respect to this matter.

Independence

We are independent of the Regional Council and Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have performed a limited assurance engagement related to the Regional Council's debenture trust deed and an audit of the long-term plan, which are compatible with those independence requirements. Other than these engagements, we have no relationship with, or interests in, the Regional Council or its subsidiaries and controlled entities.

Clint Ramoo
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand



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November 2024