

Summary of submissions, officer comments and recommendations

1. General

1.1 Development of the Plan

1.1.1 Summary of submissions

Submission Numbers: 8, 22, 71, 85

Business Central, Kapiti Coast Grey Power and two individuals provided overall support for the draft Plan's key changes and projects as being reasonable and prudent, as well as supporting the implementation of amendments to the Local Government Act 2002 (LGA).

Mt Victoria Residents' Association and The Blind Foundation had concerns that the draft Annual Plan was too long and lacking substance; and that the PDF format was difficult to read and navigate. The Blind Foundation also requested that principals of 'universal design' be incorporated into the Plan.

1.1.2 Officer comments on points raised by submitters and recommendations

Support for the key elements of the draft Annual Plan is noted.

The financial details in the plan are required by the Local Government Act and, unfortunately, they can make the Plan difficult to read. The nature of GWRC business means that inclusion of all the policy detail that drives budgets would make the Annual Plan enormous and as a consequence a lot more difficult for most readers to understand.

The Annual Plan is not designed to make it difficult for the reader, although it is unavoidably complex. When designing publications like the Annual Plan, accessibility guidelines are used and online PDF's are made as user-friendly as possible. We welcome any feedback in an effort to ensure continued improvements, and this specific feedback will be reflected in next year's design.

Accessibility issues are actively addressed by GWRC in all relevant areas of our business, where relevant accessibility principles are incorporated into our key strategic documents, such as the Regional Land Transport Strategy and Regional Public Transport Plan. GWRC believes that it is more meaningful and practical to have specific references in these key strategies than a general reference in the Annual Plan.

1.2 Democratic Processes

1.2.1 Summary of Submissions

Submission Numbers: 2, 31, 38

The PSA, Democrats for Social Credit, and one individual commented on the workings of the council, and legislation that affects the council, including:

- that changes to the LGA were flawed and removal of the four social well beings will have a detrimental impact. The Amendment Bill proposals will further restrict local government and undermine local democracy.
- advocate the Single Transferable Vote (STV) system for all Local Government
- funding to iwi to progress projects relevant to Council interests should be replaced by funding to any group that is progressing projects relevant to Council interests. GWRC should seek legislative change to ensure that it is no longer required to take account of the principles of the Treaty by providing Maori with special rights in the decision-making process. Such 'rights' are quite incompatible with Article Three of the Treaty which guaranteed Maori the same rights as other British subjects.
- The public should have greater input into council decision-making; has the right to know the votes of each elected representative; and there should be less non-public council sessions.
- Binding referenda and participatory budgeting may assist in increasing voter turnout and public engagement.

1.2.2 Officer comments on points raised by submitters and recommendations

Regarding the workings of the council, and legislation that affects the council:

- Officers note the PSA's comments on the LGA and is awaiting the outcome of the Local Government and Environment Select Committee's consideration of submissions on the Local Government Act 2002 Amendment Bill (No 3).
- GWRC adopted the STV electoral system for its 2013 local elections, the first regional council to do so. It is a matter for Parliament to consider whether a single electoral system should apply for all local government elections.
- Officers note the writer's comments on the Treaty of Waitangi. It is a matter for central government to determine by way of amendment to the Local Government Act whether councils should or should not take into account the Treaty of Waitangi principles in the decision making process.
- Standing Orders with regard to recording resolutions at meetings are consistent with best practice, and as set out in New Zealand Standard NZS 9202:2003 - Model Standing Orders For Meetings of Local Authorities and Community Boards. The Council only conducts business in 'Public Excluded' session when there are grounds for this, consistent with the requirements of the Local Government Official Information and Meetings Act 1981. 'Public Excluded' business forms a very small proportion of business conducted at Council and Committee meetings.

- GWRC has maintained a steady voter turnout in its past three elections, despite a general reduction in voter turnout overall. GWRC does not favour the use of binding referenda; referenda are very expensive to conduct and most issues are more complex than warranting a simple "yes" or "no" answer. Also, binding referenda do not sit well with the decision-making requirements of the Local Government Act 2002. In terms of budgeting, the public has the opportunity to participate in the setting of priorities, activities and financing through the Long Term Plan and Annual Plan processes.

1.3 Human Resources

1.3.1 Summary of submissions

Submission Numbers: 31, 68

The PSA and Mt Victoria Residents' Association commented that GWRC is losing market position for remuneration which will impact on retention, with requests for higher wages for staff and those of its CCO's. Further, the PSA commented on mixed engagement between PSA and GWRC senior management, and the use of costly lawyers for general engagement with staff.

1.3.2 Officer comments on points raised by submitters and recommendations

GWRC has traditionally positioned itself at the median of the market and continues to adopt that strategy. This mid-market position is specified in the Collective Employment Agreement, to which the PSA is a party. GWRC utilises remuneration data from market surveys conducted by Strategic Pay, which covers the majority of local government organisations together with the public and private sector. GWRC has not identified any issues in relation to staff retention rates. GWRC does not pay any permanent staff at or below the living wage.

The PSA have not requested to meet with the Chief Executive during the time period mentioned. The Chief Executive is very happy to meet with the PSA, if the PSA wish to initiate such a meeting(s). The General Manager, People & Capability regularly meets with the PSA and leads the collective employment negotiations with the PSA and other union partners. External lawyers are not used by GWRC to undertake run of the mill industrial issues and collective bargaining is conducted in-house.

Officers recommend no change from the draft Annual Plan 2014/15

2. Regional Leadership

2.1 Climate Change

2.1.1 Summary of submissions

Submission Numbers: 2, 4, 5, 74, 76, 77

Six submitters (Democrats for Social Credit, Renewables Motueka, OraTaiao, UHCC, Physicians and Scientists for Global Responsibility New Zealand Charitable Trust, and one individual) commented on the council's leadership role in regional planning for climate change. There was support for Council's work on the Trans Pacific Partnership Agreement, and a request to place a resolution before Council on the TPPA for formal consideration and endorsement.

There was also a request that GWRC increase the prominence of its climate change leadership role and efforts in the draft Plan, including setting annual targets such as a zero waste to landfill target.

2.1.2 Officer comments on points raised by submitters and recommendations

Support for actions on the TPPA is noted. GWRC will follow the developments on the TPPA process very closely and will respond again if and when it is appropriate to do so.

GWRC is currently working on the development of a Climate Change Strategy and will be considering emissions targets as part of that process. Climate change is a significant issue for GWRC and it impacts across nearly all areas of our work. As such we integrate climate change considerations into all our work programmes. While we do not consider it necessary to include climate change as a separate section in the Annual Plan, consideration will be given to the presentation of our climate change activities in the next Long Term Plan.

GWRC does not manage waste to landfill - this is a responsibility of local councils. Setting a target would be a matter for those councils to consider.

2.2 Relationships with Maori

2.2.1 Summary of submissions

Submission Numbers: 42, 63

One individual provided support for initiatives aimed at increasing the partnership with tangata whenua, while KCDC requested both engagement and policy to protect waahi tapu within the region; develop signage for significant sites; and review Te Haerenga Whakamua for incorporation within GWRC's long term management and planning of activities.

2.2.2 Officer comments on points raised by submitters and recommendations

GWRC engages with tangata whenua to identify and support initiatives aimed at increasing partnerships with them. The Council has been working with tangata whenua as part of the process of developing our regional plan. This work is leading to the identification of sites of significance, such as waahi tapu, which will be included as a schedule of the Plan. The regional plan will also have objectives, policies and methods (and in some cases rules) to manage and protect these sites.

GWRC also has a Parks Network Plan, which outlines how GWRC will manage the regional parks, including any reserves contained within these parks. There was consultation with tangata whenua during the development of the Parks Network Plan and we continue to discuss parks, and other matters of relevance to tangata whenua, with them on an ongoing basis .

2.3 Sustainable Transport

2.3.1 Summary of submissions

Submission Numbers: 30, 66, 74, 76, 80

Four submitters (Kapiti Older Persons Council, OraTaiao, Cycle Aware Wellington, and one individual) provided support for initiatives to encourage and support people to be safe in active transport,

particular through mode separation. Living Streets Aotearoa submitter requested more information on the funding being put into this area over time and increased targets being set for active transport.

2.3.2 Officer comments on points raised by submitters and recommendations

GWRC continues to lobby for separated cycle lanes wherever possible and promotes safe cycling through a range of programmes.

The targets for walking are those of the Regional Land Transport Strategy which are to increase active modes for at least 16% of region-wide journey to work trips and increase active mode use to at least 30% of all trips in urban areas.

Budgets for walking and cycling are set in the Long Term Plan and are renewed every three years. Local councils and the NZ Transport Agency provide walking and cycling infrastructure and therefore provide the majority of cycling and walking funding.

Walking in our regional parks is promoted as a recreation activity through our various programmes and by providing tracks.

2.4 Transport Planning

2.4.1 Summary of submissions

Submission Numbers: 66, 68, 71, 74, 75, 76, 80, 82, 85

Cycle Aware Wellington, Mt Victoria Residents' Association, and CentrePort provided support for integrated transport planning. Cycle Aware Wellington and Kapiti Coast Grey Power provided support for the Paekākāriki-Raumati South walkway/cycleway.

Three submitters (Mt Victoria Residents' Association, OraTaiao, and one individual) oppose the Roads of National Significance (RoNS), and the Council's support for it, asking that the Council work to divert funding away from this area. Two submitters (CentrePort and Business Central) provide support for the Council's work on RoNS.

Six submitters (Cycle Aware Wellington, OraTaiao, Business Central, Mt Victoria Residents' Association, Blind Foundation, and Living Streets Aotearoa) commented on the PT Spine Study with requests that GWRC plan to accommodate significantly increased bicycle use when developing the public transport spine; and that pedestrians (particularly the blind) are considered thoroughly in transport planning. There was concern that the PT Spine Study report ignores key points in favour of RoNS; and that the Regional Transport Committee does not have a vehicle to consider alternatives presented through consultation. There was also a request for a new health impact assessment that includes climate change prior to any decision making.

2.4.2 Officer comments on points raised by submitters and recommendations

Support for the development of an integrated Regional Land Transport Plan is noted. This will include a review of the current Regional Cycling Plan to incorporate this into the new Plan as a Regional Cycle Network Plan. A regional spatial planning process is underway, under the governance

of the Mayoral Forum. GWRC is leading that workstream. Support for the cycleway through Queen Elizabeth Park is also noted.

The strategic approach identified by the Regional Land Transport Strategy is to invest in improvements across all modes that comprise the region's land transport network, including roads, public transport, walking and cycling. Implementation of the Wellington Northern Corridor Road of National Significance is identified as a key action for contributing towards several strategy outcomes and targets in Chapter 7 of the Wellington Regional Land Transport Strategy. The Ngauranga to Airport Plan aims to strengthen the four key transport elements in the city which are:

- (a) a high quality and frequency passenger transport 'spine';
- (b) a reliable and accessible 'ring' or bypass route for vehicles;
- (c) inter-connected and convenient local street, walking, cycling and passenger transport networks; and
- (d) highly accessible and attractive 'activity' or shopping streets.

A key component of the corridor plan approach is to attract those trips across the city onto the state highway 'ring route', to reduce traffic using alternative local routes through the CBD and on routes such as Jervois, Customhouse and Aotea Quays, Evans Bay and Constable Street. This then supports the enhanced use of alternative routes by other modes that do not use the state highway 'ring route', such as walking, cycling and public transport, and assists with the accessibility and attractiveness of shopping and activity streets.

Cycling infrastructure along the Wellington City public transport spine is the responsibility of Wellington City Council. GWRC is working in partnership with Wellington City Council to plan and design multi-modal corridors suitable for the planned Bus Rapid Transit system as well as other modes, including walking and cycling. Planning and design of any infrastructure will take into account the needs of all users, including those who are blind or have low vision. The Regional Transport Planning and Programmes section of the draft Annual Plan relates to those activities proposed to be undertaken by GWRC over the next year. It is noted that following recent amendments to the Land Transport Management Act, the purpose of the Act has been narrowed to focus the contribution to an effective, efficient, and safe land transport system. Assessments of health and other environmental and social impacts are most effectively done at the strategic options stage of a project rather than as part of a regional strategy development process.

2.5 Wellington Regional Strategy

2.5.1 Summary of submissions

Submission Numbers: 85

Business Central provided support for the Wellington Regional Strategy, with particular mention around the merger of Grow Wellington, Positively Wellington Tourism and Positively Wellington venues as providing strategic benefits to ratepayers, and that the airport runway requires greater regional leadership.

2.5.2 Officer comments on points raised by submitters and recommendations

Support is noted for the economic development agency merger proposal, bringing together the functions of Grow Wellington, Positively Wellington Tourism, and Absolutely Positively venues.

Building world-class infrastructure is a key focus area of the Wellington Regional Strategy, including having the capacity to attract long haul flights to and from Asia. Councils in the region work together to implement the Wellington Regional Strategy, and GWRC supports Wellington City Council's work on this project.

2.6 Wairarapa Water Use Project

2.6.1 Summary of submissions

Submission Numbers: 18, 21, 56, 79, 82, 85

Three individuals wrote in opposition to the Wairarapa Water Use Project (WWUP), in particular the proposal to dam the Mangatarere Valley, and the Mauriceville West proposal.

Federated Farmers (FF), CentrePort and Business Central wrote in support for the WWUP, with one also seeking clarification of the extent that Regional Leadership budget changes are due to delays in the WWUP.

2.6.2 Officer comments on points raised by submitters and recommendations

The Wairarapa Water Use Project is currently in the prefeasibility phase of investigations. The project team is focused at working as quickly as possible to determine the viability or otherwise of preferred sites so as to give landowners certainty. Mangatarere is one of five identified sites under investigation in the prefeasibility phase of works, and Mauriceville West is a reserve site.

Investigations will include a thorough consideration of the current water quality, and the future effects of any schemes being investigated in relation to issues such as water quality and quantity, and potential impacts from possible land use change. Results of investigations have been and will continue to be communicated as they are completed. The project timeline and other reports can be found at www.wairarapawater.org.nz.

Delays in the Wairarapa Water Use Project have not caused changes to the Regional Leadership budget. The committed budget through to June 2015 covers the prefeasibility phase of the project and has not changed. New funding for full feasibility investigations, from July 2015, will be sought through the long term plan process and will require approval from Council as a part of this process.

2.7 Warm Greater Wellington

2.7.1 Summary of submissions

Submission Numbers: 22, 38, 67, 77

Four submitters (EECA, UHCC and two individuals) wrote with support for the Warm Greater Wellington programme. One suggested increased advertising for the scheme, and Upper Hutt City Council recommended extending the programme to solar panels and water storage containers.

2.7.2 Officer comments on points raised by submitters and recommendations

GWRC through WREMO has secured low cost 200ltr water tanks that the local councils are selling. For now GWRC considers supporting insulation as a higher priority than other possible initiatives.

2.8 Other regional leadership matters

2.8.1 Summary of submissions

Submission Numbers: 23, 85

Sport Wellington requested that the Council investigate re-establishing the Wellington Regional Recreation Initiatives Group.

Support was provided for WREMO activities from Business Central. Kapiti Coast Grey Power requested more community involvement in WREMO activities and more information to be included in the Plan on climate change and risks.

2.8.2 Officer comments on points raised by submitters and recommendations

GWRC supports the establishment of a Wellington Region Recreation Initiatives Group and the coordination of planning and development of regional sport and recreation facilities across the region.

Grey Power representatives are actively involved in the Community Response Plan (CRP) process, with three representatives participating in the current Waikanae plan under development. Climate change is not a significant focus of the CRP but is considered in terms of changes in frequency or intensity of events. Notwithstanding this, projects identified through development of the CRP may present opportunities to raise awareness or even promote initiatives to reduce any impact of climate change at a local level. The Wellington CDEM Group maintains a family of plans (Group Plan, Business Plan and Annual Plan) which identify those tasks in support of our mission and vision. The support by Business Central along with other business support/advocate groups is noted and appreciated. WREMO has recently completed a third "It's Easy" guidebook, this one for small to medium enterprises designed to promote the need for continuity planning.

Officers recommend no change from the draft Annual Plan 2014/15

3. Public Transport

3.1 Services

3.1.1 Summary of submissions

Submission Numbers: 18, 22, 39, 43, 45, 63, 68, 89

Five submitters (Ngaio Crofton Residents' Association, Tawa Community Board, KCDC and two individuals) wrote with general support for public transport services.

KCDC requested aligning the 2015 review of Metlink services in Kāpiti to the Waikanae and Paraparaumu Town Centre planning process and the revocation of the existing state highway.

An individual also requested more accessible public information on the Public Transport Operating Model and Mt Victoria Residents' Association asked for more detail on the reduced funding from the Long Term Plan to the draft Annual Plan on bus and ferry operation, asset management, Metlink customer services/information and Total Mobility.

One individual was opposed to the provision of public transportation services by private providers.

3.1.2 Officer comments on points raised by submitters and recommendations

GWRC appreciates receiving positive feedback on its public transport services and acknowledgement that investment in infrastructure has been beneficial.

The real time information project is near final completion, with no immediate plans to deploy more real time signs at rail stations. In addition to the signs, real time information is readily available on smart phones which provides an additional option to users of the service.

GWRC assures KCDC that we will work closely with them on the 2015 review of Metlink services in Kapiti so that there is a good alignment with the Waikanae and Paraparaumu Town Centre planning process.

GWRC does not have any option but to implement the Public Transport Operating Model as it is defined in legislation and NZ Transport Agency procurement guidelines and rules. The model is simply a new way for regional councils and Auckland Transport to "buy" bus, train and harbour ferry services from bus, rail and ferry companies on behalf of the community. The model is a form of public-private partnering and GWRC is comfortable that the involvement of the private sector can add value to the delivery of the services.

Changes to the operating funding for bus and ferry operations and asset management, Metlink customer services and information, and Total Mobility are not considered significant in the context of the level of investment, but reflect updated understanding of budgets and demand.

3.2 Bus Services

3.2.1 Summary of submissions

Submission Numbers: 30, 63, 66, 74, 75, 76

Six submitters (Kapiti Older Persons Council, KCDC, Blind Foundation, Cycle Aware Wellington, OraTaiao, and one individual) commented on ways to improve bus services including requests for more adequate seating at bus stops to assist older persons; increasing the size of the Coastlands bus shelter; provision of a bus shelter on the end of the 110 route - which ends in Emerald Hill Upper Hutt; improving accessibility for blind and low vision users of public transport; configuring buses to accommodate bikes at all times, and bringing forward the trial of bus-racks and coinciding it with compulsory driver training on their use.

3.2.2 Officer comments on points raised by submitters and recommendations

The Annual Plan 2014/15 does include funding to maintain and improve bus shelters, including the provision of seating. However, with nearly 3000 bus stops the current level of funding enables

approximately 15 new shelters or shelter replacements to be installed each year. Officers acknowledge that the current programme of new shelter roll out is extremely slow, and as a consequence the Council is considering a significant boost to funding as part of the preparation of the next Long Term Plan that will commence in 2015/16. The increased funding would enable the number of new and replacement shelters to increase to approximately 40 per annum.

The concerns with the bus stop shelter at Coastlands are being addressed, and subject to the ongoing positive collaboration between GWRC, Kapiti Coast District Council and Coastlands Mall, improvements should be in place by end of September 2014.

GWRC uses a prioritisation tool that provides a rational and consistent approach to deciding where to place new bus shelters. The stop at Emerald Hill at the end of route 110 is currently being re-assessed.

GWRC has a policy of providing information, facilities, and services that are increasingly available to all members of the public, including continually improving the accessibility of public transport services for the blind and low vision users. Examples include providing tactile indicators along railway station platforms when they are upgraded, the publication of an accessible version of the draft Regional Public Transport Plan, and the audio real time information displays currently being trialled. In addition, new Metlink signage has been designed to take into account the needs of the visually impaired and the upcoming review of the Metlink website will further improve the accessibility of information.

The current Long Term Plan includes proposals to install bike racks on buses, with the initial phase of the project programmed for 2015/16 and full roll out in 2017/18. GWRC will be reviewing the timing of the proposals as part of the preparation of the new Long Term Plan over the next 12 months.

Currently GWRC is not able to make bus/bike workshops compulsory for bus drivers, but this matter will be considered further as we develop new bus operating contracts over the next couple of years.

3.3 Rail services

3.3.1 Summary of submissions

Submission Numbers: 18, 32, 38, 45, 63, 66, 71, 74, 77, 89

10 submitters (Ngaio Crofton Downs Residents Association, KCDC, UHCC, Tawa Community Board, Kapiti Coast Grey Power, Cycle Aware Wellington, OraTaiao and three individuals) wrote with suggested improvements for rail services, including:

- promoting preventative maintenance for trains and tracks
- free Wi-Fi on the commuter trains from Upper Hutt
- more real-time boards at Porirua
- banning smoking from train stations and platforms
- investigating options for toilets on trains

- more park and ride spaces at Waikanae, and more land for park and ride elsewhere (including providing information on the Tawa purchase).
- reinstating commitment to continuing Capital Connection service
- improve capacity to accommodate bikes, and to remove current travel limitations
- more bike lockers.

3.3.2 Officer comments on points raised by submitters and recommendations

Officers agree that there must be a rigorous maintenance programme for the trains. There is a clear maintenance programme for the new Matangi trains that has been specified by the manufacturer which should enable the fleet to run for 30 years without any significant overhauls. Since ownership of the GanzMavag fleet in 2011 we have implemented a preventative maintenance regime which has resulted in a significant lift in reliability, exceeding target levels by 36% in 2012/13.

As with train maintenance, there are on-going upgrades and maintenance improvements to the rail network infrastructure. Specifically in terms of heat buckling, there is a need to balance the stress in rails between high summer and low winter temperatures. The heat buckling issue is common in networks around the world, as can be seen from a couple of examples from a quick Google search:

“The Massachusetts Bay Transportation Authority has had to repair so-called “heat kinks” during recent high temperatures. The triple-digit temperatures pummeling the East Coast this week present many dangers: heatstroke, dehydration and power outages. This week, the Washington, D.C., Metro system announced that it’s keeping close tabs on yet another heat-related threat: the warping of rail tracks.”

“Yesterday Gatwick topped the highest temperature tables with a reading of 33C (91F), and was expected to be even hotter today as train travellers faced a third successive day of restrictions on the network. Again the worst hit area was the Midlands, while the restrictions also affected East Coast and west of England services. The 60mph limits have been imposed by Railtrack's successor company Network Rail (NR) over fears that tracks will buckle in the extreme heat.”

The new Matangi trains will be fitted with wheel dampers as a means of mitigating the wheel noise squeal on the Johnsonville line.

GWRC has recently secured access to a fibre optic network that runs along the rail lines and opens up the prospect of on board Wi-Fi for passenger trains and Wi-Fi at stations. GWRC will be investigating the possibility that such Wi-Fi services be provided by a third party with no cost to ratepayers.

The issue of toilets on trains was considered when the new Matangi trains were being designed. The trains are metropolitan commuter trains and the costs of including toilets could not be justified, both in a monetary sense and in terms of the loss of passenger capacity that would result. Similar trains in other parts of the world (e.g. Melbourne, Sydney, Hong Kong, London etc.) with run times of up to one hour plus (probably up to one and a half hours) do not have toilets. However toilets are

available at Waikanae and Paraparaumu stations and on the Capital Connection service that runs daily from Palmerston North to Wellington and is an option for Kapiti travellers, albeit with limited frequency.

GWRC has an on-going programme of expanding park and ride facilities at rail stations. The Regional Rail Plan 2013 identifies Waikanae as a priority station for improved park and ride facilities. Improvements will be made in line with land availability and available funding.

Previously GWRC has supported the retention of the Capital Connection service and was pleased with the decision by KiwiRail to continue to operate the service. Should KiwiRail decide not to continue operating the service we would want to reassess our position based on updated information on the performance of the service in terms of passenger growth and subsidy requirements.

Public transport services in Kapiti, including services in Otaki, will be reviewed in 2015 and that will be an appropriate time to look at the services to the Clean Tech Centre.

In its most recent review of the carriage of cycles on trains GWRC removed a number of restrictions but we are currently comfortable with the rules and no further review is planned during the next 12 months. GWRC has recently installed additional storage for 12 bikes at Porirua station in the eastern carpark. This adds to the space for up to 22 bikes on the platform.

Funding for improved safety and resilience through a Wellington to Hutt walking and cycling link is being considered as part of the development of GWRC's next Long Term Plan in recognition of the importance of this project to both resilience and cycling. It is likely to be included as part of the draft Long Term Plan that will go out to public consultation in 12 months' time.

3.4 Fares

3.4.1 Summary of submissions

Submission Numbers: 7, 22, 38, 39, 43, 60, 61, 68, 69, 72, 77, 81, 83, 85, 87, 88,

14 submitters (Wellington Central Grey Power, Mt Victoria Residents Association, HCC, UHCC, Wellington City Youth Council and nine individuals) wrote with general opposition to public transport fare increases, as fares are already too expensive for many. It was stated that fares are beyond government policy of 50% farebox recovery, and lower fares would increase patronage.

Two submitters (Business Central and one individual) wrote with support for proposed public transport fare increase.

Five submitters (HCC, Business Central and three individuals) provided an alternative for the fares increase, including implementing discounted off-peak pricing for all and capped daily fare; increasing rail fares or reducing rail subsidies as being preferable to increasing bus fares; and using the Transport Rates Reserve to cover bus network capital expenditure.

3.4.2 Officer comments on points raised by submitters and recommendations

GWRC acknowledges that its fares are relatively high and that its fare box recovery exceeds the minimum requirements of the NZ Transport Agency. The recently released Draft Wellington Regional Public Transport Plan signals our intention to reduce the overall fare recovery rate to closer to 50% as we transition into the proposed new fare structures.

GWRC has set out its proposals for a new fare structure in the Draft Wellington Regional Public Transport Plan (PT Plan). The proposals were developed following an extensive review of options, and the decisions on future fare structures are more appropriately made as part of the consideration of the submissions on the draft PT Plan, which are being made concurrently with the decisions on the draft Annual Plan submissions.

3.5 Beneficiaries

3.5.1 Summary of submissions

Submission Numbers: 29, 30, 42, 61, 63, 71

Five submitters (Kapiti WEA, Kapiti Older Persons Council, Wellington Central Grey Power, KCDC, Kapiti Coast Grey Power) requested that Council extend free hours for SuperGold card holders to ensure continued accessibility, while one individual supported increased funding for Total Mobility including extending the eligibility to other Supported Beneficiary holders (formerly the Invalid Benefit).

3.5.2 Officer comments on points raised by submitters and recommendations

Officers note the comments made about the aging population, and the requests to extend the hours of free travel for SuperGold card holders. GWRC reviewed the possibility of extended hours as part of the fare structure review, but concluded that current arrangements should be retained. It is important to note that the SuperGold travel scheme is fully funded by the Government, and they set the rules around eligibility. The Government does not support any extension of the scheme.

3.6 Integrated ticketing

3.6.1 Summary of submissions

Submission Numbers: 32, 37, 38, 39, 46, 76, 85

Seven submitters (Wellington Civic Trust, Business Central and five individuals) wrote with general support for integrated ticketing. While some submitters agreed with the implementation delay to provide an opportunity to learn from Auckland; others urged a faster rollout.

3.6.2 Officer comments on points raised by submitters and recommendations

It's pleasing to see the support for the proposed integrated fares and ticketing project, which will make using public transport easier as travellers will be able to use the same payment methods across the region's entire public transport network. GWRC is in close contact with colleagues at Auckland Transport and NZTA so that we are able to learn from their roll out of the new HOP card in Auckland.

Introducing integrated fares and ticketing is a complex multi-year programme which will involve significant and complex new business systems, and it is imperative that the Council takes a systematic and considered approach to implementation. Officers believe that the proposed timing of the project is appropriate to mitigate the risks and ensure the best outcome for the people of the region.

3.7 Trolley bus network

3.7.1 Summary of submissions

Submission Numbers: 22, 68, 69, 74, 88

Five submitters (Mt Victoria Resident's Association, OraTaiao and three individuals) wrote to provide support for keeping the trolley bus network.

3.7.2 Officer comments on points raised by submitters and recommendations

Officers note the support for the continuation of trolley buses. Future bus fleet options are a key component of the Regional Passenger Transport Plan and will be considered as part of the finalisation of that Plan, which is happening concurrently with the Annual Plan.

Officers recommend no change from the draft Annual Plan 2014/15

4. Water Supply

4.1 Fluoride

4.1.1 Summary of submissions

Submission Numbers: 1, 2, 4, 6, 12, 13, 14, 17, 20, 22, 24, 25, 26, 27, 28, 33, 34, 35, 44, 47, 49, 50, 51, 55, 59, 70

25 submissions (Democrats for Social Credit, Physicians and Scientists for Global Responsibility New Zealand Charitable Trust, Fluoride Information Network for Dentists, Fluoride Action Network NZ, Weston A Price Foundation, NZ Health Professionals Opposing Fluoridation and 19 individuals) were received in opposition to the fluoridation of the bulk water supply. The themes were generally that the need for fluoridation is not supported by literature; it is imposed medication of the public; it poses a health risk to vulnerable sectors; and individual health symptoms are being experienced. Submitters recommend that public discussion is opened.

One individual supported the continued fluoridation of the bulk water supply, and provided support that it is safe and effective.

4.1.2 Officer comments on points raised by submitters and recommendations

In response to the 2010 submissions on fluoridation GWRC requested feedback from the Ministry of Health regarding their policy and guidelines for the fluoridation of water supplies and the evidential basis for the fluoride levels set in the Drinking Water Standards.

In terms of policy, the Ministry of Health; 'strongly recommends water fluoridation as a safe, effective and affordable way to improve and protect oral health across the population. This position

is adopted on the basis of a large body of historical and current research that confirms the safety of water fluoridation, within certain parameters’.

In May 2011 and again in August 2012 the Ministry of Health, Regional Public Health Service and the Wellington Medical Officer of Health presented to the Council the views of the Ministry of Health and District Health Board regarding recent publicity and current research about the risks and benefits associated with water fluoridation.

It is in light of this information that, by agreement with the four city councils, it is recommended to continue the policy of water fluoridation for the cities of Upper and Lower Hutt (excluding Petone), Wellington and Porirua.

4.2 Resilience

4.2.1 Summary of submissions

Submission Numbers: 22, 32, 39, 48, 53, 68, 76, 85

Seven submitters (Capital Coast DHB, Regional Public Health, Mt Victoria Residents’ Association, Business Central and three individuals) wrote to provide comment on the resilience of the bulk water supply. Points include:

Points include:

- ensure emergency water storage is a priority for GWRC
- agrees with the adaptive and incremental approach rather than costly large-scale infrastructure developments
- continue efforts to reduce per capita and business water use as well as investigate other water sources investing in new fresh water storage infrastructure
- suggest curtailing or reducing dairying in the region to limit irrigation demands
- more active support of rainwater harvesting and composting toilets
- request for more detail in the Plan on additional water storage at Kaitoke
- opposes building a dam on the Whakatikei River as it is a popular whitewater rafting river
- recommends that measures needed to reduce the water restoration time frames, and to increase the emergency water storage close to populated areas, are given the highest priority in Council planning.

Two individuals provided support for water metering, noting the need for public input on the issue.

4.2.2 Officer comments on points raised by submitters and recommendations

Major resilience projects will be considered as part of the Long Term Plan 2015-25.

GWRC is promoting the use of rainwater tanks, and Water conservation programmes will continue.

The preferred option for a new water sources has changed from damming the Whakatikei River to the Pakuratahi lakes option.

GWRC notes that any consideration of water metering in the future will include public consultation.

Officers recommend no change from the draft Annual Plan 2014/15

5. Environment

5.1 General

5.1.1 Summary of submissions

Submission Numbers: 3, 31, 39, 62, 78,

The PSA submits that the restructure of the Biodiversity team will downsize this department and likely result in reduced Biodiversity programs, some of which have been run for over a decade, leading a deterioration of the environment.

Federated Farmers support the on going soil conservation work on erosion prone land, and registers concern that the decrease the Land Management department's budget doesn't impact on the delivery of these important programmes. They also support GWRC helping landowners to protect and restore areas of native biodiversity on their land and the intent to develop a targeted programme to incentivise protection and management of wetlands. Federated Farmers notes and queries the shift in the proposed reduction of sites being managed under the Key Native Ecosystem programme and that biodiversity is receiving 6.7% less then the projected level in the Long Term Plan.

The River Trail Committee for the Combined Rotary Clubs in the Upper and Lower Hutt Valley request an extension of the Hutt River Trail at Manor Park. The latest costing for this nearly 4km long section is \$610,000. This project is 'across borders' and costs could be shared by Hutt City Council, Upper Hutt City Council, and GWRC.

Friends of Baring Head (FoBH) welcomes the proposals to increase investment but is disappointed at the rejection of most of the points raised in FoBH's submission on the biodiversity plan, and the unwillingness of GWRC to seriously consider concerns about duck shooting in the Park. FoBH are fund-raising for FoBH's contribution towards the costs of the 10 year biodiversity action plan by applying to one agency for a large sum of money for the first three years. As with any other potential funders, they need assurance that the work is a high priority for GWRC, through a meaningful level of investment and activity, and that their funds will be contributing to a successful and well supported programme.

Enviroschools supports Biodiversity work, School Travel Planning and the Turning on the Tap resource. These departments are seeking to work more closely with the Enviroschools Programme. Current regional Enviroschools operational structures are no longer adequate to the task. Enviroschools requests \$30,000 pa from the 2014/15 Annual Plan to enable the necessary changes and compliment investments being made by territorial authorities in the region.

5.1.2 Officer comments on points raised by submitters and recommendations

The restructuring currently underway within the Biodiversity Department will not result in the cessation of any current programmes or a further decline in biodiversity in the region.

Under the Wellington Regional Erosion Control Initiative the Land Management budget for soil conservation work on erosion prone land has increased over the last five years. A new application to the Ministry of Primary Industries will be lodged to ensure on-going funding from 2015/16 to 2018/19.

The support of GWRC's non-regulatory programmes for protecting and enhancing indigenous biodiversity is noted. The reduction in the number of Key Native Ecosystem (KNE) areas from 1 July 2014 is the result of a strategic review of the programme and the decision that better regional outcomes would result from a higher level of investment in fewer sites. The majority of the sites no longer receiving GWRC funding are on territorial authority land and co-funded with the territorial authority. The majority of these sites are now fully funded by territorial authorities recognising their local importance.

GWRC will continue to work with the River Trail Committee on the enhancement of the Hutt River Trail. GWRC is looking at some potential land purchase in this area that would secure access for the public to this section of trail the committee refers to.

GWRC values its relationship with the FoBH and is appreciative of many forms of support it provides. GWRC was grateful for the thought and effort that went into FoBH's comments on the 3-year Key Native Ecosystem plan although a number of the comments related to matters that can only be addressed through the management plan.

GWRC notes the beneficial working relationship with Enviroschools and their request for additional funding.

5.2 Pest Management

5.2.1 Summary of submissions

Submission Numbers: 38, 57, 58, 79, 89

Four submitters (FF, Tawa Community Board, Tbfree NZ, and Trelissick Park Group) provided support for the continuation of the TB control programme. Tbfree NZ is keen to develop further opportunities for collaborative work, such as the upcoming aerial operation in south-east Wairarapa. Federated Farmers would like to meet to discuss why the funding increase is less than that provided for in the Long Term Plan. Trelissick Park Group was concerned that movement of Trelissick Park to Wellington City Council (WCC) will diminish efforts made to date. One individual was concerned about potential impact of the Gareth Morgan cat campaign.

5.2.2 Officer comments on points raised by submitters and recommendations

GWRC values the significant work that has been undertaken at Trelissick Park, particularly by the Trelissick Park Group. While, as a result of a recent ecological prioritisation process, GWRC can no

longer justify the previous level of investment in the area, GWRC will be working with WCC to maintain the existing WCC investment in the Park.

GWRC greatly appreciates the opportunity to collaborate with TBfree New Zealand through the coordination of pest management activities in the region. Operations such as Project Aorangi in the south-east Wairarapa are a great example of this. We look forward to continuing and expanding this relationship. GWRC has committed to providing the 'regional share' for implementing the National Pest Management strategies for 2014/15. Any future contributions will depend on the outcomes of the NPMS funding review currently underway.

GWRC appreciates the support of Federated Farmers New Zealand for the Regional Possum Predator Control Programme and its continued expansion in the Wairarapa and western areas of the region. The programme has strong support from landowners and the public. The GWRC proposed increase in funding for 2014/15 is in line with the Long Term Plan excluding inflation adjustment (2.2%) as the cost to deliver the extended programme (per hectare) is not likely to change from 2013/14. The programme is funded through both the general rate (60% contribution) and targeted rate (40%) to reflect the regional vs. individual benefit of the control programme. GWRC staff are available to meet with Federated Farmers representatives to provide more information on the programme.

Feral and unwanted cats are a site-led biodiversity species in the GWRC Pest Management Strategy (RPMS). The aim of their inclusion in this Strategy is to minimise the biodiversity impact of feral and unwanted cats in the region. There was extensive public consultation during development of the RPMS. GWRC is only involved in the management of cats in area of ecological significance such as Key Native Ecosystem sites in remote and rural places.

5.3 Whaitua Committees

5.3.1 Summary of submissions

Submission Numbers: 21, 36, 38, 39, 45, 71, 79, 82

Three submitters (Ngaio Crofton Downs Residents' Association and two individuals) oppose the Whaitua Committees with particular concerns being the high implementation cost, and belief that members should be chosen by communities rather than by GWRC or having a privileged Maori input.

Five submitters (Porirua Harbour & Catchment Trust, Kapiti Coast Grey Power, FF, CentrePort and one individual) provided general support for the development of Whaitua Committees, in particular for the Porirua Harbour Catchment, Ruamahanga and Wellington Harbour.

5.3.2 Officer comments on points raised by submitters and recommendations

Whaitua processes are not necessarily more expensive than other planning processes, but the timing of the expenditure is upfront. GWRC is presently undertaking a wider Regional Plan process, as well as the Whaitua process. For this reason extra expenditure is required at this time.

It is important that the Whaitua Committees contain a mix of community representatives which have a geographic spread and include all the major interests in the catchment. The application process for community representatives delivered 27 applicants of which 13 were shortlisted and

interviewed. The eight community members selected provide an excellent mix of interests. This was an open and robust process. The interview panel included independent members.

GWRC recognises iwi Maori as Treaty partners.

5.4 Harbour management

5.4.1 Summary of submissions

Submission Numbers: 36, 82

CentrePort and the Porirua Harbour and Catchment Community Trust provided support for the Council's work in harbour management.

5.4.2 Officer comments on points raised by submitters and recommendations

GWRC appreciates support provided for work in the Porirua Harbour, and the open and constructive relationship held with the Porirua Harbour and Catchment Community Trust.

GWRC appreciates the support for our work in the Harbours area in relation to navigational safety and oil spill response, and is grateful of the long standing cooperative relationship we have had with CentrePort in relation to matters to do with harbour management.

5.5 Regional Plan Review

5.5.1 Summary of submissions

Submission Numbers: 63, 79, 82

KCDC, FF and CentrePort commented on the Regional Plan, requesting timely completion of the Regional Plan, that it align with the District Plan process, and noting that new legislative requirements may significantly influence the Regional Plan.

5.5.2 Officer comments on points raised by submitters and recommendations

Support for the Regional Plan review is welcomed, and as noted there is benefit in aligning the regional plan review with the proposed District Plan review process. GWRC is aware of the planning processes that all Councils undertake, and the volume of work associated with them, and will work with staff from all local Councils to align these processes to every extent possible.

5.6 Forestry cutting rights

5.6.1 Summary of submissions

Submission Numbers: 31, 77, 84

PSA opposes the outsourcing of wood cutting work as it will result on job losses at the regional council and privatisation of this function. This has not been subject to public consultation or input and little evidence of cost savings or efficiencies have been provided.

Upper Hutt City Council and Akatarawa Regional Access Committee support maintaining full recreational access to the forests where cutting rights are being sold.

5.6.2 Officer comments on points raised by submitters and recommendations

The proposed sale of the forestry cutting rights was a key issue included for consultation in the draft Long Term Plan 2012-22. Submissions received generally supported the sale of cutting rights as long as the land remained in GWRCs ownership. Income from the sale of the cutting rights will be used to offset debt held by the forests. Existing forestry staff may reduce from three to one. However the buyer's agent may wish to employ staff with local forestry knowledge.

Existing recreational access will be maintained through the sale of the cutting rights. The harvesting of waste wood will be subject to discussions between the buyer and GWRC, with GWRC committed to the continuation of this service.

5.7 Environment – other matters

5.7.1 Summary of submissions

Submission Numbers: 4, 32, 46, 62, 76,

Two submitters requested changes be made to sections in the draft Annual Plan. Wellington Civic Trust requested adding words and resources for "strategic planning for improving the amenity benefit and operational utility of the Kaiwharawhara reclamation area". Porirua Harbour and Catchment Community Trust would like to see the reinstatement of bathing water quality monitoring at Motukaraka Point.

Two submitters (Physicians and Scientists for Global Responsibility New Zealand Charitable Trust and one individual) commented on potential exploratory drilling for oil in the region, requesting that the Council ensure any such activity remains publically notifiable and open to public consultation. The Trust also requested application of strong precautionary policies on genetically engineered organisms and on nano-particles.

One individual commented on the hazard of trees on power lines, and asked what the Council can do in this area.

5.7.2 Officer comments on points raised by submitters and recommendations

The Kaiwharawhara reclamation area is owned by CentrePort and any decision around the future use of that land is a decision that CentrePort themselves would be required to make.

GWRC does not intend to reinstate bathing water quality monitoring at Motukaraka Point. This site was dropped from GWRC and Porirua City Council's joint recreational water quality monitoring programme in 2011 following a review of monitoring sites carried out between GWRC, Porirua City Council and Regional Public Health. It was agreed at the time that the nearby Water Ski site was the key recreational site (along with Paremata Bridge) and it was also noted that during the previous five years of monitoring this site had exceeded the action guidelines of the national recreational water quality guidelines on only two occasions. We understand that the original inclusion of Motukaraka Point was linked with historic concerns regarding risks of possible septic tank contamination rather than it being a popular swimming/recreation site. Monitoring for such contamination is outside of the scope of a recreational water quality monitoring programme and would require a very different

monitoring approach. If there are concerns with septic tanks in the Motukaraka Point area Porirua City Council should be contacted about this.

Any consent application for exploratory drilling for oil or gas in the Wellington Region would need to be assessed on its merits at the time of being received. A decision on notification would be made as a part of this assessment process and would take into consideration the potential effects of such an activity and also potentially affected parties. At this point in time, we are not aware of any application pending for exploratory drilling into Pegasus Basin.

The points made in reference to genetically engineered organisms, included the references to a precautionary approach and risks, are noted.

The management of trees falling over power lines is not a function that GWRC has any control over. Responsibility for the management of trees typically lies with the individual landowner, sometimes in conjunction with the lines company.

Officers recommend no change from the draft Annual Plan 2014/15

6. Flood Protection and Control Works

6.1 General

6.1.1 Summary of submissions

Submission Numbers: 39, 77, 79, 89,

Upper Hutt City Council advocates that GWRC closely monitor the Maoribank bend site to ensure the existing works continue to be effective and carry out whatever is necessary to make the temporary works permanent in 2016-17.

Federated Farmers support the development of a floodplain management plan for the upper Wairarapa valley. They are concerned with the \$2,675,000 decrease in capital expenditure on Wairarapa Scheme improvements and question the reason for this very significant reduction.

Tawa Community Board submitted that progress on the Porirua Harbour Catchment Management Plan has taken too long and needs to be given a higher priority. The Porirua Harbour and Catchment Community Trust submit that an inter-agency committee is being established to manage the review and implementation of the Porirua Harbour and Strategy Action plan, and consider that such a committee deserves strong support and participation from GWRC.

Friends of the Waiwhetu Stream hopes the Waiwhetu FMP will be completed in 2014/15, that they will continue to be involved, and that ideas from the "Workable Community Designed Flood Risk Management Option Combination (June 2013)" will be incorporated.

6.1.2 Officer comments on points raised by submitters and recommendations

GWRC inspects the works in this reach of the river on an annual basis and following flood events to ensure existing works perform as designed to provide the necessary level of security to the Upper Hutt community.

The reduction in capital expenditure for the 2014/15 financial year is related to a delay in the commencement of the implementation of the Waiohine Floodplain Management Plan. The funding has been transferred to allow the project to start in the 2015/16 financial year so in real terms there is no net reduction in capital expenditure on the Wairarapa River Schemes.

The Porirua Harbour and Catchments project is accorded a high priority within GWRC and a number of projects directly related to implementing the strategy are in the final stages of planning. GWRC is fully supportive of the proposed Porirua Harbour and Catchment Joint Committee and has assisted in the preparation of its terms of reference.

GWRC will continue to work with the Friends of the Waiwhetu Stream on the development of the Waiwhetu Floodplain Management Plan and greatly appreciate the valuable input the group have provided to date.

6.2 Jim Cook Stopbank Improvements

6.2.1 Summary of submissions

Submission Numbers: 41, 63, 71, 86,

The Friends of Waikanae River are awaiting the new Waikanae River Environmental Strategy. Kapiti Coast Grey Power requested information on timing of Jim Cook stopbank improvements, and the effect on the Park and its land. They also request continued funding for the river ranger, and congratulate him on his excellent work.

Kapiti Coast District Council suggests investigating options with less impact on recreation and community space and amenity, and compensating owners.

An individual submitted that work is causing erosion and potential loss of pohutukawa trees and is contrary to statutory obligations, however remedial work is minimal.

6.2.2 Officer comments on points raised by submitters and recommendations

The review of the Waikanae Environmental Strategy has now been finalised and it is anticipated that it will be published by the end of the 2014 calendar year. GWRC will continue to work with Kapiti Coast District Council and the community about proposals to improve flood protection to the Waikanae community by upgrading the Jim Cooke Park Stopbank. Funding of a river-hand for the Waikanae and Otaki Rivers has been included in the draft Annual Plan 2014/15, so GWRC can continue to support the work of the Friends and other organisations.

Officers recommend no change from the draft Annual Plan 2014/15

7. Parks

7.1 Summary of submissions

Submission Numbers: 18, 22, 23,39, 63, 77, 80, 84,

Four submitters (Sport Wellington, Akatarawa Recreational Access Committee, Living Streets Aotearoa and one individual) wrote in support for GWRC's provision of recreation facilities, being

parks, walking tracks, and events programme, and requested that the Council maintain accessibility to all for these facilities. The Akatarawa Regional Access Committee requested clarity in the Parks Network Plan around capital expenditure and boundaries of the forest.

The Council also received general support for Parks projects from two individuals.

Upper Hutt City Council requested a feasibility investigation into options for a protective walkway to and around The Karopoti Rata in Akatarawa; and a collaborative approach to development of the viewing area on the Pakuratahi Forest land at the summit of the Rimutaka Hill Road through involvement with the Regional Wellington Tourism Development Group.

Kapiti Coast District Council recommends enhancing opportunity for Māori to access rongoā inside regional reserve spaces within the Kapiti Coast, and developing signage in both English and te reo Māori.

An individual requested more intensive management of Whitireia Park to complement the work of the Restoration Group.

7.1.1 Officer comments on points raised by submitters and recommendations

Support for the walking track network in the regional park network and the summer outdoor event programme is welcomed. Comments around accessibility are also noted; the Parks Network Plan acknowledges the desire to make parks accessible to as wide a range of users as possible.

In the Akatarawa Forest, there is \$4,000 budgeted for walking track re-metalling. The Parks Network Plan defines the actual boundary of the Akatarawa Forest at page 41 of the document, which includes areas of plantation forest, along with large areas of natural vegetation.

The request to support a feasibility study into costs and funding options to develop a walking track and protective platform to the “Karopoti rata” in the Akatarawa Forest is not supported. Such a track and platform would be very expensive to build, and it is considered that the existing historic tramway formation that provides the main access to the site is adequate for the current numbers visiting the site. GWRC already provides map references and other information to people interested in visiting the site, and believes that there is a good balance at present of protecting the area and enabling people to visit it.

At Whitireia Park, more work is planned to improve the surface of the coastal section of the Te Onepoto Loop track so that it is consistent with the experience on the remainder of the track where it has been upgraded. The review of the Whitireia Park Management Plan is to commence in 2014, and the public will be invited to participate in that process. Noting the range of activities that may be undertaken on the park, that plan will guide the direction of park development and integration of the various activities for the benefit of the environment and park users.

With regard to Maori accessing rongoa in the regional parks, the Parks Network Plan includes policies that encourage GWRC and the community to consider planting opportunities for species that may be used for social and cultural purposes, such as medicinal use (rongoa) and weaving. Policies also allow for the removal of natural materials by tangata whenua for customary purposes.

GWRC is happy to consider opportunities for interpretation of key sites in both English and te reo Maori in consultation with tangata whenua and the community.

Unfortunately there is an error in the draft Annual Plan in that the development of the Rimutaka Summit site will be largely complete by 30 June 2014. During the planning and implementation of works, GWRC has consulted fully with a range of stakeholders, including Upper Hutt City Council and the Positively Wellington Tourism. Signage to be installed on the site will include information about regional attractions.

Following consultation with this range of stakeholders, it was agreed that offering a concession opportunity was not appropriate for the site and instead people will be encouraged to visit Featherston and Upper Hutt for the services offered in those destinations.

Officers recommend the error relating to the development of the Rimutaka Summit site be amended in the final Annual Plan 2014/15

8. Rates, financial strategy and investments

8.1 Overall approach

8.1.1 Summary of submissions

Submission Numbers: 2, 64, 68, 76

Four submitters (Mt Victoria Residents' Association, Democrats for Social Credit, Property Council of NZ, and one individual) commented on the overall financial strategy, stating:

- concern over use of CCO model as lacking democracy, public scrutiny and accountability
- concern that financial assumption regarding the price of oil is too low
- request that GWRC focus on debt reduction to free cash for use on other projects
- Suggesting that local government should have access to nil-interest credit for capital work to relieve rate-payers.

8.1.2 Officer comments on points raised by submitters and recommendations

CCO's are held to account through their Statement of Intent and annual reports and by the council-appointed board. Statement of Intents are prepared and publically presented. They are then incorporated and open to consultation in the Annual Plan and Long Term Plan.

Officers agree that access to zero interest loans would be of great benefit to ratepayers but this would require central government approval which is outside GWRC control.

GWRC continuously reviews all areas of activity to ensure efficient delivery of services. Proposed changes to the Local Government Act 2002 include a requirement to do this regularly. Debt is only raised for capital projects to ensure fairness of payment over time. GWRC debt is closely managed and monitored within the treasury management limits agree to by Council.

The oil price assumption is reviewed, along with the exchange rate and will be updated with latest information in the final plan if materially different.

8.2 Rates

8.2.1 Summary of submissions

Submission Numbers: 2, 7, 8, 21, 38, 39, 42, 43, 45, 56, 68, 77, 79, 85, 22, 32, 64, 85,

Business Central commented on GWRC's rating policy, requesting greater transparency around rating policies and transparency of allocation across territorial authorities and sector. Democrats for Social Credit One suggested removing GST from rates.

9 submitters (Mt Victoria Residents' Association, UHCC, FF, Business Central, Property Council, and five individuals) wrote in opposition to the proposed level of rates increase generally, given the level sits higher than inflation. However one submitter said they would be willing to pay more to keep water services in-house.

Submitters request that GWRC:

- provide a more detailed breakdown of the rating options used by GWRC across key activity areas where they differ across local authorities
- minimise commitments which are outside of core obligations
- seek savings before the Plan is finalised
- utilise the Uniform Annual General Charge to its fullest extent to fund activities where the benefits accrue to the general population
- explain why GWRC is not using the \$33m in liquid financial deposits it holds to fund capital expenditure
- explain why the proposed 2014/15 rates for Downtown City Centre Business properties are so much higher compared to other property types.

Business Central supports a proportionate reduction being made to the GWRC targeted rates so that businesses are not paying GWRC and Wellington City Council for the economic development of the region.

Seven individuals wrote in support of the proposed levels of rates increase as being reasonable, and one the Ngaio Crofton Downs Residents' Association had a neutral position. One submitter preferred a rates increase to a public transport fare increase.

Upper Hutt City Council stated that the Long Term Plan provides for apportioning "principally on the basis of a surrogate congestion charge" for transport rates but it is not clear how this process works, nor is it clear whether the 'capital values basis' is that of the asset/service being funded or of residential properties. For example, Kapiti Coast Transport rates per average valued residential property are less than half of what Upper Hutt residents will be required to pay in 2014 - 2015, yet it would appear that (excluding the Matangi) the rail investment on the Kapiti line in recent years has significantly outweighed that of the Hutt Valley line.

Business Central is concerned that GWRC is cross-subsidising rail services between the regions through the rating system, with Wellington city businesses are paying more than they should, rail users are being subsidised by other transport modes, and rate-payers seem to be contributing to rail more than they should be relative to central government and rail users.

8.2.2 Officer comments on points raised by submitters and recommendations

GWRC's revenue and financing policy details how its rates are set across the region. This is included in the Long Term Plan 2012-22 and will be updated for the Long Term Plan 2015-25. Removing rates from GST would require central government approval, which is outside GWRC control. If granted, local government may not be able to recover the GST it is charged which may make ratepayers worse off.

Inflation is just one aspect of GWRC costs. The majority of rate change is driven from the planned work programme, both capital and operational. GWRC provides core community infrastructure of bulk water, flood protection and public transport investing in these drives the majority of the increase, which for the average rural ratepayer is about \$12 per year, the average residential ratepayer is about \$22 per year, and the average Wellington CBD business ratepayer is about \$450 per year.

Capital value of all properties is used to distribute the rates within a territorial authority area.

During the revenue and financing policy review process Uniform Annual General Charges are considered but the regional nature of GWRCs activities generally do not support the implementation of a Uniform Annual General Charge.

GWRC thoroughly reviews programmes and projects each year. The proposal for bulk water is still for council owned delivery, it is looking to promote cost effectiveness in the delivery of the three water services on the metropolitan areas.

GWRC holds some liquid funds on deposit as a key part of its treasury and insurance strategy which is regularly reviewed.

There is a central government requirement around subsidies and fares for public transport that GWRC needs to follow. Usually this means that when an increase is required to fund the services the increase is shared between subsidy, rates and fares.

The Public Transport revenue and financing policy outlines how the rates are recovered. Census travel data is utilised to apportion the majority of costs with the exception of local buses which are charged to the territorial authority area the service runs in, there are also more subsidised bus services in Upper Hutt than in Kapiti.

Officers recommend no change from the draft Annual Plan 2014/15.