

27 September 2024

File Ref: OIAPR-1274023063-31316

By email: [REDACTED]

Tēnā koe [REDACTED]

Request for information 2024-251

I refer to your request for information dated 23 September 2024, which was received by Greater Wellington Regional Council (Greater Wellington) on 23 September 2024. You have requested the following:

“to see the data/information that was shared with the Wairarapa Mayors as part of their discussions to become a unitary”

Greater Wellington’s response follows:

The information provided here was prepared for discussions with the Mayors in the Wairarapa as part of the Unitary debate, however it was never actually shared for discussion because conversations never escalated to the need for it. Therefore, the data we are sharing with you here was created for a certain point in time and is not information we recreate on an annual basis.

The information will have changed slightly by now due to the new 2024-34 Long Term Plan, as well as the factors that contributed to rate increases, such as inflation, insurance and resources.

All figures provided exclude GST.

The data provided (**attachment one: Wairarapa Cost Estimate**) is based on 2022/23 actuals, the high-level net cost estimate of Greater Wellington services in the Wairarapa is approximately \$10.0 million (excluding overheads).

Wairarapa Expenditure	\$30.0m
Wairarapa Rates	\$11.8m
Wairarapa Net Cost	\$18.2m (excluding overheads)
Wairarapa Net Cost	\$10.0m (excluding overheads)
Wairarapa Debt Estimate	\$19.0m
Masterton based staff	82

With 23,927 ratable properties (at the time this data was calculated) the net \$10 million shortfall represents an average increase per ratepayer in the Wairarapa of \$417 (or \$762 including overheads).

Please note:

- The estimated percentage allocations of GWRC activity cost are the same as previously provided to Morrison Low in 2016.
- The estimate excludes the costs that were agreed to through the 2024-34 Long Term Plan process which has additional investment in Flood Protection and Biosecurity in the Wairarapa, meaning the cost increases will be higher in 2025/26 and even potentially even higher in 2026/27.
- The estimate excludes funding increases to maintain 'business as usual' services from 2023/24 onwards.
- This data was before the new Environment Group operating restructure took place which has additional staff allocated to projects and services based in the Wairarapa.

The information provided is based on service estimations and a larger funding gap could apply if the calculations were redone using the 2024-34 LTP budget information.

If you have any concerns with the decision(s) referred to in this letter, you have the right to request an investigation and review by the Ombudsman under section 27(3) of the Local Government Official Information and Meetings Act 1987.

Please note that it is our policy to proactively release our responses to official information requests where appropriate. Our response to your request will be published shortly on Greater Wellington's website with your personal information removed.

Nāku iti noa, nā



Alison Trustrum-Rainey

Kaiwhakahaere Matua, Pūtea me ngā Tūraru | Group Manager Finance and Risk

GWRC Funding Impact Statement

	Environment and Flood Protection 2022/23 Actuals \$000s	Metlink Public Transport 2022/23 Actuals \$000s	Regional Strategy and Partnerships 2022/23 Actuals \$000s	Water Supply 2022/23 Actuals \$000s	Investments 2022/23 Actuals \$000s	Overhead 2022/23 Actuals \$000s	GWRC 2022/23 Actuals \$000s
Sources of operating funding							
General rates, uniform annual general charge, rates penalties	63,797	0	13,692	0	(4,176)	477	73,790
Targeted rates	9,657	90,574	5,985	0	0	1,177	107,393
Subsidies and grants for operating purposes	5,724	188,418	3,686	0	0	431	198,259
Fees and charges	5,654	37,712	17	0	0	210	43,593
Internal charges and overheads recovered	0	0	0	0	20,926	27,568	0
Interest and dividends from investments	338	0	0	1,927	11,698	1	13,964
Local authorities fuel tax, fines, infringement fees, and other receipts	14,058	5,459	5,590	42,475	19	654	68,255
Total operating funding	99,228	322,163	28,970	44,402	28,467	30,518	505,254
Applications of operating funding							
Payments to staff and suppliers	69,683	277,800	28,173	30,224	1,678	46,153	453,711
Finance costs	5,607	9,376	290	5,077	14,841	955	36,146
Internal charges and overheads applied	21,203	16,872	4,500	2,526	987	(18,220)	0
Other operating funding applications	0	0	0	0	0	0	0
Total operating funding	96,493	304,048	32,963	37,827	17,506	28,888	489,857
Surplus/(deficit) of operating funding	2,735	18,115	(3,993)	6,575	10,961	1,630	15,397
Sources of capital funding							
Subsidies and grants for capital expenditure	5,789	17,838	0	0	0	0	23,627
Development and financial contributions	0	0	0	0	0	0	0
Increase (decrease) in debt	33,787	(1,665)	14,610	61,569	27,523	(164)	135,660
Gross proceeds from sale of assets	521	0	0	0	0	391	912
Lump sum contributions	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0
Total sources of capital funding	40,097	16,173	14,610	61,569	27,523	227	160,199
Application of capital funding							
Capital expenditure—							
to meet additional demand	0	0	0	0	0	0	0
to improve the level of service	38,431	4,734	105	21,597	0	24	64,891
to replace existing assets	4,820	12,330	313	42,307	0	4,905	64,675
Increase (decrease) in reserves	(850)	(1,252)	10,199	18	(15,201)	(3,072)	(10,158)
Increase (decrease) of investments	431	18,476	0	4,222	53,686	0	76,815
Total application of capital funding	42,832	34,288	10,617	68,144	38,485	1,857	196,223
Surplus/(deficit) of capital funding	(2,735)	(18,115)	3,993	(6,575)	(10,962)	(1,630)	(36,024)
Surplus/(deficit) of funding	0	0	0	0	(1)	0	(20,627)
Depreciation on council assets	4,939	4,773	83	19,929	0	3,125	32,849
Water supply levy	0	0	0	42,069			42,069
Funding requirement	73,454	90,574	19,677	0	(4,176)	1,654	181,183
Wairarapa percentage	31.5%	5.74%	10%	0%	10%	10%	0.67
Wairarapa allocation	23,140	5,195	1,968	0	(418)	165	30,051

2022/23 Annual Plan - Rates

	GWRC \$	Wairarapa \$	Wairarapa %
General Rates	73,338,000	7,054,402	10%
Targeted Rates			
River Management	7,875,000	25,283	0.3%
Public Transport	90,658,000	2,556,602	2.8%
Economic Development	4,621,000	411,212	8.9%
SWDC river rates	101,000	101,000	100%
Wairarapa Scheme rates	1,681,000	1,681,000	100%
	104,936,000	4,775,097	5%
Rate remission	(36,000)	(3,600)	10%
Warm Wellington rate	1,937,000	446,000	23%
	1,901,000	442,400	23%
Total Rates	180,175,000	12,271,899	6.8%

2022/23 Annual Plan - Overheads

Environment & Flood Protection	21,964,068	6,919,276	31.5%
MetLink Public Transport	17,406,835	998,425	5.7%
Regional Strategy & Partnerships	3,243,564	324,356	10.0%
	42,614,467	8,242,058	19.3%

Wairarapa Unitary Authority - Rating Impact

Wairarapa expenditure	30,050,662
Less Wairarapa rates (excluding Warm Wellington)	- 11,825,899
Additional cost to be rated	18,224,763
Wairarapa ratable properties	23,927
Average increase per ratepayer	762
Additional cost to be rated excluding overhead	9,982,705
Average increase per ratepayer excluding overhead	417
Wairarapa Debt Estimate @ June 23	19,000,000
Masterton based staff per Ngatahi HR system	82