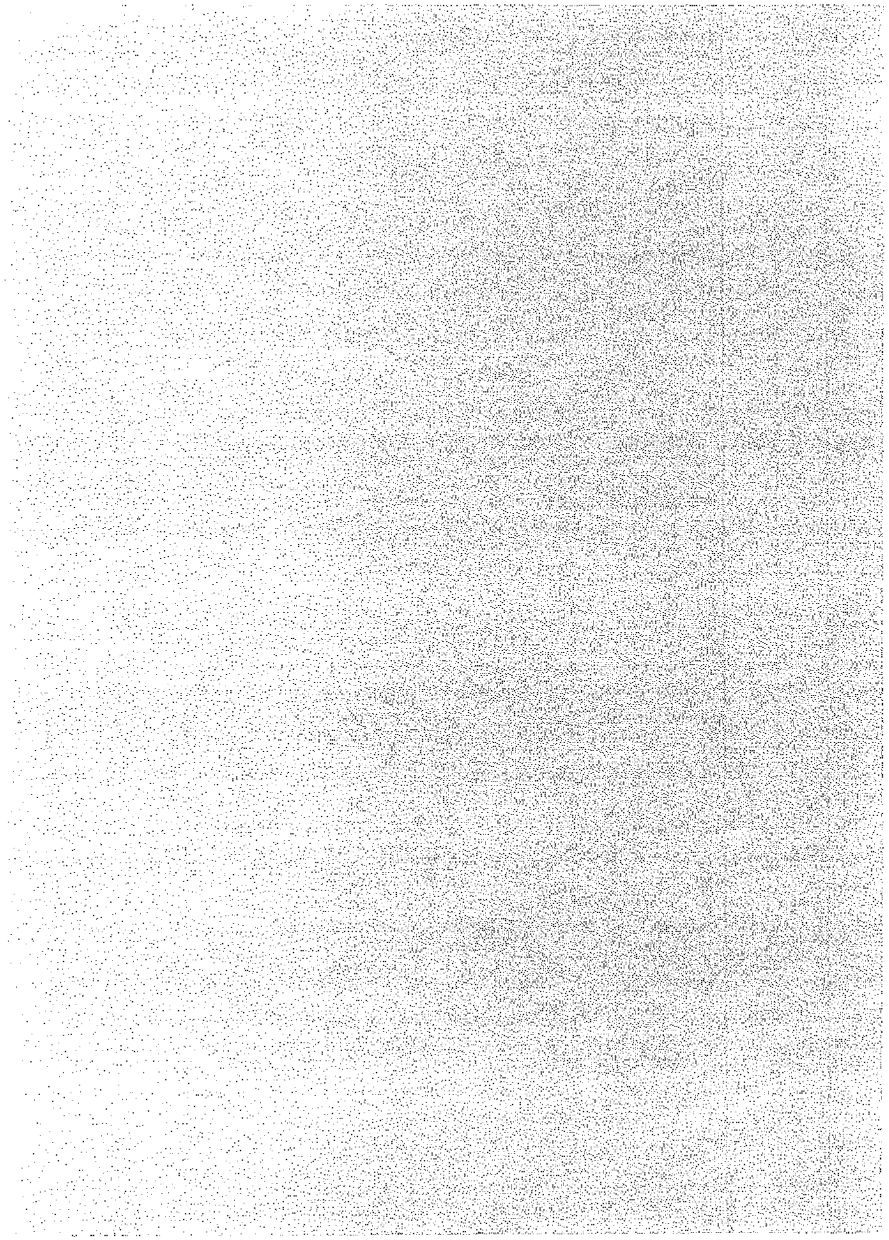


Contents

Auditors
Audit New Zealand on behalf of the Auditor-General

Bankers
National Bank of New Zealand

Treasury advisers
Asia Pacific Risk Management

Solicitors
Bell Gully
Chapman Tripp
DLA Phillips Fox
Luke Cunningham & Clere
McBride Davenport James
Oakley Moran
Simpson Grierson

Chair's report

The year under review has been extremely busy for Greater Wellington. Not only have we undertaken normal delivery of planned business across a wide range of activities, but we have also been working on the production of three major, long-term strategic documents.

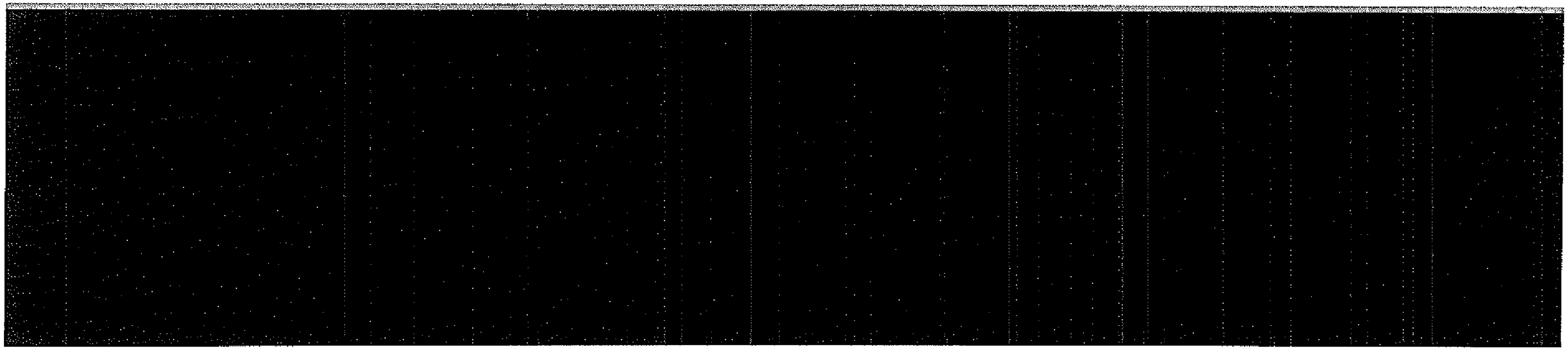
The first of these, our Long Term Council Community Plan (LTCCP) , sets out our intentions for the next 10 years and the community outcomes we wish to achieve. This was a major and time-consuming exercise for us and we are also aware that the public consultation required places major demands on our community. I am grateful to those who responded to our request for input.

The second of the major strategies – the Regional Policy Statement (RPS) – was completed and put out for consultation as a final draft. The RPS is a critical strategy for the region, containing objectives for environmental management. This is an area of growing concern round the country as all communities struggle to balance economic growth with the necessity to protect the environment for future generations. In Wellington we also have major challenges, with water quality in particular, and the final RPS will give guidance both to Greater Wellington and local councils as to how we should approach these issues long term.

Transport planning also took a major step forward with the development of our new Regional Transport Programme by the Regional Transport Committee. The programme is the result of close collaboration between the local councils, Greater Wellington and five appointees representing various interests throughout the region. It has a three-year focus and gives a clear outline of roading and public transport priorities for the region. Highlights include our major investment in rail, provision for more bus lanes through the Wellington city CBD, and major road improvements to assist both public and private transport at various pinch points in the regional network.

All of this planning took up major internal resources and as a consequence we did not make as much progress as we had wished on the planned Water Strategy. However, this is now a top priority. Throughout the year we also engaged intensively with other councils in the region on our response to climate change. This is ongoing wok and will become more important as predicted weather variations increase in intensity.

In my introduction to the plan for the year I warned of the impact that oil price rises could have on our budget and the flow-on to our rates. Now in retrospect we know that one of the few pieces of good news in an otherwise bleak economic outlook was that oil prices crashed. This probably wasn't much comfort for the individuals and families in our region who were hit by the fallout from the biggest recession in decades, but it has helped with our transport rate for the forthcoming year.



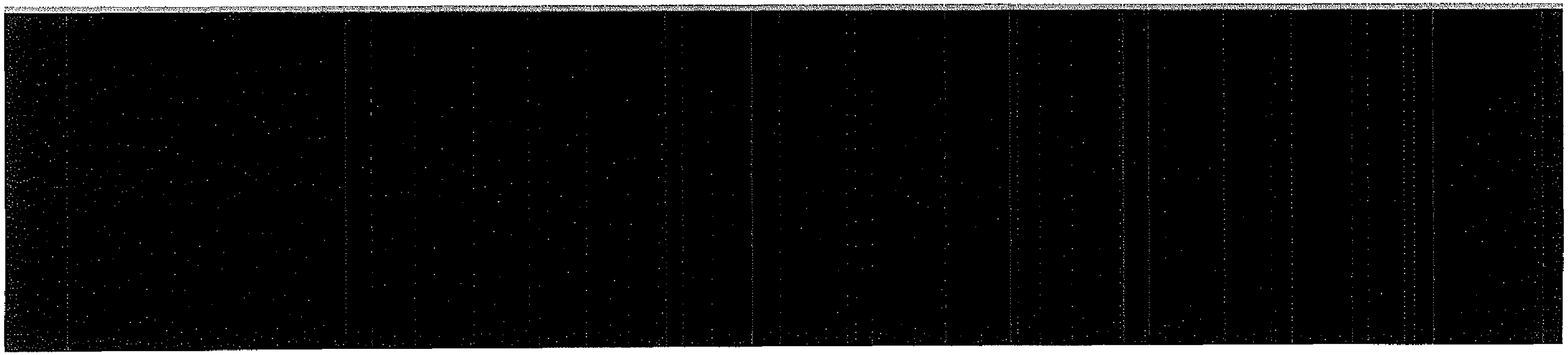
This year transport grew to be an even bigger item of expenditure for us, accounting for 63% of the total budget. Our mandate includes public transport funding, together with working with the Regional Transport Committee on planning the region's overall transport network.

It is fair to say that public transport delivery remains a vexed issue, particularly with regard to rail, where we are dealing with ageing infrastructure that in most to the countries would have been scrapped long ago. I know it has been immensely frustrating for our travelling public and I thank passengers for their patience as we work with KiwiRail to prepare the network for the new Matangi trains due in 2010. We did make good progress during the year – but, alas, nothing was able to improve the service that is currently on offer!

During the year the waiting was over in respect of our new trolley bus fleet and we now have 60 new vehicles on the street going through their commissioning process. Also, the Government announced its new policy on Roads of National Significance (RoNS) and it was gratifying that the whole of SH1 from Levin to Wellington Airport was included. We hope this will result in more focus on our region from government transport agencies in the future.

The breadth of engagement we have with our community is evident in this report. The lives of all of our residents are touched by our work in some way and we continue to strive to become more efficient, particularly when the community is under economic stress. I would like to thank all those in the region who worked with us during the year – residents, organisations and the local councils. Also, I acknowledge the commitment of our staff and thank them for their contribution to making this region such a desirable place to live.

Fran Wilde
Chair



Chief Executive's report

The annual report provides an opportunity for everyone to see if Greater Wellington achieved what we said we would in the past year. I am pleased to say that our results are good. Our programmes were completed within budget. The total operating expenditure this year was $171 million, well within the budget of $175 million. Capital expenditure was $15 million – less than the budget of $20 million. This difference was because of a few timing delays in some projects. A list of our main achievements can be found on p7-11.

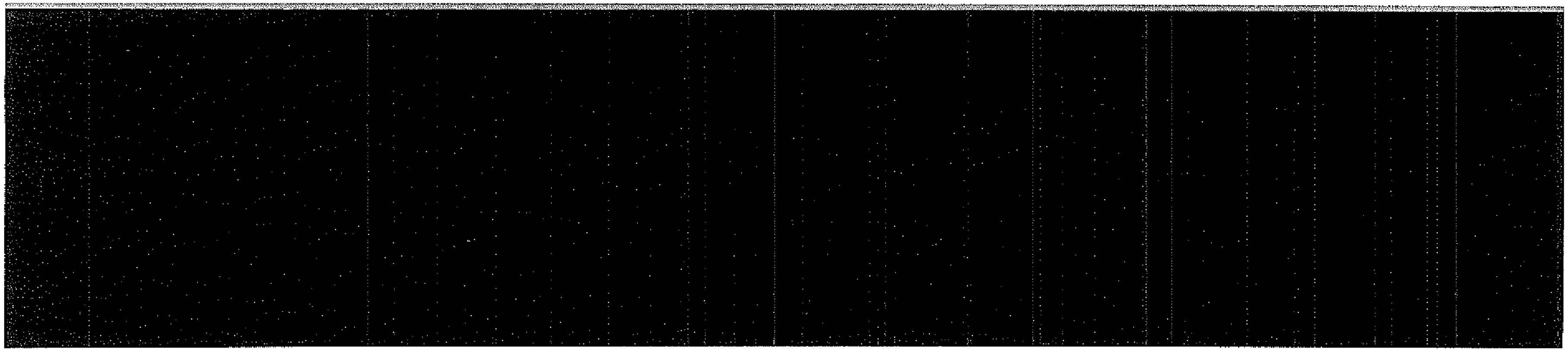
Much of my time this year has been taken up with transport matters. Delivering the new trains and associated infrastructure upgrades has been a mammoth exercise for this Council. The total cost of the new Matangi trains and network upgrades will be about $500 million over the next couple of years. Though central government is paying the majority of the costs, it still means that our transport rate will increase markedly. It's been a long process and is a big commitment by both central and local government to the Wellington region. We are all looking forward to seeing the first of the Matangi trains arrive in 2010/11.

On 30 June this year, the Council approved the new 10-Year Plan. This sets out what we are going to do for next 10 years, along with our costs. In the current economic climate, it is difficult to plan ahead for even one year, let alone 10 years. Fluctuating oil prices and exchange rates – both of which affect our transport contracts – make accurate predictions impossible. So, in this coming year, we are going to look carefully at our planned programmes and expenditure. We know that the community's ability to pay has been reduced. We also know that people still want the same level of services we provide and many want a higher level of service. One of our real challenges is making the right decisions about service levels.

We will be doing all we can to reduce costs. We have already started to examine our budgets and the majority of staff, including the senior management team, will not be enjoying any salary increases this year. This is happening all round the country and we are no different to many private and public sector organisations in this regard. I know our staff and elected members will do their utmost to produce prudent results.

The past year has shown just how quickly the world can change. As communities struggle to meet the challenges of the worst global recession for decades, it is particularly important that we continue to focus on improving the capacity of the organisation. We need to be flexible in the way that we operate so we can both anticipate and respond to the changing world and keep giving our ratepayers value for money.

As part of the continual improvement programme within the organisation, all managers are now participating in Greater Managers, our tailor-made management development programme that has been designed to increase our management and leadership capabilities across the organisation.



Managers are finding the programme really useful and are enjoying the opportunity to discuss the complexities of management with their colleagues and learn from each other.

During the year we completed our second Gallup staff engagement survey. This survey, which acknowledges the power of teams within the organisation, showed that staff engagement has increased from last year. As a result of this survey, staff and managers are having meaningful conversations – its amazing what good communication can achieve. Indeed, this year I have tried to find more time to leave my office and visit staff at their various work locations across the region to listen to their issues, problems and ideas. Whenever I do this, I tell myself I should do it more often.

These results in this annual report are testament to the work of all the people at Greater Wellington. I want to thank each and every staff member for their work during the past year. Whether you are answering phones, killing possums, processing resource consents (or in any of the many roles we have in organisation) you are the heart of the organisation and the ones that make it all happen. I am immensely proud of the work you do and your dedication to making the Wellington region a better place in which to live, work and play.

David Benham
Chief Executive

"We will be doing all we can to reduce costs"

Executive management team

Divisional Manager
Corporate and Strategy
Dr Jane Bradbury

Divisional Manager
Environment
Nigel Corry

Divisional Manager
Transport Policy and Strategy
Wellington Regional Strategy
Jane Davis

Divisional Manager
Catchment Management
Wayne O'Donnell

Divisional Manager
Public Transport
Dr Wayne Hastie

Divisional Manager
Water Supply, Parks and Forests
Murray Kennedy

Chief Financial Officer
Barry Turfrey

Community outcomes for the Wellington region

Healthy environment

We have clean water, fresh air and healthy soils. Well functioning and diverse ecosystems make up an environment that can support our needs. Resources are used efficiently. There is minimal waste and pollution.

Living in the Wellington region is enjoyable and people feel safe. A variety of lifestyles can be pursued. Our art, sport, recreation and entertainment scenes are enjoyed by all community members – and attract visitors.

Sense of place

We have a deep sense of pride in the Wellington region. We value its unique characteristics – its rural, urban and harbour landscapes, its climate, its central location and its capital city.

Prosperous community

All members of our community prosper from a strong and growing economy. A thriving business sector attracts and retains a skilled and productive workforce.

Prepared community

We can cope with emergency events. Individuals and businesses are able to take responsibility for their own wellbeing. Effective emergency management systems are in place.

Connected community

Access is quick and easy – locally, nationally and internationally. Our communication networks, air and sea ports, roads and public transport systems enable us to link well with others, both within and outside the region.

Entrepreneurial and innovative region

Innovation and new endeavours are welcomed and encouraged. Ideas are exchanged across all sectors, resulting in a creative business culture. We have excellent education and research institutions, and benefit from being the seat of government.

Essential services

High-quality and secure infrastructure and services meet our everyday needs. These are developed and maintained to support the sustainable growth of the region, now and in the future.

Healthy community

Our physical and mental health is protected. Living and working environments are safe, and everyone has access to health care. Every opportunity is taken to recognise and provide for good health.

Strong and tolerant community

People are important. All members of our community are empowered to participate in decision making and to contribute to society. We celebrate diversity and welcome newcomers, while recognising the special role of tangata whenua.

Key achievements for 2008/09

Environment

- Proposed Regional Policy Statement completed for public consultation
- 99% of resource consents processed within statutory timeframes
- 2,100 students from 21 schools took part in our Take Action environment education programme and long-term private sector sponsorship for the programme was secured
- Pollution incidents decreased by 8% from last year
- 100% success rate in enforcement actions taken under the Resource Management Act 1991
- 35 community care groups across the region supported to restore degraded ecosystems

Key achievements for 2008/09

Public Transport

- Funded 1.2 million bus, rail and ferry timetabled services
- 35.4 million passenger boardings for all modes of public transport – a 2.14% increase from last year
- Ordered 96 new train carriages (or 48 two-car units). These are due to arrive from mid-2010 until late 2011
- Johnsonville Line and tunnels altered in readiness for the new trains
- Improvements made to Waterloo, Epuni and Naenae railway stations
- New trolley buses introduced
- 161 new Park & Ride carparks
- Bus services in Johnsonville and Newlands changed following reviews.
- Reviews underway for Kapiti, Porirua and Wellington
- 840,000 printed timetables distributed
- The first Regional Land Transport Programme completed. This contains all the transport projects that Greater Wellington, the region's local councils and the New Zealand Transport Agency are proposing for the next three years
- Three major plans reviewed – Ngauranga to Airport Corridor Plan, Regional Walking Plan and Regional Cycling Plan
- The 24 schools participating in the schools travel programme achieved a 17% increase in the number of trips walked to school
- Businesses in the business travel programme achieved a 4% overall decrease in driving to work
- 500 individuals and 24 businesses registered in the first seven weeks of the new regional carpool programme Let's Carpool

Key achievements for 2008/09

Water Supply

- All water delivered complied with the new Drinking-Water Standards for New Zealand
- The water levy remained the same as last year because of operational efficiencies and cost reductions. The levy returned to pre-1995 levels.
- Options identified for supplying water to meet the demands of an increasing population in metropolitan Wellington
- All water treatment plants maintained their quality gradings

Parks

- The regional parks and forests attracted almost one million visits
- 52% of the regional population visited a regional park, forest or recreation area
- Surveys showed that more people are visiting regional parks frequently and also that visitors are going to more parks on average
- Regional Outdoors Programme attracted almost 16,000 visitors – a 12% increase

Land

- Soil conservation programmes completed on 133 properties, involving 280ha of willow and poplar pole planting, 19ha of conservation woodlots and 3km of shelterbelts
- Possum/ferret control for bovine Tb completed on 176,500ha and Tb survey work carried out on 251,000ha
- Only five bovine Tb-infected cattle/deer herds at year-end compared with 331 herds in June 1994. This exceeded the target of nine herds
- Animal pest control programmes in 34 key native ecosystem sites and 55 city and district council reserve areas
- Fewer "Total Control" pest plants on inspected sites

Key achievements for 2008/09

Safety and Flood Protection

- $5.4 million spent on new flood protection defences. Almost a 1,000 metres of new stopbanks constructed
- Flood protection capital works programme progressed within budget, including dealing with two flooding events
- Year 2 of the Lower Wairarapa Valley Development Scheme development programme completed
- Ran three-day civil defence emergency management exercise with local and national agencies, based on a major earthquake in Wellington
- Eight civil defence emergency management plans/strategies/guidelines developed
- Construction started on a new Harbour Communications Station at Beacon Hill in accordance with the Port and Harbour Safety Management System
- Navigation and Safety Bylaws for the Wellington region revised

Community

- A Greater Wellington Disability Reference Group established
- 91 formal meetings held – all requiring public notification, order papers, minute taking and procedural advice
- Māori representatives sat on all Council committees
- A Broadband Operating Group established to lead the region's response to the government's Broadband Investment Fund
- Genuine Progress Index advanced to help measure the success of the Wellington Regional Strategy

Key achievements for 2008/09

Corporate

- Greater Wellington's 10-Year Plan 2009-19 and the Annual Report 2008 completed with unqualified audit opinions
- Published our first comprehensive report on the region's progress with regional community outcomes
- Greater Wellington's credit rating of AA- from Standard and Poor's maintained
- Issued $50 million of bonds, maturing in 2012, at an interest rate of 6.21% per annum
- Gallup staff engagement survey showed increased staff engagement
- Greater Managers, an internal management-development programme, introduced into the organisation
- New Design Gateway and Print Gateway for all publications resulted in cost savings across the organisation
- Responded to 162 Official Information Act requests

Development of Māori capacity to contribute to decision making

Ara Tahi

Ara Tahi is Greater Wellington's inter-iwi advisory group made up of representatives from seven mandated mana whenua authorities in the Wellington region and the Council's Chair and Deputy Chair. Ara Tahi is a collective forum that discusses matters of concern to both Greater Wellington and mana whenua. Ara Tahi met formally six times in 2008/09 and also held six technical workshops. Ara Tahi considered a broad range of matters pertaining both to Greater Wellington workstreams and mana whenua interests. These included:

- Iwi representation on Council committees
- A discovery protocol for work undertaken by Greater Wellington
- Strategic planning documents, eg, the Regional Policy Statement
- Wairarapa Moana (Lake Wairarapa)
- Cultural health indicators
- Treaty settlements
- The Charter of Understanding between Greater Wellington and mana whenua
- Combined iwi management plan for freshwater
- Ways to further develop the relationship between mana whenua and Greater Wellington

Iwi representation on committees

All Council committees now have iwi representation and this new process appears to be working well. Ara Tahi has suggested that the Māori committee representatives have a closer structural relationship with Ara Tahi to ensure effective communication and support.

Iwi projects

The Iwi Project fund was fully subscribed with four iwi projects supported. Kahungunu ki Wairarapa and Atiawa ki Whakarongotai each received funding for building their capacity in geographic information systems for historical and resource management work. Kahungunu ki Wairarapa received support for the marae based restoration of the Papawai stream, while Ngati Toa undertook a marine survey of their inshore environment.

Hui ā Ara Tahi

Greater Wellington facilitated a two-day hui for Ara Tahi and iwi representatives on committees at Kapiti Island in May 2009. The following issues were discussed – iwi representation on Ara Tahi, management of Ara Tahi information and processes, review of the Charter, water, cultural health monitoring, Ara Tahi resources and Greater Wellington relationships, and developing the Ara Tahi work plan for 2009/10.

Kaitakawaenga/Māori Liaison Officers

Greater Wellington employs two specialist Kaitakawaenga/Māori Liaison Officers. The kaitakawaenga continue to work with mana whenua to build and maintain strong and effective relationships with iwi groups, and to increase the capability of staff to engage with mana whenua.

Financial overview – Council

Operating results

Greater Wellington's net operating surplus for the 2008/09 year before unrealised gains and losses and transport improvements was $8.604 million compared with a budgeted surplus of $1.619 million. Significant components of this surplus were:

- Operating revenue was $6.038 million ahead of budget due to:
  - Grants for Super Gold cards, $2.564 million, not budgeted
  - Additional revenue for a number of flood projects, $0.872 million
  - Increased dividends from the WRC Holdings Group, $1.66 million
- Operating expenditure was $0.941 million under budget due to
  - Unbudgeted expenditure on Super Gold cards, $2.564 million
  - Reduced payments in respect of diesel inflation, $3.592 million
- Grants revenue and expenditure on transport improvements were below budget due to:
  - Changes in the timing of a number of rail projects, including MacKays Crossing to Waikanae double tracking, station upgrades, signalling and power upgrades

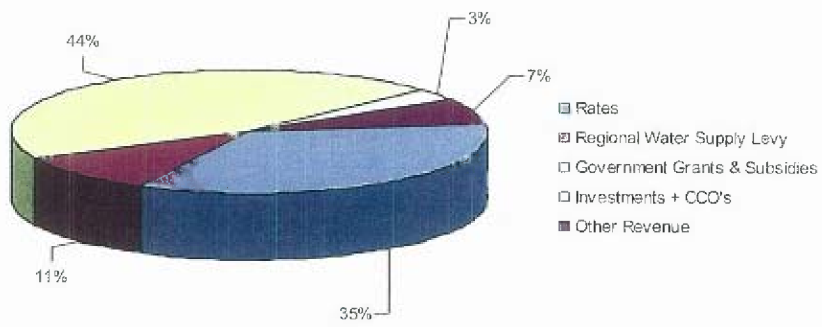
	$000s		
	Actual 2009	**Budget 2009**	**Last year 2008**
Revenue	168,093	162,055	153,466
Operating expenditure	148,773	149,714	138,521
Depreciation	10,716	10,722	9,436
Operating surplus (deficit)	8,604	1,619	5,509
Unrealised gains and losses	7,260	2,102	5,460
Forestry revaluation/cost of goods sold	(924)	909	(4,393)
Grant revenue for transport improvements	54,985	66,589	15,006
Grant expenditure for transport improvements	(70,240)	(82,933)	(24,124)
Net deficit for the year	(315)	(11,714)	(2,542)

Financial overview – Council
Financial performance

Revenue

This pie chart illustrates Greater Wellington's revenue sources. Rates made up just 35% of our revenue total, with grant revenue making up the largest share. Central government grants to assist with the funding of public transport make up the majority of grant revenue.

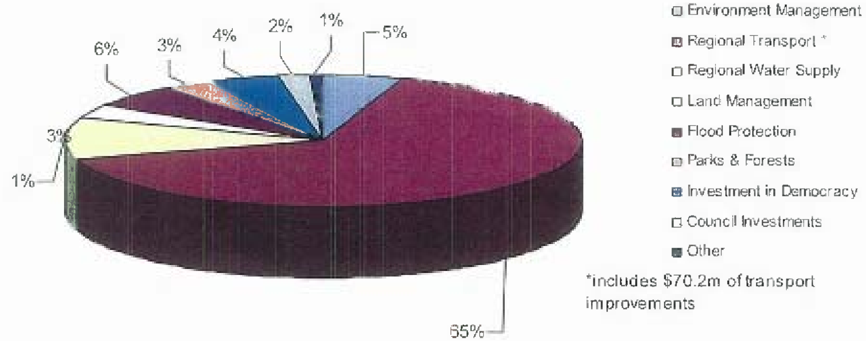
Council Revenue



Operating Expenditure

This pie chart shows our operational expenditure. By far the largest proportion is on regional transport and this will increase in future years.

Council Operational Expenditure



Financial overview – Council

Council - Balance Sheet

	$000s		
	Actual 2009	**Budget 2009**	**Last year 2008**
Current assets	64,200	87,522	59,592
Non-current assets	702,854	698,566	643,593
Total assets	767,054	786,088	703,185
Equity	655,376	659,022	610,381
Current liabilities	42,535	93,078	80,192
Non-current liabilities	69,143	33,988	12,612
	767,054	786,088	703,185

Notes:

- Non-current assets are lower than budget as Greater Wellington has transferred some short-term financial assets to non-current assets
- Non-current liabilities are higher than budget and current liabilities lower than budget due to the transfer of debt from current liabilities to long-term debt facilities

Council - Cashflow

	$000s		
	Actual 2009	**Budget 2009**	**Last year 2008**
Cashflow from operating activities	12	(7,137)	8,631
Cashflow from investing activities	(34,110)	(20,892)	(27,143)
Cashflow from financial activities	18,246	28,029	4,583
	(15,852)	-	(13,929)
Opening cash	33,165	52,790	47,094
Closing cash	17,313	52,790	33,165

Notes:

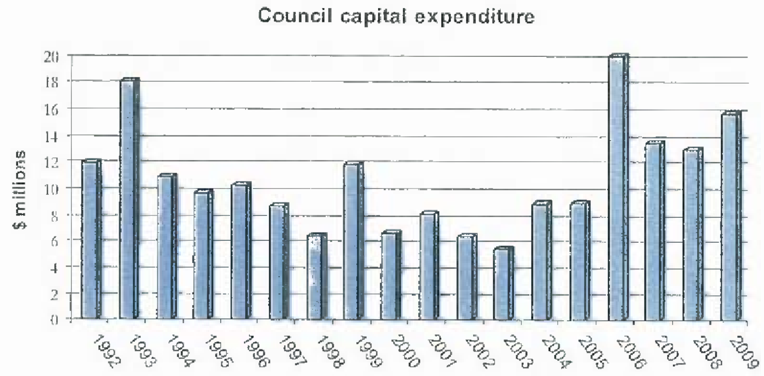
- Actual cashflow from operating activities is higher than budget due to lower expenditure on transport improvements. The reasons for this are further explained in Note 31 to the financial statements. This also resulted in lower cash required from financial activities

Financial overview – Council

Capital expenditure - Council

Capital expenditure for the year was $15.939 million which was $4.395 million below budget. Them major items contribution to this variance were:

- Delay in upgrading Beacon Hill - $0.800 million
- Savings and changes to a number of flood protection projects reduced capital expenditure by $0.856 million
- Savings and delays in computer upgrades - $0.570 million
- Delay in the Masterton building upgrade - $0.468 million



Average rate per property

Over the past six years, rates per property have increased by an average of 6.3% per year, including the change for Greater Wellington to rate regionally for economic development from 2007/08. Excluding the economic development rate, the average increase has been 5.1%.

The increases in the last two years have primarily been driven by the large investment on the public transport rail network.

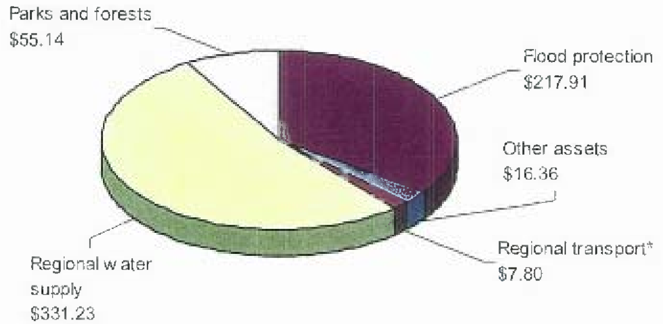
Financial overview – Council
Asset management

Greater Wellington looks after many important community assets. Our asset base consists of regional water supply, regional parks and forests, flood protection and, increasingly, public transport.

Continued management and investment in these assets is essential. Greater Wellington maintains and updates detailed asset management plans to ensure we look after these assets on behalf of the community.

This pie chart shows the breakdown of our assets at the year end. In the coming years, the required investment in public transport will significantly add to the assets we manage for the Wellington region.

Council fixed assets ($ millions)

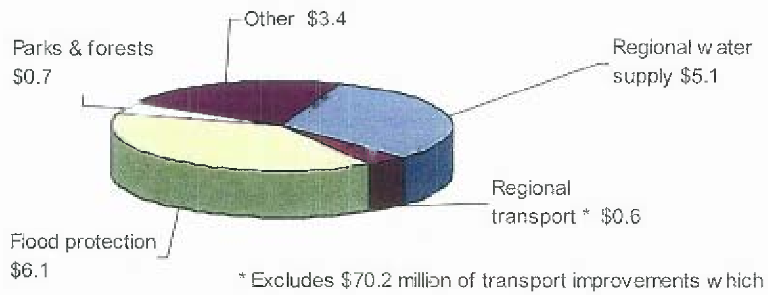


* Excludes $50 million of rail rolling stock held by Greater Wellington Rail Ltd, a Council subsdiary.

This pie chart shows the breakdown of the $15.9 million in capital expenditure for the year ended 30 June 2009.

This expenditure excludes transport improvements of $70.2 million which is treated as operating expenditure as the assets created will be not be owned directly by Greater Wellington.

Council capital expenditure ($ millions)



* Excludes $70.2 million of transport improvements which are treated as operational expenditure.

Financial overview – Group

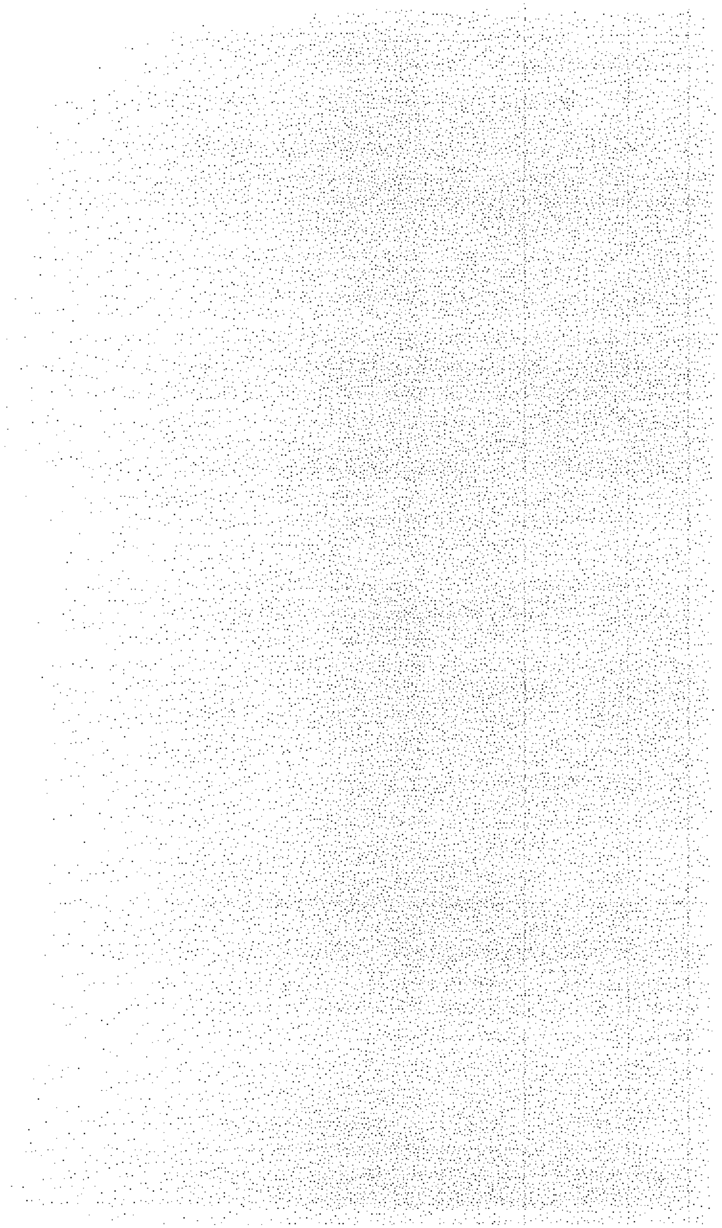
	$000s 2009	$000s 2008
Revenue	221,408	205,685
Operating expenditure	188,539	178,316
Depreciation	18,010	16,324
Operating surplus	14,859	11,045
Unrealised gains and (losses)	(789)	4,136
Forestry revaluation/cost of goods sold	(924)	(4,393)
Grant revenue for transport improvements	54,985	15,006
Grant expenditure for transport improvements	(52,227)	(8,358)
Net surplus for the year before tax	15,904	17,436
	(2,412)	(3,201)
Net surplus for the year	13,492	14,235

Balance Sheet

	$000s 2009	$000s 2008
Current assets	70,098	67,356
Non current assets	1,113,425	988,501
Total assets	1,183,523	1,055,827
Equity	827,968	773,529
Current liabilities	113,136	269,016
Non current liabilities	242,419	13,312
	1,183,523	1,055,857

Cash Flow

	$000s 2009	$000s 2008
From operating activities	10,812	20,037
From investing activities	(86,499)	(82,085)
From financing activities	59,460	48,745
	(16,227)	(13,303)
Opening cash	34,096	47,399
Closing cash	17,869	34,096



Financial statements
For the year ended 30 June 2009

Comprehensive income statement
for the year ended 30 June 2009

	Notes	Group 2009 Actual $000s	Group 2008 Actual $000s	Council 2009 Actual $000s	Council 2009 Budget $000s	Council 2008 Actual $000s
Operating revenue						
Rates and levies		100,671	94,076	100,671	99,660	94,076
Grants and subsidies		99,841	53,633	99,841	108,359	53,633
Other gains		26	-	26	-	-
Other revenue		75,855	72,982	22,540	20,625	20,763
Total external operating revenue	1	**276,393**	**220,691**	**223,078**	**228,644**	**168,472**
Operating expenditure						
Employee benefits	2	49,779	46,640	31,383	31,601	28,509
Grants and subsidies		66,919	55,418	71,038	69,906	59,102
Depreciation and amortisation	3	18,010	16,324	10,716	10,722	9,436
Finance costs	4	13,354	13,320	4,908	5,929	4,415
Other losses	5	(230)	(296)	-	-	152
Other operating expenses	6	59,823	64,502	42,550	44,011	47,611
Total external operating expenditure		**207,655**	**195,908**	**160,595**	**162,169**	**149,225**
Operating surplus/(deficit) before transport improvement		**68,738**	**24,783**	**62,483**	**66,475**	**19,247**
Transport improvement grants		(52,227)	(8,358)	(70,240)	(82,933)	(24,124)
Operating surplus/(deficit) before tax		**16,511**	**16,425**	**(7,757)**	**(16,458)**	**(4,877)**
Tax expense	8	2,412	3,201	-	-	-
Surplus/(deficit) for the year		**14,099**	**13,224**	**(7,757)**	**(16,458)**	**(4,877)**
Other comprehensive income after tax						
Financial assets at fair value through equity	7	8,507	1,556	7,442	4,745	2,335
(losses) on land and building revaluations	7	(9,114)	(545)	-	-	-
Total comprehensive income for the year		**13,492**	**14,235** #	**(315)**	**(11,713)**	**(2,542)**
Total comprehensive income attributable to:						
Minority interest		(303)	1,604	-	-	-
Equity holders of the parent		13,795	12,631	(315)	(11,713)	(2,542)
Total comprehensive income for the year		**13,492**	**14,235**	**(315)**	**(11,713)**	**(2,542)**

The accompanying notes and accounting policies should be read in conjunction with these financial statements

Income statement by activity
for the year ended 30 June 2009

	Council 2009 Actual $000s	Council 2009 Budget $000s
Operating revenue		
Environment	11,437	11,099
Transport	145,856	151,626
Water supply	24,843	24,400
Land	7,515	7,276
Safety and flood protection	16,948	16,369
Parks	6,547	6,466
Community	12,102	12,157
Investments	7,655	6,545
Other	4,394	2,623
Total operating revenue	**237,297**	**238,561**
Less internal operating revenue	6,777	5,172
Total external operating revenue including unrealised gains	**230,520**	**233,389**

	Council 2009 Actual $000s	Council 2009 Budget $000s
Operating expenditure		
Environment	11,697	11,292
Transport	84,772	83,673
Water supply	24,959	25,864
Land	7,518	7,333
Safety and flood protection	14,020	13,430
Parks	7,056	7,119
Community	10,493	11,125
Investments	4,887	5,076
Other	1,970	2,429
Total operating expenditure	**167,372**	**167,341**
Less internal operating expenditure	6,777	5,172
Total external operating expenditure	**160,595**	**162,169**
Operating surplus/(deficit) before transport improvement grants	**69,925**	**71,220**
Transport improvement grants	70,240	82,933
Operating surplus/(deficit)	**(315)**	**(11,713)**
Capital expenditure and transport investments	15,939	20,334
Proceeds from assets sales	(315)	(392)
Loan funding of capital expenditure	(10,946)	(15,156)
Rate, levy and subisdy-funded capital expenditure	4,678	4,786
Loan-funded improvement grants	(16,575)	(17,677)
Other loan funding	(55,307)	(4,983)
Debt repayment	53,934	10,300
Other investment movements	3,171	4,362
Operational reserve movements	5,257	(791)
Working capital movements	8,888	0
Non-cash items	(4,361)	(7,710)
Net funding required	-	-

The accompanying notes and accounting policies should be read in conjunction with these financial statements

Statement of changes in equity
for the year ended 30 June 2009

		Group		Council		
	Notes	2009 Actual $000s	2008 Actual $000s	2009 Actual $000s	2009 Budget $000s	2008 Actual $000s
Equity – opening balance as at 1 July		773,529	750,238	610,381	606,967	602,058
Asset revaluation movements taken directly to equity		42,139	10,158	45,310	63,768	10,865
Asset revaluation movements taken directly to equity minority interests	19	-	-	-	-	-
Net income recognised directly in equity		42,139	10,158	45,310	63,768	10,865
Net surplus/(deficit) for the year		13,492	14,235	(315)	(11,713)	(2,542)
Total recognised income and expenses for the year		55,631	24,393	44,995	52,055	8,323
Attributable to:						
Equity holders of the parent		55,934	22,789	44,995	52,055	8,323
Minority interest	19	(303)	1,604	-	-	-
Total recognised income and expenses for the period		55,631	24,393	44,995	52,055	8,323
Dividend to minority interest		(1,192)	(1,102)	-	-	-
Balance as at 30 June	19	**827,968**	**773,529**	**655,376**	**659,022**	**610,381**

The accompanying notes and accounting policies should be read in conjunction with these financial statements

Balance sheet
as at 30 June 2009

		Group		Council		
	Notes	2009 Actual $000s	2008 Actual $000s	2009 Actual $000s	2009 Budget $000s	2008 Actual $000s
Assets						
Current assets						
Cash and cash equivalents	9	17,869	34,096	17,313	52,790	33,165
Bank term deposits		12,050	-	12,050	-	-
Trade and other receivables	10	36,780	29,826	32,538	32,590	23,965
Inventories	11	3,392	2,861	2,300	2,142	2,193
Derivative financial instruments	18	7	573	(1)	-	269
		70,098	67,356	64,200	87,522	59,592
Non-current assets						
Other financial assets	12	27,989	20,292	26,178	3,040	18,695
Property, plant and equipment	13	863,804	852,786	628,450	641,378	578,295
Intangible assets	14	1,347	1,257	358	-	277
Forestry investments	15	8,987	9,910	8,987	15,841	9,910
Investment properties	16	201,982	100,345	-	-	-
Investment in subsidiaries	17	-	-	36,115	37,313	35,140
Derivative financial instruments	18	8,197	3,159	2,766	994	1,276
Deferred tax asset	8	1,119	752	-	-	-
Other non-current assets				-		
		1,113,425	988,501	702,854	698,566	643,593
Non current assets classified as held for sale			-	-	-	-
		1,113,425	988,501	702,854	698,566	643,593
Total assets		**1,183,523**	**1,055,857**	**767,054**	**786,088**	**703,185**

The accompanying notes and accounting policies should be read in conjunction with these financial statements

Balance sheet
as at 30 June 2009

		Group		Council		
	Notes	2009 Actual $000s	2008 Actual $000s	2009 Actual $000s	2009 Budget $000s	2008 Actual $000s
Equity and liabilities						
Equity attributable to equity holders of the parent						
Retained earnings		446,857	438,319	356,514	357,531	362,086
Reserves		337,973	290,577	298,862	301,491	248,295
		784,830	728,896	655,376	659,022	610,381
Minority interest		43,138	44,633			
Total equity	19	**827,968**	**773,529**	**655,376**	**659,022**	**610,381**
Current liabilities						
Trade and other payables	20	48,116	37,146	27,729	31,834	23,883
Debt	21	57,622	227,232	12,474	61,244	54,300
Employee benefit liabilities	22	4,751	4,223	2,332	-	2,009
Provisions	23	460	415	-	-	-
Other financial liabilities		2,187	-	-	-	-
		113,136	269,016	42,535	93,078	80,192
Non-current liabilities						
Debt	21	239,026	11,960	68,495	33,988	11,960
Employee benefit liabilities	22	1,328	1,352	648	-	652
Deferred tax liability	8	2,065	-	-	-	-
		242,419	13,312	69,143	33,988	12,612
		242,419	13,312	69,143	33,988	12,612
Total liabilities		**355,555**	**282,328**	**111,678**	**127,066**	**92,804**
Total equity and liabilities		**1,183,523**	**1,055,857**	**767,054**	**786,088**	**703,185**

Fran Wilde	David Benham	Barry Turfrey
Chair	Chief Executive	Chief Financial Officer
29 September 2009	29 September 2009	29 September 2009

The accompanying notes and accounting policies should be read in conjunction with these financial statements

Cash flow statement
for the year ended 30 June 2009

		Group		Council		
		2009	2008	2009	2009	2008
		Actual	Actual	Actual	Budget	Actual
	Notes	$000s	$000s	$000s	$000s	$000s
Cash flows from operating activities						
Receipts from customers		55,640	50,195	-	-	-
Rates revenue received		76,029	66,108	76,029	76,200	66,108
Water supply levy received		23,460	23,460	23,460	23,460	23,460
Government subsidies received		99,841	63,814	99,841	108,359	63,814
Interest received		5,917	4,107	5,891	2,591	4,084
Dividends received		341	1,668	13	390	140
Fees, charges and other revenue		10,529	19,505	9,271	16,415	19,505
Payments to suppliers and employees		(247,329)	(193,401)	(209,890)	(228,905)	(164,411)
Interest paid		(13,084)	(13,154)	(4,603)	(5,647)	(4,069)
Income tax paid / (refund)		(532)	(2,265)	-	-	-
Net cash flows from operating activities	24	**10,812**	**20,037**	**12**	**(7,137)**	**8,631**
Cash flows from investing activities						
Sale of property, plant and equipment		544	1,183	314	392	183
Disposal of forestry investments		1,106	1,268	1,106	-	1,268
Purchase of property, plant and equipment		(69,457)	(67,877)	(16,235)	(20,334)	(13,016)
Purchase of intangible assets		(597)	(397)	(225)	-	(57)
Acquisition of investments		(18,095)	(16,262)	(19,070)	(950)	(15,521)
Net cash flows from investing activities		**(86,499)**	**(82,085)**	**(34,110)**	**(20,892)**	**(27,143)**

The accompanying notes and accounting policies should be read in conjunction with these financial statements

Cash flow statement
for the year ended 30 June 2009

		Group		Council		
		2009	2008	2009	2009	2008
		Actual	Actual	Actual	Budget	Actual
	Notes	$000s	$000s	$000s	$000s	$000s
Cash flows from financing activities						
Loan funding		95,535	80,511	53,934	37,537	35,830
Debt repayment		(34,929)	(30,664)	(34,929)	(9,508)	(30,664)
Repayment of intercompany current account		-	-	(759)	-	(583)
Dividends paid to minority interests		(1,146)	(1,102)	-	-	-
Net cash flows from financing activities		**59,460**	**48,745**	**18,246**	**28,029**	**4,583**
Net increase/(decrease) in cash, cash equivalents and bank overdraft		(16,227)	(13,303)	(15,852)	-	(13,929)
Cash, cash equivalents and bank overdraft at the beginning of year		34,096	47,399	33,165	52,790	47,094
Cash, cash equivalents and bank overdrafts at the end of year		**17,869**	**34,096**	**17,313**	**52,790**	**33,165**

The Goods and Services Tax (GST) component of operating activities reflects the net GST paid and received with the Inland Revenue Department as the gross amounts do not provide meaningful information for financial statement purposes.

The accompanying notes and accounting policies should be read in conjunction with these financial statements

Statement of accounting policies
for the year ended 30 June 2009

1. Reporting entity

The Greater Wellington Regional Council (Greater Wellington) is a regional local authority governed by the Local Government Act 2002. The Group consists of Greater Wellington and its subsidiaries as disclosed below.

Financial statements for Greater Wellington (the "Parent") and consolidated financial statements (for the "Group") are presented.

For the purposes of financial reporting, Greater Wellington is designated as a public benefit entity. The subsidiary companies comprise WRC Holdings, Pringle House Limited, Port Investments Limited, Greater Wellington Rail Limited, Greater Wellington Transport Limited, Greater Wellington Infrastructure Limited, Grow Wellington Limited and CentrePort Limited. All subsidiaries, except Grow Wellington Limited, are designated as profit-oriented entities. Grow Wellington Limited is designated as a public benefit entity.

2. Statement of compliance

The Group financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 and New Zealand Generally Accepted Accounting Practices (NZ GAAP).

These financial statements are prepared in accordance with New Zealand equivalents to the International Financial Reporting Standards (NZ IFRS), as appropriate for public benefit entities.

The financial statements of Greater Wellington are for the year ended 30 June 2009. The financial statements were authorised for issue by Council on 29 September 2009.

Accounting judgments and estimations

The preparation of financial statements in conformity with NZ GAAP requires management to make judgments, 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 judgments 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 ongoing 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.

Judgements made by management in the application of NZ GAAP that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 26.

3. Accounting policies

(a) Basis of preparation
The consolidated financial statements are presented in New Zealand dollars, rounded to the nearest thousand. 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.

The accounting policies have been applied consistently by Group entities.

(b) Basis of consolidation

The consolidated financial statements include Greater Wellington and its subsidiaries. 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 appears in Note 17 to the financial statements.

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 Greater Wellington's 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 inter-company transactions are eliminated on consolidation.

(c) Revenue recognition

Revenue is recognised when billed or earned on an accrual basis.

(i) Rates and levies

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

(ii) Government grants and subsidies

Greater Wellington receives government grants from the New Zealand 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) Sale of goods

Revenue on the sale of goods is recognised when all risks are transferred to the buyer and there is no longer control or managerial involvement with the goods.

(iv) Rendering of services

Revenue from services rendered is recognised by reference to stage of completion of the service.

(v) Dividends
Revenue from dividends is recognised on an accrual basis (net of imputation credits) once the shareholder's right to receive payment is established.

(vi) 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.

(vii) Other revenue
Other income is also recognised 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. Assets vested in the Group are recognised as revenue when control over the asset is obtained.

(d) Borrowing costs
Borrowing costs directly attributable to capital construction are capitalised as part of the costs of those assets. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(e) 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 are categorised into the following classes:

- Port buildings, wharves and paving
- Operational port freehold land
- 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
- Regional water supply administrative buildings
- Regional water supply minor equipment

- Regional water supply motor vehicles

- Regional water supply capital work in progress

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

Valuations

Valuations for regional water supply, parks and forests, flood protection and transport infrastructural assets are carried out or reviewed by independent qualified valuers. They are carried out at regular intervals.

Flood protection

The flood protection infrastructure assets were valued at 30 June 2007 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 reviewed by John Vessey, Principal Engineering Economist, Opus International Consultants. He concluded that the 2007 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 2007 by Martin Veale ANZIV, SPINZ & 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 & Associates valued Wairarapa flood protection land as at 30 June 2007. Land valuation was completed by FT Rutherford BBS (VPM) ANZIV, using comparison to market sales of comparable type land in similar locations to each parcel, which reflects fair value.

Parks and forests

The parks and forests infrastructure assets were valued at 30 June 2008. Land and improvements have been valued using the market value methodology by Fergus Rutherford, registered valuer. Roads, fences, tracks and other park infrastructure have been valued using ODRC methodology in accordance with the guidelines published by NAMS Group, by Graham Laws, Parks and forests Asset management advisor. Fergus Rutherford of Baker & Associates Ltd reviewed the valuation methodology and rates.

Plantation forestry bridges were revalued by Kate Zwartz, Senior engineer for the engineering consultancy group.

Public transport

Public transport infrastructural assets were valued by Duffill Watts Ltd. Land was valued at market value and other assets at depreciated replacement cost.

Regional water supply

Regional water supply plant and equipment assets were valued by John Freeman, FPINZ, TechRICS, MACostE, Registered Plant and Machinery Valuer, a Director of CB Richard Ellis at at 30 June 2008 using Optimised Depreciated Replacement Cost (ODRC) methodology.

Water supply buildings were revalued by Paul Butcher, BBS, FPINZ, Registered Valuer, a Director of CB Richard Ellis as at 30 June 2008 using ODRC methodology.

Water Urban based land assets were valued by Telfer Young (Martin J Veale, Registered Valuer, ANZIV, SPINZ) as at 30 June 2008 using current market value methodology in compliance with PINZ professional Practice (Edition 5) Valuation for Financial Reporting and NZ IFRS re Property Valuations.

Water catchment and rural based assets were valued by Baker & Associates (Fergus T Rutherford, Registered valuer, BBS (VPM), ANZIV) as at 30 June 2008 using current market value methodology in compliance with PINZ Professional Practice (Edition 5) Valuation for Financial Reporting and NZ IAS 16 re Property Valuation.

Greater Wellington Regional Council Group (including CentrePort Limited)

Operational port freehold land is stated at valuation determined every three years by an independent registered valuer. Colliers International valued the land at 30 June 2007 at fair value. The basis of valuation is fair value, which is determined with reference to the assets highest and best use as determined by the valuer.

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 Comprehensive Income Statement, then it is recognised in the Comprehensive Income Statement. A decrease in the value on revaluation is recognised in the Comprehensive Income Statement where it exceeds the increase of that asset previously recognised in the asset revaluation reserve.

The remaining property, plant and equipment is recorded at cost less accumulated depreciation and impairment. Cost represents the value of the consideration given 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, except land, are depreciated.

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

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

• Port, wharves and paving	10 to 50 years
• Operational port freehold land	indefinite

• Operational land and buildings	10 to indefinite
• Operational plant and equipment	2 to 20 years
• Operational vehicles	3 to 10 years
• Flood protection infrastructural assets	15 to indefinite
• Transport infrastructural assets	5 to 50 years
• Rail rolling stock	15 to 35 years
• Navigational aids infrastructural assets	5 to 50 years
• Parks and forests infrastructural assets	10 to 100 years
• Regional water supply infrastructural assets	3 to 150 years
• Regional water supply administrative buildings	10 to 50 years
• Regional water supply minor equipment	3 to 15 years
• Regional water supply vehicles	5 to 10 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.

(g) Intangible assets

Software is carried at cost less any accumulated amortisation and impairment losses. It is amortised over the useful life of the asset as follows:

Software	1 to 5 years

(h) Investment properties

Investment properties, which is property held to earn rentals and/or for capital appreciation, is measured at its fair value at the reporting date. There are two classes of investment property:

1. Developed investment properties
2. Land available for development

The Regional Council Centre (RCC) is treated as an investment property within the WRC Holdings Group and as property, plant and equipment within the Group's accounts. Gains or losses arising from changes in fair value of investment properties are included in the Comprehensive Income Statement in the period in which they arise.

(i) Impairment

All assets are reviewed annually to determine if there is any indication of impairment.

An impairment loss is recognised when its carrying amount exceeds its recoverable amount. Losses resulting from impairment are accounted for in the Comprehensive Income Statement, unless the asset is carried at a revalued amount, in which case any impairment loss is treated as a revaluation decrease.

(i) Recoverable amount
The recoverable amount of an asset is the greater of the net selling price and value in use.

(ii) Value in use
Value in use for the Group's assets is calculated as being the depreciated replacement cost of the asset. For Greater Wellington's subsidiaries it is calculated as being the estimated future cash flows which are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset

(j) Forestry investments
Forestry investments are stated at fair value less point-of- sale costs. They are independently revalued to an estimate of market valuation based on net present value. The net gain or loss arising from changes in forestry valuation is included in the Comprehensive Income Statement.

(k) Financial instruments
The Group classifies its financial assets and liabilities according to the purpose for which they were acquired.

Financial assets and liabilities are only offset when there is a legally enforceable right to offset them and there is an intention to settle on a net basis.

(i) Financial assets
The Group's financial assets are categorised as follows:

- ***Financial assets at fair value accounted through the Comprehensive Income Statement***

  Financial assets are classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Gains or losses on remeasurement are recognised in the Comprehensive Income Statement.

- ***Financial assets at fair value accounted through equity***

  Financial assets are classified in this category if they were not acquired principally for selling in the short-term. After initial recognition, these assets are measured at their fair value. Any gains and losses are recognised directly to equity, except for impairment losses which are recognised in the Comprehensive Income Statement.

  Available-for-sale financial assets are either designated in this category or not classified in any of the other categories. Available-for-sale financial assets are initially recorded at fair value plus transaction costs when it can be reliably estimated. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, are recognised directly through equity. If there is no active market, no intention to sell the asset and fair value can not be reliably measured, the item is measured at cost.

  Fair value is equal to the Group's share of the net assets of the entity. Upon sale the cumulative fair value gain or loss previously recognised directly in equity is recognised in the Comprehensive Income Statement.

- ***Loans and receivables***

  These assets are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition they are measured at amortised costs using the effective interest method. Gains and losses when the asset is impaired or sold are accounted for in the Comprehensive Income Statement.

- ***Held to maturity investments***

  These are assets with fixed or determinable payments with fixed maturities that the Group has the intention and ability to hold to maturity. After initial recognition they are recorded at amortised cost using the effective interest method. Gains and losses when the asset is impaired or settled are recognised in the Comprehensive Income Statement.

Cash and cash equivalents comprise cash balances and call deposits with up to three months maturity from the date of acquisition. These are recorded at their nominal value.

(ii) Financial liabilities

Financial liabilities comprise trade, other payables and borrowings. Financial liabilities with duration of more than 12 months are recognised initially at fair value less transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method. Amortisation is recognised in the Comprehensive Income Statement, as is any gain or loss when the liability is settled. Financial liabilities entered into with duration of less than 12 months are recognised at their nominal value.

(l) Derivative financial instruments

The Group uses derivative financial instruments to manage its exposure to interest rate and foreign exchange risks arising from its operational, financing and investment activities. In accordance with its treasury policies, the Group does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are initially recognised at cost. Subsequent to initial recognition, derivative financial instruments are stated at fair value. For those instruments which do not qualify for hedge accounting, the gain or loss on re-measurement to fair value is recognised immediately in the Comprehensive Income Statement.

The fair value of an interest rate swap is the estimated amount that the Group would receive or pay to terminate the swap at balance date, based on current interest rates. The fair value of forward exchange contracts is their quoted market price at the balance date.

(m) Non-current assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. The sale of the asset or disposal group is expected to be completed within one year from the date of classification.

(n) Inventories
Inventories are valued at the lower of cost or net realisable value on a first-in first-out basis.

The value of harvested timber is its fair value less estimated point-of-sale costs at the date of harvest. Any change in value at the date of harvest is recognised in the Comprehensive Income Statement.

(o) Income tax
Income tax in the Comprehensive Income Statement for the year comprises current and deferred tax. Income tax is usually recognised in the Comprehensive Income Statement, except to the extent that it relates to items recognised directly in equity. In this case that amount is recognised in equity.

Deferred tax is provided using the balance sheet liability method. This provides for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, branches, associates and joint ventures, except where the consolidated entity is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

(p) 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 the balance sheet 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 Comprehensive Income Statement.

(q) 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. Employee benefits include salaries, annual leave and long service leave. Where the benefits are expected to be paid for within 12 months of balance date, the provision is the estimated amount expected to be paid by the Group. The provision for other employee benefits is stated at the present value of the future cash outflows expected to be incurred. Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the Comprehensive Income Statement 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.

(r) Provisions

A provision is recognised in the balance sheet when 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.

(s) Goods and Services Tax (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive.

(t) Leases

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.

(u) 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 Comprehensive Income Statement.

Individual significant activity operating revenue and operating expenditure is stated inclusive of any internal revenues and internal charges. These internal transactions are eliminated in 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.

(v) Equity

Equity is the community's interest in 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 the Group.

The components of equity are accumulated funds and retained earnings, revaluation reserves and restricted funds.

(w) Statement of cash flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Group invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of the Group and the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure.

(x) Budget figures

The budget figures are those approved by the Council at the beginning of the year in the 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.

(y) Changes in accounting policies

There have been no changes from the accounting policies adopted in the last audited financial statements.

(z) Standards, amendments and interpretations that are not yet effective and have not been early adopted

Greater Wellington has not elected to adopt the following in advance of their effective dates:

- NZ IAS 23 (Revised) Borrowing Costs effective for on or after 1 January 2009.

  The Group currently capitalises directly attributable borrowing costs. However the revision to NZ IAS 23 requires borrowing costs to be added to “qualifying assets” even when not directly attributed to the asset. This would include Council long-term constructed assets. This change will result in some currently expensed non-attributed interest being moved from the Comprehensive Income Statement to the balance sheet. The overall impact to the Comprehensive Income Statement is unlikely to be material in any given year.

- NZ IAS 40 Investment Properties (effective for accounting periods beginning on or after 1 January 2009);

  The revisions to NZ IAS 40 require that properties being developed for future use as development properties can be classified as Investment Properties instead of property, plant and equipment. This includes both land and capital WIP. Had this amendment been applied, the Company and Group would have realised a decrease in pre-tax profit of $0.8m.

Other standards issued are considered to have no material future impact on the Group.

Notes to the financial statements
for the year ended 30 June 2009

Note 1

Operating income

	Group		Council		
	2009	**2008**	**2009**	**2009**	**2008**
	Actual	**Actual**	**Actual**	**Budget**	**Actual**
	$000s	**$000s**	**$000s**	**$000s**	**$000s**
General rates	24,120	22,015	24,120	23,692	22,015
Targeted rates	52,507	48,186	52,507	52,508	48,186
Rates penalties	610	451	610	-	451
Remission of rates penalties	(26)	(36)	(26)	-	(36)
Regional rates	77,211	70,616	77,211	76,200	70,616
Regional water supply levy	23,460	23,460	23,460	23,460	23,460
Total rates and levies	100,671	94,076	100,671	99,660	94,076
Government grants and subsidies	99,841	53,633	99,841	108,359	53,633
Other income:					
Sale of goods	5,873	5,011	5,873	6,821	5,011
Logging revenue	5,386	5,324	5,386	6,783	5,324
Subsidiaries revenue	43,473	41,165	-	-	-
Rendering of services	572	660	572	8	660
Animal Health Board	2,507	3,245	2,507	675	3,245
Rental income	850	896	850	880	896
Rents from investment properties	12,382	12,187	-	-	-
Management fees	-	-	553	470	360
Dividends received	11	12	1,672	390	76
Subvention revenue	-	-	895	778	1,031
Interest received	4,259	4,167	4,232	3,820	4,160
Other operating revenue	-	-	-	-	-
Equity accounted earnings from associates	542	315	-	-	-
	75,855	72,982	22,540	20,625	20,763
Other gains:					
Gain on disposal of property, plant and equipment	26	-	26	-	-
Total operating income	**276,393**	**220,691**	**223,078**	**228,644**	**168,472**

Note 2
Employee benefits

	Group		Council		
	2009 Actual $000s	2008 Actual $000s	2009 Actual $000s	2009 Budget $000s	2008 Actual $000s
Employee benefits expense	46,969	43,980	29,106	29,088	26,362
Post-employment benefit expense	1,925	1,815	1,392	1,655	1,302
Councillor remuneration	885	845	885	858	845
Increase/(decrease) in employee benefit liabilities		-			-
	49,779	46,640	31,383	31,601	28,509

Note 3

Depreciation and amortisation

	Group		Council	
	2009 Actual $000s	**2008 Actual $000s**	**2009 Actual $000s**	**2008 Actual $000s**
Depreciation				
Port wharves and pavings	2,210	2,111	-	-
Land and buildings	917	1,019	62	72
Plant and equipment	3,252	3,090	654	637
Rail rolling stock	1,268	998	-	-
Motor vehicles	777	798	777	798
Flood protection at valuation	235	237	235	237
Flood protection at cost	466	514	466	514
Transport facilities	271	366	271	366
Navigational aids	24	23	24	23
Parks and forests	625	405	625	405
Regional water supply asset depreciation				
Infrastructure assets	7,237	5,969	7,237	5,969
Administration buildings	1	1	1	1
Minor equipment	46	42	46	42
Motor vehicles	188	183	188	183
Total regional water supply depreciation	7,472	6,195	7,472	6,195
Total depreciation	**17,517**	**15,756**	**10,586**	**9,247**
Amortisation				
Software	493	568	130	189
Total amortisation	**493**	**568**	**130**	**189**
Total depreciation and amortisation	**18,010**	**16,324**	**10,716**	**9,436**

Note 4
Finance costs

	Group		Council		
	2009	**2008**	**2009**	**2009**	**2008**
	Actual	**Actual**	**Actual**	**Budget**	**Actual**
	$000s	**$000s**	**$000s**	**$000s**	**$000s**
Interest expense					
Interest on bank borrowings	13,354	13,320	4,908	5,929	4,415
Finance costs	13,354	13,320	4,908	5,929	4,415

Note 5
Other losses

	Group		Council		
	2009	**2008**	**2009**	**2009**	**2008**
	Actual	**Actual**	**Actual**	**Budget**	**Actual**
	$000s	**$000s**	**$000s**	**$000s**	**$000s**
Loss on disposal of property, plant and equipment	(230)	(296)	-	-	152
	(230)	(296)	-	-	152

Note 6
Other operating expenses

	Group		Council		
	2009 Actual $000s	2008 Actual $000s	2009 Actual $000s	2009 Budget $000s	2008 Actual $000s
Auditor's remuneration:					
Fees to principal auditor for financial statement audit	206	199	146	140	140
Fees to principal auditor for audit of community plan and other services	141	12	141	78	12
Fees to other auditor for financial statement audit	95	72	-	-	-
Fees to other auditor for IFRS, tax and other services	53	131	-	-	-
Impairment:					
Bad debts written off/(back)	145	279	-	-	-
Property, plant and equipment impairment	777	-	-	-	-
Change in provision for impairment of trade receivables	(43)	(19)	(43)	-	(19)
Insurance:					
Insurance	1,642	1,402	1,364	1,334	1,140
General:					
Asset write-offs/(written back)	7	174	7	-	174
Bad debts related to related parties	-	-	-	-	-
Directors fees	505	525	-	-	-
LGNZ subscriptions	82	82	82	82	82
Operating lease rentals	-	-	1,626	1,626	1,630
Energy costs	4,847	4,681	2,497	2,728	2,538
Maintenance	18,971	19,740	15,287	16,701	14,837
Consultancy	21,128	27,545	20,607	20,516	26,200
Other operating expenses	11,267	9,679	836	806	877
	59,823	64,502	42,550	44,011	47,611

Note 7

Unrealised gains / (losses)

	Group		Council		
	2009 Actual $000s	2008 Actual $000s	2009 Actual $000s	2009 Budget $000s	2008 Actual $000s
Unrealised increase / (decrease) in financial assets and instruments					
Forestry investment	182	(3,125)	182	2,642	(3,125)
Stadium advance	293	271	293	293	271
Unrealised increase/(decrease) in subsidiary investments	-	-	-	-	-
Bonds	1,145	32	1,145	-	32
Loans	4,601	5,521	4,601	2,164	5,521
Interest rate swaps	2,763	(2,125)	1,451	(354)	(703)
Diesel contracts	8	-	-	-	-
Interest rate caps	-	(55)	-	-	-
Foreign exchange contracts	(485)	1,037	(230)	-	339
	8,507	1,556	7,442	4,745	2,335
Unrealised increase / (decrease) in investment properties					
Investment properties (developed property)	(4,646)	219	-	-	-
Investment properties (undeveloped land)	(4,468)	(764)	-	-	-
	(9,114)	(545)	-	-	-
	(607)	1,011	7,442	4,745	2,335

Note 8

Taxation

For Greater Wellington, the net income subject to tax consists of its assessable income net of related expenses derived from the Greater Wellington Group of companies, including the CentrePort Group and New Zealand Local Government Insurance Corporation. All other income currently derived by Greater Wellington is exempt from income tax.

	Group		Council	
	2009 $000s	2008 $000s	2009 $000s	2008 $000s
(a) Income tax recognised in profit or loss				
Tax expense/(benefit) comprises:				
Current tax expense/(benefit)	(2,396)	1,379	(464)	(529)
Adjustments recognised in the current period in relation to the current tax of	(98)	(109)	-	-
Deferred tax expense/(income) relating to the origination and reversal of	2,090	1,013	464	529
Deferred tax expense arising from the write-down, or reversal of previous write-	2,816	1,062	-	-
Impact of tax rate change	-	(144)	-	-
Total tax expense/(benefit)	**2,412**	**3,201**	-	-
The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:				
(Profit)/loss from operations	(15,904)	(17,436)	2,542	2,542
Income tax expense/(benefit) calculated at 30% (2008 33%)	4,771	5,754	(839)	(839)
(Profit)/loss not subject to taxation	(5,414)	(3,503)	356	356
Non-deductible expenses	36	506	-	-
Non-assessable income	2,054	24	-	-
Land and buildings reclassification	1,063	-	-	-
Loss offsets from or subventions paid to Group companies	(346)	-	-	-
Tax losses utilised/recognised during period	(1,169)	-	-	-
Unused tax losses and temporary differences not recognised as deferred tax	2,091	1,547	529	529
Tax effect of imputation credits	(554)	(633)	(46)	(46)
Temporary differences	-	(241)	-	-
Grant for Fixed assets	(22)	-		
Impact of tax rate change	-	(144)	-	-
	2,510	3,310	-	-
(Over)/under provision of income tax in previous period	(98)	(109)	-	-
Total tax expense/(benefit)	**2,412**	**3,201**	-	-

The tax rate used in the above reconciliation is the company tax rate of 30% payable by New Zealand corporate entities on taxable profits under New Zealand tax law.

Note 8

Taxation - continued

(b) Subvention payments

The financial statements accrue a subvention payment from Pringle House Limited (PHL) for the utilisation $895,235 of losses of Greater Wellington's tax. A subvention payment of $1,031,302 was made by PHL to Greater Wellington in relation to the amount accrued in the 2008 year.

(c) Income tax recognised directly in equity	Group 2009 $000s	Group 2008 $000s	Council 2009 $000s	Council 2008 $000s
The following current and deferred amounts were charged / (credited) directly to equity during the period:				
Current tax:	-	-	-	-
Deferred tax:				
Adjustments to opening retained earnings associated with changes in accounting policies for financial instruments	-	-	-	-
Other – change in deferred tax recognised	-	-	-	-
	-	-	-	-

(d) Current tax assets and liabilities	Group 2009 $000s	Group 2008 $000s	Council 2009 $000s	Council 2008 $000s
Current tax assets:				
Subvention receivable	-	-	895	1,031
Tax refund receivable	1,119	446	-	-
Other	-	-	-	-
	1,119	**446**	**895**	**1,031**
Current tax payables:				
Income tax payable attributable to:				
Parent entity	-	-	-	-
Other	-	235	-	-
	-	235	-	-

Note 8

Taxation - continued

	Group		Council	
	2009	2008	2009	2008
(e) Deferred tax balances	$000s	$000s	$000s	$000s
Deferred tax assets comprise:				
Tax losses	-	-	-	-
Temporary differences	10,692	6,854	-	-
	10,692	6,854	-	-
Deferred tax liabilities comprise:				
Temporary differences	12,756	6,102	-	-
	12,756	6,102	-	-

Taxable and deductible temporary differences arising from the following:

	Group				
	Opening balance	Charged to income	Charged to equity	Change in tax rate	Closing balance
2009	$000s	$000s	$000s	$000s	$000s
Investment properties	(5,522)	(6,636)	-	-	(12,158)
Property, plant and equipment	5,546	197	-	-	5,743
Trade and other payables	1,168	72	-	-	1,240
Other financial liabilities	(580)	(18)	-	-	(598)
Revenue in advance	-	3,709	-	-	3,709
Other	140	(140)	-	-	-
Total	752	(2,816)	-	-	(2,064)

Note 8

Taxation - continued

	Group				
2008	Opening balance $000s	Charged to income $000s	Charged to equity $000s	Change in tax rate $000s	Closing balance $000s
Investment properties	(3,742)	(1,957)	-	177	(5,522)
Property, plant and equipment	5,473	140	-	(67)	5,546
Trade and other payables	1,002	182	-	(16)	1,168
Other financial liabilities	(1,125)	487	-	58	(580)
Other	62	86	-	(8)	140
Total	1,670	(1,062)	-	144	752

	Council				
2009	Opening balance $000s	Charged to income $000s	Charged to equity $000s	Change in tax rate $000s	Closing balance $000s
Property, plant and equipment	-	-	-	-	-
Trade and other payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

	Council				
2008	Opening balance $000s	Charged to income $000s	Charged to equity $000s	Change in tax rate $000s	Closing balance $000s
Property, plant and equipment	-	-	-	-	-
Trade and other payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

Note 8
Taxation - continued

Unrecognised deferred tax balances	Group		Council	
	2008	2007	2008	2007
	$000s	$000s	$000s	$000s
The following deferred tax assets have not been brought to account as assets:				
Tax losses	4,061	2,894	2,506	2,200
Temporary differences	-	-	-	-
	4,061	2,894	2,506	2,200

Unrecognised deferred tax balances	Group		Council	
	2009	2008	2009	2008
	$000s	$000s	$000s	$000s
The following deferred tax assets have not been brought to account as assets:				
Tax losses	1,666	4,061	2,909	2,506
Temporary differences	-	-	-	-
	1,666	4,061	2,909	2,506

Tax losses not recognised

Greater Wellington has tax losses of $9.698 million (2008: $8.353 million) available to be carried forward and to be offset against taxable income in the future that have not been recognised. The tax effect of these losses at 30% is $2.909 million (2008: $2.506 million).

WRC Holdings Limited has fully utilised the unrecognised tax losses of $0.875 million brought forward from 2008. As such, WRC Holdings no longer has any unrecognised deferred tax assets.

Port Investments Limited has unrecognised tax losses of $5.554 million (2008 $4.193 million) available to be carried forward and to be offset against taxable income in the future. The tax effect of these losses is $1.666 million (2008: $1.258 million).

Greater Wellington Rail Limited does not have any unrecognised tax losses as they were fully utilised during the period (2008: $0.105m).

Grow Wellington Limited has unrecognised tax losses of $0.002 million (2008: $0.014 million) available to be carried forward and to be offset against taxable income in the future. The tax
The ability to carry forward tax losses is contingent upon continuing to meet the requirements of the Income Tax Act 2007.

Note 8
Taxation - continued

(f) Imputation credit account balances

	Group		Council	
	2009	**2008**	**2009**	**2008**
	$000s	**$000s**	**$000s**	**$000s**
Balance at beginning of the period	10,747	9,447	-	-
Attached to dividends received	1,447	1,596	-	-
Taxation paid	731	1,231	-	-
Attached to dividends paid	(1,369)	(1,527)	-	-
Other adjustments	93	-		
Balance at end of the period	**11,649**	**10,747**	-	-
Imputation credits available directly and indirectly to shareholders of the parent company, through:				
Parent company	-	-		
Subsidiaries	11,649	10,747		
	11,649	**10,747**		

Note 9 Cash and cash equivalents

	Group		Council	
	2009 Actual $000s	2008 Actual $000s	2009 Actual $000s	2008 Actual $000s
Cash	562	937	6	6
Bonds and notes			-	-
Bank deposits	-	18,000	-	18,000
Water supply contingency investment	14,454	12,741	14,454	12,741
Major flood recovery fund	2,865	2,479	2,865	2,479
Bank overdraft	(12)	(61)	(12)	(61)
	17,869	34,096	17,313	33,165

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying terms of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The fair value of cash and cash equivalents is the stated values.

As at 30 June 2009 bank deposits have an interest rate of 3.71% (2008 8.73%) and have various maturity dates. They are available for day to day cash management.

As at 30 June 2009 the weighted average interest rate on the water supply contingency investment is 3.44% (2008 8.65%) and is recorded at fair value.

As at 30 June 2009 the weighted average interest rate on the major flood recovery fund is 2.81% (2008 8.65%) and is recorded at fair value.

Note 10 Trade and other receivables

	Group		Council	
	2009	2008	2009	2008
	Actual	Actual	Actual	Actual
	$000s	$000s	$000s	$000s
Rates outstanding	13,422	12,240	13,422	12,240
Trade customers	10,535	10,865	4,539	3,741
Accrued revenue	11,465	6,618	11,465	6,618
Subvention receivable	-	-	895	1,031
Dividends receivable	-	-	1,659	64
Interest receivable	961	833	961	833
Prepayments	1,271	148	289	102
Other receivables	-	-	-	-
Receivables from related parties	-	-	-	-
	37,654	30,704	33,230	24,629
Less provision for impairment of receivables	(874)	(878)	(692)	(664)
	36,780	29,826	32,538	23,965

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.

Provision for impairment of receivables

	Group		Council	
	2009	2008	2009	2008
	Actual	Actual	Actual	Actual
	$000s	$000s	$000s	$000s
Opening balance	(878)	(1,010)	(664)	(881)
Movement	4	132	(28)	217
Closing balance	(874)	(878)	(692)	(664)

Note 10 Trade and other receivables (continued)

The status of receivables as at 30 June 2009 and 2008 are detailed below:

	2009			2008		
	Gross $000s	Impairment $000s	Net $000s	Gross $000s	Impairment $000s	Net $000s
Council						
Not past due	32,663	573	32,090	24,432	576	23,856
Past due 31-60 days	257	-	257	16	-	16
Past due 61-90 days	156	-	156	72	-	72
Past due > 90 days	154	119	35	109	88	21
	33,230	692	32,538	24,629	664	23,965
Group						
Not past due	36,368	572	35,796	27,424	576	26,848
Past due 31-60 days	602	-	602	749	-	749
Past due 61-90 days	260	-	260	290	-	290
Past due > 90 days	424	302	122	2,241	302	1,939
	37,654	874	36,780	30,704	878	29,826

The impairment provision has been determined based on an analysis of previous periods.

Note 11 Inventories

	Group 2009 Actual $000s	Group 2008 Actual $000s	Council 2009 Actual $000s	Council 2008 Actual $000s
Harbours	5	5	5	5
Depots	129	140	129	140
Water supply	1,801	1,657	1,801	1,657
Rail	471	-	-	-
Wairarapa	365	391	365	391
Port maintenance	621	668	-	-
	3,392	2,861	2,300	2,193

In 2009, inventories recognised as cost of sa.es amounted to $0 (2008: $0).

Note 12 Other financial assets

	Group 2009 Actual $000s	Group 2008 Actual $000s	Council 2009 Actual $000s	Council 2008 Actual $000s
Stadium advance	3,953	3,661	3,953	3,661
Local Government Insurance Corporation Limited shares	80	80	80	80
Other investments	23,956	16,551	22,145	14,954
	27,989	20,292	26,178	18,695

Greater Wellington holds 21,000 fully paid up shares in Airtel Ltd, which were acquired at no cost in 2001 as a result of the Wairarapa Radio Telephone Users Association's decision to form a limited liability company and issue shares to users. Greater Wellington was a previously a member of the association.

Greater Wellington advanced $25 million to the Wellington Regional Stadium Trust in August 1998. The advance is 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. At 3C June 2009 Greater Wellington expects that the advance will be fully repaid. 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. The fair value has been determined using a future repayment timetable discounted at a rate of 8%.

Bank bonds are not exchange traded and the fair value has been determined by reference to interest rate rulings at balance date.

There are no impairment provisions for other financial assets.

Note 13 **Property plant and equipment**
In thousands of NZ Dollars

	Cost / revaluation 1 July 2008	Accumulated depreciation and impairment 1 July 2008	Carrying amount 1 July 2008	Additions	Disposals	Revaluations	Impairment losses	Reversal of impairment losses	Other Transfer	Cost / revaluation 30 June 2009	Carrying amount 30 June 2009
Council Operational assets											
Land & buildings	4,056	(1,200)	2,856	183	(121)	-	-	-	121	4,239	2,997
Plant & equipment	9,426	(7,019)	2,407	210	(35)	-	-	-	534	10,135	2,492
Motor vehicles	5,450	(3,434)	2,016	1,115	(799)				(74)	5,692	2,256
	18,932	**(11,653)**	**7,279**	**1,508**	**(955)**	**-**	**-**	**-**	**581**	**20,066**	**7,745**
Council Infrastructural assets											
Flood protection at valuation	214,318	(235)	214,083	2,010	-	-	-	-	(54)	216,274	215,803
Flood protection at cost	7,621	(5,045)	2,576	-	-	-	-	-	-	7,621	2,110
Transport infrastructure	7,419	-	7,419	-	-	-	-	-	653	8,072	7,801
Navigational aids	1,726	(1,099)	627	19	-	-	-	-	-	1,745	622
Parks & forests	55,572	-	55,572	2	-	-	-	-	214	55,788	55,142
Capital work in progress	2,461	-	2,461	9,156	(3,622)	-	-	-	-	7,995	7,995
	289,117	**(6,379)**	**282,738**	**11,187**	**(3,622)**	**-**	**-**	**-**	**813**	**297,495**	**289,473**
Regional water supply assets											
Infrastructure assets	309,434	(24,002)	285,432	5,214	(191)	45,310	-	-	(24,001)	335,766	328,545
Administration buildings	465	(3)	462	-	-	-	-	-	-	465	461
Minor equipment	784	(463)	321	67	(33)	-	-	-	(145)	673	212
Motor vehicles	1,214	(724)	490	64	(50)	-	-	-	56	1,284	391
Capital work in progress	1,573	-	1,573	4,968	(4,918)	-	-	-	-	1,623	1,623
Total regional water supply	**313,470**	**(25,192)**	**288,278**	**10,313**	**(5,192)**	**45,310**	**-**	**-**	**(24,090)**	**339,811**	**331,232**
Total council property plant and equipment	**621,519**	**(43,224)**	**578,295**	**23,008**	**(9,769)**	**45,310**	**-**	**-**	**(22,696)**	**657,372**	**628,450**
Subsidiary Assets											
Land & buildings	94,053	(8,251)	85,802	38,329	-	(1,800)	(1,778)	-	(80,423)	48,381	40,351
Plant & equipment	48,455	(14,900)	33,555	1,845	(172)	-	-	-	-	50,128	32,806
Rail Rolling Stock	34,250	(998)	33,252	17,753		-	-	-	-	52,003	49,737
Port wharves & paving	71,423	(25,885)	45,538	10,827	-	-	-	-	(19,054)	63,196	36,116
Port freehold land	76,344	-	76,344	-	-	-	-	-	-	76,344	76,344
Total subsidiary Assets	**324,525**	**(50,034)**	**274,491**	**68,754**	**(172)**	**(1,800)**	**(1,778)**	**-**	**(99,477)**	**290,052**	**235,354**
Total group property plant and equipment	**946,044**	**(93,258)**	**852,786**	**91,762**	**(9,941)**	**43,510**	**(1,778)**	**-**	**(122,173)**	**947,424**	**863,804**

Note 13 **Property plant and equipment continued**

In thousands of NZ Dollars

	Cost / revaluation 1 July 2007	Accumulated depreciation and impairment 1 July 2007	Carrying amount 1 July 2007	Additions	Disposals	Revaluations	Impairment losses	Reversal of impairment losses	Other Transfer	Cost / revaluation 30 June 2008	Carrying amount 30 June 2008
Council Operational assets											
Land & buildings	9,571	(1,162)	8,409	-	(144)	-	-	-	(5,371)	4,056	2,856
Plant & equipment	8,495	(6,508)	1,987	279	(116)	-	-	-	768	9,426	2,407
Motor vehicles	5,449	(3,411)	2,038	807	(822)				16	5,450	2,016
	23,515	**(11,081)**	**12,434**	**1,086**	**(1,082)**	-	-	-	**(4,587)**	**18,932**	**7,279**
Council Infrastructural assets											
Flood protection at valuation	205,957	(2)	205,955	515	-	-	-	-	7,846	214,318	214,083
Flood protection at cost	7,575	(4,530)	3,045	-	-	-			46	7,621	2,576
Transport facilities	12,054	(4,673)	7,381	-	-	(649)	-	-	(3,986)	7,419	7,419
Navigational aids	1,725	(1,088)	637	-	(20)		-	-	22	1,726	627
Parks & forests	41,072	(1,571)	39,501	-	(239)	11,514	-	-	3,225	55,572	55,572
Capital work in progress	4,134	-	4,134	8,188	(9,861)	-	-	-		2,461	2,461
	272,517	**(11,864)**	**260,653**	**8,703**	**(10,120)**	**10,865**	-	-	**7,153**	**289,117**	**282,738**
Regional water supply assets											
Infrastructure assets	306,190	(18,138)	288,052	12			-	-	3,232	309,434	285,432
Administration buildings	465	(3)	462	-	-	-	-	-	-	465	462
Minor equipment	777	(430)	347	17	(10)	-	-	-		784	321
Motor vehicles	1,313	(698)	615	60	(159)	-	-	-	-	1,214	490
Capital work in progress	1,344	-	1,344	3,823	(3,594)	-	-	-	-	1,573	1,573
Total regional water supply	**310,089**	**(19,269)**	**290,820**	**3,912**	**(3,763)**	-	-	-	**3,232**	**313,470**	**288,278**
Total council property plant and equipment	**606,121**	**(42,214)**	**563,907**	**13,701**	**(14,965)**	**10,865**	-	-	**5,798**	**621,519**	**578,295**
Subsidiary Assets											
Land & buildings	57,348	(7,341)	50,007	36,011	(66)	760	-	-	-	94,053	85,802
Plant & equipment	46,368	(15,936)	30,432	6,504	(4,417)	-	-	-	-	48,455	33,555
Rail Rolling Stock	19,809	-	19,809	14,441		-	-	-	-	34,250	33,252
Port wharves & paving	52,735	(23,854)	28,881	16,350	(82)	-	-	-	2,420	71,423	45,538
Port freehold land	78,764	-	78,764	-	-	-	-	-	(2,420)	76,344	76,344
Total subsidiary Assets	**255,024**	**(47,131)**	**207,893**	**73,306**	**(4,565)**	**760**	-	-	-	**324,525**	**274,491**
Total group property plant and equipment	**861,145**	**(89,345)**	**771,800**	**87,007**	**(19,530)**	**11,625**	-	-	**5,798**	**946,044**	**852,786**

Note 14 Intangible assets

	Group 2009 Actual $000s	Group 2008 Actual $000s	Council 2009 Actual $000s	Council 2008 Actual $000s
Carrying amount - Software		$000s		$000s
Opening Balance	1,257	1,428	277	409
Additions	583	397	211	57
Amortisation recognised during period	(493)	(568)	(130)	(189)
Other changes	-	-	-	-
Closing balance at 30 June	1,347	1,257	358	277
Opening Balance				
Gross carrying amount	6,378	5,921	2,295	2,069
Accumulated amortisation and impairment	(5,031)	(4,664)	(1,937)	(1,792)
Closing balance at 30 June	1,347	1,257	358	277

Note 15 Forestry investments

	Group		Council	
	2009 Actual $000s	**2008 Actual $000s**	**2009 Actual $000s**	**2008 Actual $000s**
Balance at 1 July	9,910	14,303	9,910	14,303
Additions due to new plantations				
Forestry harvested			-	-
Forestry sold	(1,106)	(1,268)	(1,106)	(1,268)
Other changes			-	-
Change in fair value less estimated point of sale costs	183	(3,125)	183	(3,125)
Balance at 30 June	8,987	9,910	8,987	9,910

Plantation forestry activity including planting, silviculture and harvesting is undertaken on 5,700 hectares of predominantly pinus radiata plantings. Approximately 85,000 tonnes are harvested annually.

Plantation forests are independently valued annually to estimate of market valuation based on net present value using a pre tax discount rate of 9.0%. The valuation is based on the existing tree crop only and does not include cash flows associated with future replanting. No allowance is made for inflation and no real price increases are assumed. A land-in land-out formula is applied to exclude the value of land, bridges, roads and fences.

Loans have been taken out which are contractually bound to be repaid from the proceeds of harvest in relation to these forestry assets via a registered interest under Section 5 of the Forestry Encouragement Act 1962.

Greater Wellington is exposed to financial risks arising from changes in log prices. Greater Wellington is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future.

Note 16 Investment properties

Valuation

Investment properties are revalued every year. Investment properties were valued on 30 June 2009 by independent registered valuers. Colliers International valued the CentrePort investment properties. The properties are valued at fair value. The properties are valued in accordance NZ Property Institute Practise Standard 3 - valuations for financial reporting purposes at fair value arrived at using comparable market rental information. The CentrePort valuation assumes the completion of the Harbour Quays Development plan as approved by the CentrePort Board and certain costs to complete the infrastructure development for its intended use have been identified to the inspection date of 30 June 2009.

		Group		Council	
		2009 Actual	2008 Actual	2009 Actual	2008 Actual
Developed investment properties	**Note**	**$000s**	**$000s**	**$000s**	**$000s**
Carrying amount at 1 July		62,127	62,830	-	-
Additions to investment property		12,364	61	-	-
Disposals and assets held for sale			-	-	-
Fair value adjustments		(4,646)	(764)	-	-
Transfer (to) / from property, plant and equipment		98,387			
Transfer (to) / from land available for development		4,302	-	-	-
investment property			-	-	-
Other changes			-	-	-
		172,534	62,127	-	-
Land available for development	**Note**				
Carrying amount at 1 July		38,218	37,999	-	-
Additions to land available for development			-	-	-
Disposals and assets held for sale			-	-	-
Fair value adjustments		(4,468)	219	-	-
Transfer (to) / from development investment properties		(4,302)	-	-	-
Other changes			-	-	-
		29,448	38,218	-	-
Total investment properties		**201,982**	**100,345**	-	-

The group's investment properties comprise CentrePort's developed and undeveloped investment properties.

Note 17 Investment in subsidiaries

The Greater Wellington Regional Council has the following subsidiary relationships:

	Relationship	2009	2008	Parent
WRC Holdings	Subsidiary	100%	100%	Greater Wellington
Pringle House Limited	Subsidiary	100%	100%	WRC Holdings
Port Investment Limited	Subsidiary	100%	100%	WRC Holdings
CentrePort Limited	Subsidiary	76.9%	76.9%	Port Investment Limited
Greater Wellington Rail Limited	Subsidiary	100%	100%	WRC Holdings
Greater Wellington Infrastructure Limited	Subsidiary	100%	100%	WRC Holdings
Greater Wellington Transport Limited	Subsidiary	100%	100%	WRC Holdings
Grow Wellington Limited	Subsidiary	100%	100%	Greater Wellington

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. Please see Note 27 on related party transactions for details.

	Council	
	2009 Actual $000s	2008 Actual $000s
WRC Holdings Limited shares	36,115	35,140
Grow Wellington Limited shares	-	-
	36,115	**35,140**

Note 18 Derivative financial instruments

	Group		Council	
	2009 Actual $000s	2008 Actual $000s	2009 Actual $000s	2008 Actual $000s
Current				
Foreign exchange contracts	84	161	84	157
Diesel contract	8	-	-	-
Interest rate swaps	(85)	412	(85)	112
Total current	7	573	(1)	269
Non-current				
Foreign exchange contracts	26	183	26	183
Interest rate swaps	8,171	2,976	2,740	1,093
Total non-current	8,197	3,159	2,766	1,276
Total	**8,204**	**3,732**	**2,765**	**1,545**

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 cash flow valuation technique based on market prices.

Note 19 **Equity**

Reconciliation of movement in retained earnings and reserves

	Group 2009 Actual $000s	Group 2008 Actual $000s	Council 2009 Actual $000s	Council 2008 Actual $000s
Asset revaluation reserve				
Balance at beginning of year	279,473	269,376	237,191	226,387
Revaluation gains/(losses)	42,139	10,158	45,310	10,865
disposal of property, plant and equipment	-	(61)	-	(61)
Transfer from operational port land	-	-	-	-
Transfer to retained earnings	-	-	-	-
Balance at end of year	321,612	279,473	282,501	237,191
Operational reserves				
Balance at beginning of year	11,104	8,093	11,104	8,093
Interest earned	696	494	696	494
Transfer to retained earnings	(2,293)	(1,722)	(2,293)	(1,722)
Transfer from retained earnings	6,854	4,239	6,854	4,239
Balance at end of year	16,361	11,104	16,361	11,104
Total reserves	**337,973**	**290,577**	**298,862**	**248,295**
Retained earnings				
Balance at beginning of year	438,319	428,638	362,086	367,578
Net surplus / (deficit) for the year	13,795	12,631	(315)	(2,542)
Transfer from operational reserves	2,293	1,722	2,293	1,722
Transfer to operational reserves	(6,854)	(4,239)	(6,854)	(4,239)
Interest earned on operational reserves	(696)	(494)	(696)	(494)
Transfer from asset revaluation reserve	-	61	-	61
Balance at end of year	**446,857**	**438,319**	**356,514**	**362,086**
Minority interest				
Balance at beginning of year	44,633	44,131		
Dividends paid	(1,192)	(1,102)		
Asset revaluation gains taken directly to equity	-	-		
Net (deficit) / surplus for the year	(303)	1,604		
Balance at end of year	**43,138**	**44,633**		

Note 20 Trade and other payables

	Group		Council	
	2009	**2008**	**2009**	**2008**
	Actual	**Actual**	**Actual**	**Actual**
	$000s	**$000s**	**$000s**	**$000s**
Trade payables	33,870	35,656	23,292	21,714
Amounts due to related parties	-	-	2,662	1,067
Income received in advance	12,933	499	462	346
Taxation payable	-	235	-	-
Accrued interest payable	1,313	756	1,313	756
Trade and other payables	**48,116**	**37,146**	**27,729**	**23,883**

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

Note 21 Debt

This note provides information about the contractual terms of the Group's interest bearing loans and borrowings. For more information about the Group's exposure to interest rate and foreign currency risk, see note 26.

	Group		Council	
	2009 Actual $000s	2008 Actual $000s	2009 Actual $000s	2008 Actual $000s
Current liabilities				
Commercial paper	-	47,259	-	47,259
Committed lines	56,823	178,332	11,675	5,400
Uncommitted lines	-	600	-	600
Forestry Encouragement loans	799	1,041	799	1,041
	57,622	227,232	12,474	54,300
Non-current liabilities				
Bonds	50,000	-	50,000	-
Forestry Encouragement loans	4,167	4,361	4,167	4,361
Bank loans	170,531	-	-	-
Crown loan	14,328	7,599	14,328	7,599
	239,026	11,960	68,495	11,960
Total financial Liabilities	**296,648**	**239,192**	**80,969**	**66,260**

Terms and conditions

Greater Wellington has no overdraft facility. As at 30 June 2009 Greater Wellington had undrawn credit lines of $53,325,000 (2008: $89,600,000), which mature in 2010.
The commercial paper was replaced by bonds during the year.

As at 30 June 2009, Greater Wellington's external debt has a weighted average interest rate (after the effect of derivatives) of 4.56% (2008 6.15%) and is recorded at amortised cost. The Crown loans are based on discounted cash flows with a discount rate of 8% (2008 8%). The amount due at maturity is $26,521,272.

CentrePort Limited has an unsecured three-year bank loan facility of $203 million with renewal dates in 2010 and 2011. The facility can be repaid or drawn down until expiry. The interest rates on this facility as at 30 June 2009 ranged from 2.96% to 3.79% (2008 8.23% to 9.16%). No collateral was required on lending but CentrePort Limited has a negative pledge and therefore restrictions on the quantum of borrowing made.

WRC Holdings Limited has a bank loan facility of $44 million (drawn to $44.million) which is secured by a debenture over uncalled capital in the company. The interest rate charged on the facility as at 30 June 2009 was 2.62% (2008 8.37%).

Note 22 Employee benefits

	Group		Council	
	2009	2008	2009	2008
	Actual	Actual	Actual	Actual
	$000s	$000s	$000s	$000s
Annual leave	5,431	4,923	2,332	2,009
Long service leave	458	466	458	466
Retirement gratuities	144	144	144	144
Lieu leave	46	42	46	42
Total employee benefit liabilities	6,079	5,575	2,980	2,661
Comprising:				
Current	4,751	4,223	2,332	2,009
Non-current	1,328	1,352	648	652
Total employee benefit liabilities	**6,079**	**5,575**	**2,980**	**2,661**

Note 23 Provisions

	Group		Council	
	Actual	Actual	Actual	Actual
Carrying amount at 1 July	415	543	-	-
Additions including increases	507	287	-	-
Provisions used during the year	(462)	(415)	-	-
Carrying amount at 30 June	460	415	-	-
Current provisions	460	415	-	-
Non-current provisions	-	-	-	-
	460	415	-	-

Provision for dividend
An amount is provided for a dividend payment at the end of the year. A dividend has been declared but not yet paid.

Note 24 Reconciliation of operating surplus with cash flow from operating activities

	Group 2009 Actual $000s	Group 2008 Actual $000s	Council 2009 Actual $000s	Council 2008 Actual $000s
Operating surplus / (deficit)	13,492	14,235	(315)	(2,542)
Add / (less) non-cash items				
Depreciation and amortisation	18,010	16,324	10,716	9,436
Impairment of property, plant and equipment	777	-	-	-
Sale of fixed assets	(196)	(287)	26	152
Assets written off / (written back)	7	174	7	174
Equity accounted earnings from associate companies	(217)	35	-	-
Change in value of future tax benefit	2,816	918	-	-
Changes in fair value of forestry investments	(182)	3,125	(182)	3,125
Changes in fair value of investment property	13,689	(855)	-	-
Changes in fair value of derivative financial instruments	(2,286)	1,143	(1,221)	364
Changes in fair value of stadium advance	(293)	(271)	(293)	(271)
Changes in fair value of bonds	(1,145)	(32)	(1,145)	(32)
Changes in fair value of stadium loan	(4,601)	(5,521)	(4,601)	(5,521)
Bad debts	19	194	-	-
Movement in provision for impairment of doubtful debts	(91)	104	(217)	19
Add / (less) movements in working capital				
Accounts receivable	(12,550)	8,315	(8,573)	(1,540)
Inventory	(531)	(198)	(107)	(51)
Tax refund due	(1,354)	682		-
Accounts payable	353	(1,040)	2,077	4,989
Employee provisions	504	410	319	30
WRC Holdings Group current account	-	-	1,769	(725)
Add / (less) items classified as investing or financing activities				
Accounts payable related to fixed assets	(16,029)	(17,947)	(488)	(264)
(Gains) / losses on disposal of property, plant and equipment	315	183	315	183
WRC activities relating to financing		-	1,620	759
Forestry encouragement loan interest compounded	305	346	305	346
Net cash flow from operating activities	**10,812**	**20,037**	**12**	**8,631**

Note 25 Contingencies

	Group		Council	
	2009 Actual $000s	**2008 Actual $000s**	**2009 Actual $000s**	**2008 Actual $000s**
Contingent liabilities				
Legal proceedings and obligations	1,738	1,530	1,738	1,530
Uncalled shares in Wellington Coldstore Limited	750	750	-	-
Uncalled capital – WRC Holdings Limited				
50,000,000 $1 shares uncalled and unpaid	-	-	50,000	50,000
22,170,000 $1 shares, called and paid to 2.7 cents per share	-	-	-	21,571
22,170,000 $1 shares, called and paid to 7.1 cents per share			20,596	-
	2,488	2,280	72,334	73,101

Greater Wellington has responsibility for 13 contaminated sites in the region. None are considered high risk and any clean-up costs are considered to be negligible. There may also be other contaminated sites which Greater Wellington is unaware of.

Legal proceedings and obligations may arise where a resource consent has been granted and where the consent holder does not comply with the conditions.

The risk to Greater Wellington is that it may need to defend enforcement action by complainants. Greater Wellington budgets for a certain level of legal costs and technical expertise each year.

Note 26 **Financial instruments**

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

The Group had exposure to currency risk on purchases of assets and services denominated in foreign currencies during the period but not at balance date.

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.

	Group		Council	
	Actual	Actual	Actual	Actual
Forward foreign exchange contracts				
Less than one year	2,070	10,878	2,070	2,094
One to two years	1,240	2,070	1,240	2,070
Two to five years	82	1,322	82	1,322
Greater than five years	-	-	-	-
	3,392	14,270	3,392	5,486

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.

The Group has exposure to fair value interest rate risks as a result of investments, external debt and cash balances.

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 and interest rate collars (options) to manage interest rate exposures for future periods. At 30 June 2009 the Group had entered into the following interest rate swaps and interest rate collar agreements:

	Group		Council	
	Actual	Actual	Actual	Actual
Interest rate swap agreements				
Less than one year	25,000	34,000	5,000	29,000
One to two years	46,000	25,000	46,000	5,000
Two to five years	80,000	105,000	15,000	20,000
Greater than five years	200,000	15,000	70,000	15,000

The notional principal amounts of the outstanding interest rate swap contracts for Greater Wellington were $136,000,000 (2008 $69,000,000) and for the Group $351,000,000 (2008 $179,000,000). At 30 June 2009, the fixed interest rates of swaps vary from 4.61% to 7.30% (2008 6.02% to 8.33%).

Note 26 continued

Financial instruments

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows 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 cash flow interest rate risk.

Generally, the Group raises long term borrowings at short term rates and swaps them back into fixed rates using interest rate swaps to manage the cash flow interest rate risk. Such interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates that are generally lower than those available if Greater Wellington borrowed at fixed rates directly. Under the interest rate swaps 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.

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 which expose the Group to credit risk are principally bank balances, receivables and investments. The Group monitors credit risk on an ongoing basis.

Bank balances and short-term investments are held with New Zealand-registered banks in accordance with Greater Wellington's Treasury 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.

Concentration of credit risk

Greater Wellington derives the majority of its income from rates, the regional water supply levy 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 New Zealand Transport Agency and the 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.

Liquidity risk

Liquidity risk is the risk that 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, undrawn committed lines and overdraft facilities with its relationship banks, in accordance with the Treasury Management Policy. CentrePort Limited reduces its exposure to liquidity risk through a bank overdraft and a New Zealand dollar commercial bill facility.

Note 26 continued **Financial instruments**

Financial instruments categories

The accounting policies for financial instruments have been applied to the items below:

	Group		Council	
	Actual	Actual	Actual	Actual
Financial assets				
Fair value through profit and loss				
Derivative financial instrument assets	6,017	3,732	2,765	1,545
Held to maturity				
Local Government Insurance Corporation shares	80	80	80	80
Bank bonds	22,145	14,954	22,145	14,954
Loans and receivables				
Cash and cash equivalents	17,881	34,157	29,375	33,226
Trade and other receivables	36,780	29,826	32,538	23,965
Stadium advance	3,954	3,661	3,954	3,661
	86,857	86,410	90,857	77,431
Financial liabilities – at amortised cost				
Trade and other payables	48,116	37,146	27,729	23,883
Borrowings				
Bank overdraft	12	61	12	61
Crown loans	14,329	7,599	14,329	7,599
Commercial paper	-	47,259	-	47,259
Committed and uncommitted lines	227,354	178,932	11,675	6,000
Forestry encouragement loans	4,996	5,402	4,966	5,402
Fixed rate bond	50,000	-	50,000	-
	344,807	276,399	108,711	90,204

Note 26 continued

Financial instruments

Financial instrument risks

The Group's maximum credit exposure for each class of financial instrument are as follows.

	Group		Council	
	Actual	Actual	Actual	Actual
Cash at bank and term deposits	17,881	34,157	29,375	33,226
Trade and other receivables	36,780	29,543	32,538	23,965
Bank bonds	22,145	14,954	22,145	14,954
Stadium advance	3,954	3,661	3,954	3,661
Derivative financial instrument assets	6,017	3,732	2,765	1,545
Total credit risk	86,777	86,047	90,777	77,351

Credit quality of financial assets

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

	Group		Council	
	Actual	Actual	Actual	Actual
Counterparties with credit ratings				
Cash at bank and term deposits				
AA	17,881	34,157	29,375	33,226
Bank bonds				
AA	22,145	14,954	22,145	14,954
Derivative financial instruments				
AA	6,017	3,732	2,765	1,545

Debtors and other receivables mainly arise from Greater Wellington's statutory functions. Greater Wellington rates are being collected by the local city and district councils. The risk of default on statutory charges is minimal.

Note 26 continued

Financial instruments

Contractual maturity analysis of financial liabilities

The table below analyses the Grcup's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual date. Future interest payments on floating rate debt is based on the instrument at the balance date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying $000s	Contractual $000s	Less than $000s	1-2 years $000s	2-5 years $000s	More than 5 $000s
Council 2009						
Trade and other payables	27,729	27,729	27,729	-	-	-
Bank overdraft	12	12	12	-	-	-
Commercial paper	-	-	-	-	-	-
Lines of credit	11,675	11,750	11,750	-	-	-
Forestry encouragement loans	4,966	6,326	989	1,868	407	3,062
Crown loans	14,328	26,521	-	-	-	26,521
Total	58,710	72,338	40,480	1,868	407	29,583
Group 2009						
Trade and other payables	48,116	104,464	103,784	600	-	-
Bank overdraft	12	12	12	-	-	-
Commercial paper	-	-	-	-	-	-
Lines of credit	11,675	11,750	11,750	-	-	-
Forestry encouragement loans	4,966	6,326	989	1,868	407	3,062
Crown loans	14,328	26,521	-	-	-	26,521
WRCH Group loans	172,932	203,359	13,835	86,635	102,889	-
Total	252,029	352,432	130,370	89,103	103,296	29,583
Council 2008						
Trade and other payables	23,883	23,883	23,883	-	-	-
Bank overdraft	61	61	61	-	-	-
Commercial paper	47,259	48,300	48,300	-	-	-
Lines of credit	6,000	6,001	6,001	-	-	-
Forestry encouragement loans	5,402	6,877	1,365	1,001	1,624	2,887
Crown loans	7,599	15,191	-	-	-	15,191
Total	90,204	100,313	79,610	1,001	1,624	18,078
Group 2008						
Trade and other payables	37,146	73,727	73,027	700	-	-
Bank overdraft	61	61	61	-	-	-
Commercial paper	47,259	48,300	48,300	-	-	-
Lines of credit	6,000	6,001	6,001	-	-	-
Forestry encouragement loans	5,402	6,877	1,365	1,001	1,624	2,887
Crown loans	7,599	15,191	-	-	-	15,191
WRCH Group loans	172,932	203,359	13,835	86,635	102,889	-
Total	276,399	353,516	142,589	88,336	104,513	18,078

Note 26 continued **Financial instruments**

The table below analyses the Group's derivative financial instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Liability $000s	Asset $000s	Contractual $000s	Less than 6 $000s	Between 6 $000s	More than 1 $000s
Council and Group 2009						
Forward foreign exchange contracts:	-	110	-	-	-	-
Outflow	-	-	3,392	1,105	965	1,322
Council and Group 2008						
Forward foreign exchange contracts:	-	594	-	-	-	-
Outflow	-	-	14,270	9,778	1,100	3,392

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 the Group's financial instrument exposures at balance date.

Council		2009		2008	
Interest rate risk	Note	Profit $000s	Profit $000s	Profit $000s	Profit $000s
Financial assets					
Cash at bank and term deposits	1	(294)	294	(332)	332
Bank bonds	2	307	(301)	313	(305)
Derivatives	3a	(2,881)	2,612	(1,097)	1,025
Financial liabilities					
Borrowings					
Bank overdraft	4	-	-	6	(6)
Commercial paper	5	-	-	464	(461)
Committed and uncommitted lines	6	117	(117)	60	(60)
Total sensitivity to interest rates		(2,751)	2,488	(586)	525

100 bps is a 1% movement in the interest rate.

Note 26 continued **Financial instruments**

Foreign exchange risk

		2009		2008	
		Profit $000s	**Profit $000s**	**Profit $000s**	**Profit $000s**
Financial assets					
Derivatives	3b	389	(318)	(530)	647
Total sensitivity to foreign exchange risk		389	(318)	(530)	647

Explanation of sensitivity analysis – Council

1) Cash and cash equivalents

Cash and cash equivalents include deposits which are on a 90-day or 180-day investment are totalling $29,375,000 (2008 $33,226,000). A movement in interest rates of plus or minus 1.0% has an effect on interest income of $294,000 (2008 $332,000).

2) Bank bonds

There are $22,145,000 (2008 $14,954,000) invested in bonds and notes. A movement in interest rates of plus or minus 1% has an effect of negative $307,000 (2008 negative $313,000)) and $301,000 (2008 $305,000) respectively.

3) Derivatives

a) Interest rate swaps

Derivative financial assets include interest rate swaps which have a fair value totalling $2,654,000 (2008 $1,204,000). A movement in interest rates of plus 1% results in a net gain of $2,612,000 (2008 $525,000). A movement in interest rates of minus 1% results in a net loss of $2,881,000 (2008 $586,000).

b) Foreign exchange contracts

Derivative financial assets include forward foreign exchange contracts with a total fair value of $110,000 (2008 $340,0001). A movement on foreign exchange rates of plus or minus 10% has an impact of ($318,000)/$389,000 (2008 ($530,000) / $ 647,000) based on a current valuation.

4) Commercial paper

There is no Commercial paper issued (2008 $47,259,000). A movement in interest rates of minus 1% has a $nil effect on interest expenses (2008 $464,000). A 1% upward movement of interest rates has a $nil effect (2008 $461,000).

5) Bonds

Bond issuances totalled $50,000,000 (2008 $ nil). A movement of plus or minus 1% in market interest rates has an effect of on interest expense of $ nil (2008 $ nil).

6) Committed and uncommitted lines

Money market borrowing under committed and uncommitted lines totalled $11,675,000 (2008 $6,000,000). A movement of plus or minus 1% in market interest rates has an effect of on interest expense of $117,000 (2008 $60,000).

Note 26 continued

Financial instruments

Group

Interest rate risk	Note	2009 Profit $000s	2009 Profit $000s	2008 Profit $000s	2008 Profit $000s
Financial assets					
Cash at bank and term deposits	1	(299)	299	(340)	340
Bank bonds	2	307	(301)	313	(305)
Derivatives	3a	(4,197)	3,928	(2,247)	2,175
Financial liabilities					
Borrowings		-	-	-	-
Bank overdraft	4	-	-	6	(6)
Commercial paper	5	-	-	464	(461)
Committed and uncommitted lines	6	2,273	(2,273)	1,730	(1,730)

Foreign exchange risk	Note	2009 Profit $000s	2009 Profit $000s	2008 Profit $000s	2008 Profit $000s
Financial assets					
Derivatives	3b	389	(318)	(1,506)	1,446
Total sensitivity to foreign exchange risk		389	(318)	(1,506)	1,446

Explanation of sensitivity analysis – Group

1) Cash and cash equivalents

Cash and cash equivalents include deposits which are on a 90 day investment totalling $17,881,000 (2008 $34,157,000). A movement in interest rates of plus or minus 1% has an effect on interest income of $299,000 (2008 $340,000).

2) Bank bonds

There are $22,145,000 (2008 $14,954,300) invested in bonds and notes. A movement in interest rates of plus or minus 1% has an effect of negative $307,000 (2008 negative $313,000) and $301,000 (2008 $305,000) respectively.

3) Derivatives

a) Interest rate swaps

Derivative financial assets include interest rate swaps which have a fair value totalling $5,898,000 (2008 $2,836,000). A movement in interest rates of plus 1% results in a net gain of $3,928,000 (2008 $2,175,000). A movement in interest rates of minus 1% results in a net loss of $4,197,000 (2008 $2,247,000).

b) Foreign exchange contracts

Derivative financial assets include forward foreign exchange contracts with a total fair value of $110,000 (2008 $438,000). A movement on foreign exchange rates of plus or minus 10% has an impact of ($318,000) and $389,000 respectively (2008 $1,446,000 and ($1,506,000) respectively) based on a current valuation using an exchange rate plus or minus 10%.

4) Commercial paper

There is no commercial paper (2008 $47,259,000). A movement in interest rates of plus or minus 1% has an effect on interest expenses of $nil (2008 $464,000 and ($461,000)).

5) Committed and uncommitted lines

Money market borrowing under committed and uncommitted lines totalled $217,355,000 (2008 $178,932,000). A movement of plus or minus 1% in market interest rates has an effect of on interest expense of $2,273,000 (2008 $1,730,000).

Note 27 Related parties

Identity of related parties

The Group has related-party relationships with its subsidiaries (see Note 17), Councillors, Directors and executive management team. During the year, key management personnel, as part of normal customer relationships, were involved in minor transactions with Greater Wellington, such as rates payments.

Council committees include key members from many local and central government entities. Greater Wellington enters into transactions with these entities on an arm's length basis. Those transactions that occur within a normal supplier or client relationship on terms and conditions no more or less favourable than those which it is reasonable to expect Greater Wellington would have adopted if dealing with that entity at arm's length in the same circumstances are not disclosed.

Greater Wellington owns 100% of the shares in WRC Holdings Limited and indirectly 76.9% of the shares of CentrePort Limited. Councillors Burke, Buchanan and Glensor and Chair Wilde are directors of WRC Holdings Limited, Pringle House Limited, Port Investments Limited, Greater Wellington Rail Limited, Greater Wellington Transport Limited and Greater Wellington Infrastructure Limited.

Greater Wellington owns 100% of the shares in Grow Wellington Limited. Grow Wellington Limited changed its name from Regional EDA Limited on the 25 February 2008. The Directors of Grow Wellington Limited are B Albiston, M Bain, V Beck, P Swain, J Lumsden, M McCaw, J McFadzean and L Pham.

Chief Executive D Benham was a director of CentrePort and New Zealand Water and Waste Association.
Councillor Wilde was Chair of Wellington Waterfront Limited (resigned 29 August 2007) and is married to the Chief Executive of Landcorp Farming Limited.
Councillor Buchanan is a director of Local Government Superannuation Trustees Limited
Councillor Glensor is Chair of Hutt Valley District Health Board.
A Director of Grow Wellington J Lumsden is a Director of Moxie Design
All transactions with related parties have been carried out on normal commercial terms. Significant transactions during the year ended 30 June 2009 included:

Transactions with related parties	Council 2009 Actual $000s	Council 2008 Actual $000s
CentrePort Wellington Group		
Income from use of navigational facilities and consents charges	698	698
Expense for rental and services	(105)	(94)
Wellington Waterfront Ltd licence purchases from CentrePort	(5)	(5)
Wellington Waterfront Ltd licence fees to CentrePort	138	138
WRC Holdings Group (Excluding CentrePort)		
Income from management services provided	553	361
Income from subvention payment	895	1,031
Income from dividends	1,661	64
Expense for rent of the Regional Council Centre	(1,626)	(1,630)
Expense for interest on inter company current account	(46)	(49)
Grow Wellington Limited		
Grants	4,113	4,209

No provision has been required nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2008: $0).

Note 27 **Related parties continued**

	Council 2009 Actual $000s	Council 2008 Actual $000s
Sign Factory		
Expense for services	-	(2)
Hutt Valley District Health Board		
Expense for services	(56)	-
NZ Local Government Insurance Corporation Limited		
Income from dividends	11	11
Wellington Waterfront Ltd		
Resource consent fees	(2)	(1)
NZ Water and Waste Association		
Expense for services	(8)	(9)
Local Government Superannuation Trustees Limited		
Employee contributions to superannuation scheme	(365)	(429)
Landcorp Farming		
Expense for services	(5)	(61)
Moxie Design		
Expense for services	(749)	(428)

Key management personnel

Key management personnel include the Councillors, Chief Executive and members of the Executive Management Team (EMT) – for details of the EMT are detailed in the Chief Executive's report.

	Council 2009 Actual $000s	Council 2008 Actual $000s
Short-term employee benefits	2,535	2,414
Post-employee benefits	149	171

Note 28 Remuneration

Chief Executive remuneration

For the year ending 30 June 2009 the Chief Executive of the Greater Wellington Regional Council, appointed under section 42(1) of the Local Government Act 2002, received total remuneration of $341,938 (2008 $342,113) The Chief Executive was appointed on 5 September 2005.

	Council	
	2009	2008
	Actual	Actual
Councillor Remuneration	$000s	$000s
Councillor J Aitken	69,671	63,985
Councillor S Baber	71,058	60,256
Councillor P Bruce	51,014	32,419
Councillor I Buchanan	72,962	92,039
Councillor J Burke	54,550	32,419
Councillor B Donaldson	52,765	35,276
Councillor G Evans	-	15,200
Councillor P Glensor	74,471	70,462
Councillor S Greig	51,014	47,791
Councillor R Kirton	65,615	67,125
Councillor C Laidlaw	71,058	68,237
Councillor P Lamason	51,014	38,064
Councillor R Long	-	22,453
Councillor T McDavitt	-	23,409
Councillor M Sheilds	-	15,118
Councillor C Turver	-	26,387
Chair F Wilde	149,075	114,084
Councillor N Wilson	51,014	32,334

Note 29 Capital commitments and operating leases

Capital commitments

	Group		Council	
	Actual	**Actual**	**Actual**	**Actual**
Capital expenditure contracted for at balance date but not yet incurred	247,078	267,455	413	1,331

Operating lease commitments – lessee

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

	Group		Council	
	Actual	**Actual**	**Actual**	**Actual**
Within one year	3,844	7,055	2,225	8,421
After one year but no more than five years	4,951	5,301	21	6,866
More than five years	5,558	2,098	-	2,098
	14,353	14,454	2,246	17,385

Operating lease commitments are for vehicles, computer equipment, forklift trucks and office equipment, as well as rental for space in the Regional Council Centre. This rental is paid to a subsidiary Pringle House Limited. These leases have an average life of between 1 and 10 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 $1,626,000 was recognised as an expense in the Income Statement (2008 $1,630,000). Contingent rent was not paid (2008: nil).

Transport and operator commitments

Future minimum contract payments under non-cancellable transport contracts as at 30 June are as follows:

	Group		Council	
	Actual	**Actual**	**Actual**	**Actual**
Within one year	121,756	40,224	121,756	40,224
After one year but no more than five years	136,890	98,017	136,890	98,017
More than five years	40,590	58,401	40,590	58,401
	299,236	196,642	299,236	196,642

Operating lease commitments – lessor

The Group leases its investment properties under operating leases. The lease terms have non-cancellable terms from 1-4 years. The future aggregated minimum lease payments to be collected under non-cancellable operating leases are as follows:

	Group		Council	
	Actual	**Actual**	**Actual**	**Actual**
Within one year	14,300	7,253	-	-
After one year but no more than five years	37,559	3,565	-	-
More than five years	-	-	-	
More than five years	73,856	3,491		
	125,715	14,309	-	-

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

Note 30 Severance payments

There were four employees (2008 three) who received total severance payments of $109,596 (2008 $67,696). Employee one received $33,330 employee two received $55,045, employee three received $17,593 and employee four received $3,628.

These disclosures have been made in accordance with Clause 19, Schedule 10 of the Local Government Act 2002.

Note 31 Major variances between actual and budget

	Notes	2009 Actual $000s	2009 Budget $000s	Variance $000s
Income statement				
Revenue				
Government grants and subsidies	1	99,841	108,359	(8,518)
Expenditure				
Transport improvement grants	1	70,240	82,933	(12,693)
Balance Sheet				
Term deposits	2	12,050	-	12,050
Other investments	2	26,178	3,040	23,138
Forestry Investments	3	8,987	15,841	(6,854)
Investment in subsidiaries	4	36,115	37,313	(1,198)
Property, plant and equipment	5	628,450	641,378	(12,928)
Debt				
Current debt	6	12,474	61,244	(48,770)
Term debt	6	68,495	33,988	34,507
Total debt	6	80,969	95,232	(14,263)

Explanations

1. Grants and subsidies - Revenue and expenditure

Greater Wellington receives grant revenue to fund various transport projects. Revenue is only received when expenditure is incurred including:

- Grants for Super Gold cards $2.564 million, not budgeted
- Lower grant revenue is received due to the lower transport expenditure.

The timing of a number of rail projects including McKays Crossing to Waikanae double tracking, station upgrades, signalling and power upgrades has changed. This has reduced the current year's expenditure

- Reduced payments in respect of diesel inflation, $3.592 million
- Grants expenditure for Super Gold cards $2.564 million, not budgeted

2. Term deposits and other investments

Some deposits have moved from long term to current (less than 1 year) maturity

Note 31 Major variances between actual and budget

Explanations continued

3. Forestry investments

Greater Wellington's forestry investments are valued each year. Lower market prices and high shipping costs continued in 2008/09 resulting in little change between the actual 2007/08 and 2008/09 valuations. The budget variance arises from the difference in valuation expectations at the time of the budget and year end.

4. Investment in subsidiaries

Council share of the new rail rolling stock is funded by way of share capital in GW Rail Ltd. The timing of the Matangi expenditure is different to budget.

5. Property, plant and equipment – capital expenditure

- The revaluation of the water supply assets were $18 million below budget

6. Debt

Debt has been moved from current to long term with overall term debt lower than budget due to the lower level of capital expenditure compared to budget.

Note 32 Events occurring after balance date

There were no significant events after balance date.

Report on groups of activities

For each activity the actual achievement is compared to the planned performance indicators as set out in the *2008/09 Annual Plan*. The Annual Plan specified key changes from the 2006-16 Ten-Year Plan (LTCCP).

A funding-impact statement is also included, showing the operating surplus or deficit and capital expenditure for the year, as well as how that expenditure was funded.

Any remaining funding surplus after reserve transfers is used to repay debt in accordance with Greater Wellington's policy.

Greater Wellington's Environment group of activities contributes to the following community outcomes – healthy environment, sense of place and healthy community. The specific activities not only enhance the region's environmental wellbeing but they also benefit, to varying degrees, the community's social, economic and cultural wellbeing.

We develop and implement resource management policies and plans, manage resource consents and respond to pollution incidents. This year we consulted on the proposed Regional Policy Statement (RPS), processed nearly 500 resource consents and responded to 1,147 pollution incidents.

We focus on researching key environmental issues, and measuring the quality and quantity of our natural resources, such as river flows and air quality. This year we again produced our annual report cards on the state of the region's key resources and carried out a number of specific investigations, such as investigations into Wairarapa groundwater.

We run three environmental education programmes – Take Care, Take Action and Take Charge – which involve the community, schools and businesses respectively. This year we worked with more than 35 care groups, more than 2,000 school children and more than 32 businesses on environmental projects. We also work in collaboration with private landowners to get high-value native ecosystems, such as forest, wetlands and dunelands, legally protected and well managed.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Community outcomes	Activities
Healthy environment Sense of place Healthy community	Develop and implement the RPS and regional plans. Process and monitor resource consents. Investigate and clean-up pollution incidents. Research key environmental issues and threats. Measure the quality and quantity of our natural resources, eg, river flows, air quality, soil health. Report to the public on the state of the environment. Help children, businesses and the community to look after and restore the environment.

Activity: Manage resources

Levels of service:

1. Develop and implement the Regional Policy Statement (RPS) and regional plans

Targets	Actual
LONG-TERM targets by 30 June 2016	
60 wetlands on private land will be legally protected. (In 2006, 31 wetlands protected.)	Currently, 37 wetlands on private land are legally protected. 138 landowners have joined the Wetlands Incentive Programme since it began. Assistance with fencing and weed control remains the most popular way to use the incentives offered. In 2008/09, four wetlands were approved for covenant with Greater Wellington's financial support.
400 native forest areas on private land will be protected. (In 2006, 176 native forest areas protected.)	Currently, 210 native forest areas are legally protected. Twelve new areas of native forest were approved for covenant with Greater Wellington's financial support in 2008/09.
The water quality index will show that the water quality in our key streams and rivers is being maintained or enhanced.	State of the environment (SOE) monitoring relating to water quality continues. The next full SOE report is scheduled for 2011. This year's monitoring confirmed that our best water quality is in streams and rivers where there is little human influence, while the worst water quality is found in waterways in urban and agricultural areas.
Coastal water quality will meet the standard for which it is being managed as specified in the Regional Coastal Plan (eg, contact recreation) and measured through our coastal water quality monitoring programme.	Recreational water quality monitoring is reported on Greater Wellington's website during the bathing season and by way of an annual report presented to the Regulatory Committee. As with previous years, recreational water quality in the region is generally good apart from the times immediately following heavy rainfall.

Activity: Manage resources (continued)

Targets	Actual
LONG-TERM targets by 30 June 2016 (continued)	
There will be no recorded instances when air pollution reaches the "alert" level of the national air quality guidelines or 66% or greater of the national air quality standards.	Since 2006, the number of times that alert levels for fine particulate matter (PM_{10}) have been reached is (2008 in brackets): • Wellington – 1 (1) • Upper Hutt – 2 (0) • Lower Hutt – 1 (0) • Wainuiomata – 13 (4) • Wairarapa – 41 (12) • Tawa – 3 (0)

Activity: Manage resources (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009 The RPS will be progressed through the statutory approval process. An implementation plan for the RPS will be prepared and approved by Council, within a budget of $454,000. (The LTCCP stated that an implementation plan would be prepared by 2008 and a progress report would be approved by the Council by June 2009, within a budget of $220,000. This target was amended in 2008 as the Council decided to prepare an additional full draft Regional Policy Statement. This delayed the preparation of the Proposed Regional Policy Statement and the budget was amended accordingly.)	A Proposed Regional Policy Statement was approved for public consultation by the Council in March 2008. Submissions closed on 8 June 2008. 144 submissions were received. Hearings will take place in November 2009. The implementation plan will follow in 2009/10. Actual costs were less than budget because of reduced spend on printing and external consultants. Actual costs were $398,500.
The following programmes and plans will be implemented and a progress report will be approved by the Council, within a budget of $841,000. • Wetland Action Plan • Queen Elizabeth II Trust Private Land Protection Programme • Freshwater Ecosystems Programme • Kaiwharawhara Stream Plan • Waiwhetu Stream Action Plan • Pauatahanui Inlet Action Plan • Coastal and Marine Ecosystem Programme	**Wetland Action Plan** Sixteen landowners joined the Wetland Incentives Programme, bringing the total to 138. New wetlands are added to our wetland inventory as they are discovered. **Queen Elizabeth II National Trust Private Land Protection Programme** This year, financial commitments were made to 10 covenant projects, protecting 41 hectares of indigenous forest and wetland. **Freshwater Ecosystems Programme** A draft Freshwater Ecosystems action plan, intended to guide Greater Wellington's operational practices in relation to freshwater and promote biodiversity, was completed in June 2009. **Urban Streams** A joint report with the Wellington City Council and Porirua City Council on restoration priorities in the Porirua Stream catchment was prepared. The report will guide Greater Wellington, the territorial authorities and the community on their ecological restoration efforts. **Waiwhetu Stream Action Plan** The contract for the flood works and clean-up of the Waiwhetu Stream was awarded in May 2008. Work will commence in July 2009, starting with flood protection works in the lower channel below Seaview Road bridge. The remediation work for the contaminated sediments will start in October 2009. Therefore, $293,000 was re-budgeted to 2009/10.

Activity: Manage resources (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009 (continued)	
	Pauatahanui Inlet Action Plan Work has continued with private landowners in the Pauatahanui catchment to retire and protect riparian and wetland areas. When the current projects are complete, more than 1,700 metres of fencing will have been erected and some 12,600 native plants established. **Coastal and Marine Ecosystem Programme** Implementation of the Coastal and Marine Ecosystems action plan has continued. Restoration activities (normally involving fencing and planting) took place at Paekakariki, Whangaimoana (South Wairarapa), Plimmerton, Mana and on Wellington's south coast. Draft restoration plans were prepared for North Waitohu Stream mouth, south Peka Peka, Waikanae Boating Club, Onehunga Bay dunes and wetland, Titahi Bay, Lyall Bay and Island Bay. The appropriate territorial authorities and community groups were consulted on the proposed work before the plans were finally approved. Actual costs were $535,500.
The Stormwater Action Plan will be implemented in association with city and district councils, within a budget of $69,000.	The Stormwater Action Plan was implemented during the year, and a review of the stormwater action plan was carried out with the region's territorial authorities. However, implementation was slower than expected as staff resources were diverted to other work. Of the 21 actions listed in the plan, six were completed, 12 continue to be worked on, one was deleted because it was no longer appropriate and the remaining two will be progressed in following years. Actual costs were $21,400.

Activity: Manage resources (continued)

Levels of service:

2. Process and monitor resource consents

Targets	Actual
LONG-TERM targets by 30 June 2016	
100% of resource consents will be processed within statutory timeframes (20 working days for non-notified consents).	Since 2006, 99% (1,789) of 1,812 resource consents were processed within statutory timeframes. 23 were outside those timeframes due to minor management errors.
100% of resource consents will be monitored for compliance with resource consent conditions.	Compliance schedules are prepared each year to ensure that the vast majority of consents are monitored for compliance. Those consents not monitored are deemed to represent low environmental risk. Any non-compliance was followed up with consent holders.
Customer satisfaction surveys will show that more than 60% of recent applicants and existing consent holders rate their level of satisfaction with our resource consents processing service as excellent or very good.	An independent customer satisfaction survey, carried out in April 2008, showed that 40% of recent applicants and existing consent holders rate their level of satisfaction with our consent processing as excellent or very good.

Activity: Manage resources (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
100% of resource consents will be processed within statutory timeframes (20 working days for non-notified consents), within a budget of $675,000.	509 (98%) out of 519 consents were processed inside statutory timeframes. 10 consents were outside the timeframes due to management error. There was greater spend on legal and scientific experts in relation to notified consents and appeals. Actual costs were $736,000.
100% of resource consents will be monitored for compliance with resource consent conditions, within a budget of $508,000.	1,791 out of 1,873 (95%) scheduled compliance inspections were completed. Though costs were less than expected, the proportion of budget allocated to compliance should have been lower and the resource consents processing budget should have been higher. Actual costs were $291,000.
At least two workshops will be conducted for customers on how they can obtain best value from the resource consent process, within a budget of $61,000.	Two workshops were conducted. The first (December 2008), on best practice in dairy farm effluent management, was carried out in conjunction with Fonterra and DairyNZ and delivered to consent holders. The second workshop (June 2009) was on our Muddy Waters programme, and was delivered to subdivision developers, consultants and earthworks contractors. The budget was exceeded as the workshops attracted more participants than expected and more organisation was required. Actual costs were $85,600.

Activity: Manage resources (continued)

Levels of service:

3. Research key environmental issues and threats

Targets	Actual
LONG-TERM targets by 30 June 2016	
Environmental problems will be investigated as soon possible after they are identified so that appropriate remedial action can be taken.	Targeted investigations of significant resource issues are undertaken in response to pollution incidents or matters identified in our environmental monitoring programmes. Responding to algal bloom outbreaks, and monitoring and investigating high nitrate concentration in groundwater, are examples of this approach.
SHORT-TERM targets by 30 June 2009	
Environmental problems will be investigated and identified to enable appropriate remedial action to be undertaken, within a budget of $387,000.	Targeted investigations included the benefits to water quality from riparian (stream-side) planting and nitrate contamination in Wairarapa groundwater. Results of our targeted investigations were reported to the Regulatory Committee throughout the year. A number of investigations did not proceed as planned. River works meant that an in-stream assessment of the Waingawa steam could not proceed. Actual costs were $284,100.
Maintain a Selected Land Use Register with public enquiries responded to within one week, within a budget of $66,000.	The register was kept up to date, with 1,851 site records held at the end of the financial year. We received 589 requests about whether a site was on the register. All requests were responded to within a week, but the complexity of a few meant that ongoing discussions were required. Costs were below budget as some of the work on contaminated land is now being carried out by city and district councils. Actual costs were $36,100.

Activity: Manage resources (continued)

Levels of service:

4. Investigate and clean-up pollution incidents

Targets	Actual
LONG-TERM targets by 30 June 2016	
The number of reported pollution incidents will decrease on an annual basis.	In 2006/07 the number of reported incidents decreased by 19% on the previous year. There followed a 9% decrease in 2007/08 and a 16% decrease in 2008/09 (see below).
Reported pollution incidents will be responded to in timeframes that are in accordance with the severity of the incident.	All reported pollution incidents are responded to within timeframes that have been established that relate to the severity of the incident (see below).
SHORT-TERM targets by 30 June 2009	
An annual report card providing a summary of pollution-control activities will be prepared and made publicly available within a budget of $179,000	A series of annual report cards on incidents, enforcement and Take Charge activities for 2007/08 was presented to the Regulatory Committee in March 2009. Actual costs were $141,600.
All reported pollution-response incidents will be categorised and responded to in accordance with the following timeframes, and within a budget of $167,000: • Log only – no action required • Red (serious adverse environmental effect requiring immediate attention) – 60 minutes • Yellow (serious environmental effect where no benefit will be gained by an immediate response) – 24 hours • Blue (minor environmental effect not requiring immediate response) – 7 days	1,153 incidents were notified and responded to, down from 1,376 in the previous year. All incidents are responded to well within the threshold response timeframes identified. The average response times were: Red: 43 minutes Yellow: 9.5 hours Blue: 5 days Costs were lower than budget because there were fewer incidents than anticipated. Actual costs were $132,400.

Activity: Monitor the state of the environment

Levels of service:

1. Measure the quality and quantity of our natural resources, eg, river flows, air quality, soil health

Targets	Actual
LONG-TERM targets by 30 June 2016	
The following environmental data will be provided to the public on a regular basis – bathing water quality, river levels, rainfall, groundwater levels, tide levels, air quality, lake levels and meteorological information.	Real-time environmental data is continually updated on Greater Wellington's website. Monthly summaries of hydrological data are also prepared.
Timely warnings will be given of threats to the environment and human life.	Warnings of high rainfall events and rising river levels are given to flood managers, emergency managers, territorial authorities and potentially affected landowners.
SHORT-TERM targets by 30 June 2009	
Greater Wellington's flood managers will be notified within 30 minutes when any river or rainfall trigger levels are reached, within a budget of $81,000.	Flood managers were notified within the required timeframe when trigger levels were reached. Trigger levels were reached during 11 flood events in the western part of the region and 12 in the Wairarapa. Costs were lower than budget as there were fewer floods than anticipated. Actual costs were $54,900.
Greater Wellington's water and consents managers will be notified within one working day of low groundwater levels in the Waiwhetu aquifer, within a budget of $169,000	The Waiwhetu aquifer was above the low-level warning trigger throughout the year. No development was undertaken, only monitoring, resulting in costs being less than budget. Actual costs were $70,900.

Activity: Monitor the state of the environment (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
Water samples will be taken weekly throughout the bathing season (1 November to 31 March) and tested for the presence of bacteria. The following traffic light warning framework will be implemented, within a budget of $92,000: • Green – low or no public health risk • Amber – alert mode requiring follow-up monitoring • Red – action required and beach closed	Recreational water quality samples were collected weekly from 1 November 2008 to 31 March 2009 and the results of bacteriological testing were displayed on Greater Wellington's website using the traffic light warning framework A summary report on recreational water quality, On the Beaches 2008/09, which set out the results of testing for the bathing season was presented to the June meeting of the Regulatory Committee. Actual costs were $113,200.
The community has access to real-time environmental data.	Real-time data relating to the following was available on Greater Wellington's website throughout the year: • Air quality • River flows • Groundwater levels • Lake level • Meteorology • Rainfall • Bathing water quality • Soil moisture
An air quality monitoring station will be set up, within a budget of $120,000.	It was proposed to set up an air quality monitoring station in the Kapiti airshed in 2008/09. This project was deferred indefinitely for cost-cutting purposes. Costs NIL.

Activity: Monitor the state of the environment (continued)

Levels of service:

2. Report to the public on the state of the environment

Targets	Actual
LONG-TERM targets by 30 June 2016 The community will have access to reliable and relevant information about the state of the environment through regular reports and Greater Wellington's website. Annual report cards on our key resources will be published annually and a comprehensive state of the environment report will be published every six years.	The results of our environmental monitoring programmes are collated and analysed to provide information about the state of the environment that is accessible to the general public. Information is made available to the community through our website, news releases and publications, or on request. Annual report cards on our key resources are produced. The next comprehensive state of the environmental report is scheduled for 2011.
SHORT-TERM targets by 30 June 2009 An annual report card containing summary information for the following resources will be approved by Council within a budget of $1,455,000: • Hydrology • Groundwater • Freshwater quality • Coastal water quality • Recreational water quality • Air quality • Soil quality	The annual report cards were approved by the Regulatory Committee on 18 November 2008. Costs were below budget due to savings made on printing, design and external expertise. Actual costs were $1,219,700.

Activity: Environment education

Levels of service:

1. Help children, businesses and the community to look after and restore the environment

Targets	Actual
LONG-TERM targets by 30 June 2016	
Through the Take Care community environmental education programme, five new care groups will be established each year and assisted to care for degraded local ecosystems. Existing care groups will be maintained.	Five new care groups have been established each year since the programme began. In 2008/09, there were 35 care groups working at sites across the region to restore the environment. This year no new groups were established because it was anticipated that existing groups would require the available budget. Four existing groups that had reached the end of their funding arrangement were renewed.
On average, 2,000 students per year will participate in the Take Action environmental education programme.	Since 2002/03, an average of more than 2,100 students per year participated in the environmental education programme.
20 small-to-medium-sized businesses per year will be provided with advice on how to take practical action to avoid, remedy or mitigate any adverse effects on the environment.	The number of businesses seeking advice about how to be more sustainable continues to increase. Greater Wellington has advised and assisted a number of businesses directly, as well as through its involvement in and funding of the EnviroSmart cleaner production programme and the Get Sustainable Challenge. More than 40 businesses a year are involved in our programmes (see below).

Activity: Environment education (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
Through the Take Care community environmental education programme, five new care groups will be established and assisted to care for degraded l ocal ecosystems and existing care groups will be maintained, within a budget of $281,000.	In 2008/09, there were 35 care groups working at sites across the region to restore the environment. However, this year there was no application round for new groups as it was anticipated that existing groups would require the allocated budget. Four existing groups that had reached the end of their funding arrangement were renewed. In fact, the groups used less resources than anticipated. Actual costs were $243,400.
20 schools will establish systems for promoting change in their students' environmental behaviour or undertake revegetation projects to improve the local environment, through the Take Action Programme, within a budget of $262,000.	A total of 21 schools, and around 2,000 students, participated in Take Action. All of these schools undertook Take Action for Water. The programme received additional external funding of $40,000 which was utilised accordingly. Actual costs were $343,000. An annual report for Take Action was presented to the Sustainability Committee in September 2008.

Activity: Environment education (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
20 small-to-medium-sized businesses will be given advice on how to take practical action to avoid, remedy or mitigate any adverse effects on the environment, within a budget of $245,000.	eMission, a carbon reduction and environmental certification programme for business, commenced in early June 2009 with 19 participating companies, ranging from supermarkets and restaurants to manufacturing enterprises. However, as it took longer than expected to engage these participating companies, $83,000 of the budget was carried over to 2009/10. Using Ministry for the Environment funding, a recycling system for the Westpac Trust Stadium was completed in time for the Sevens Rugby tournament on Waitangi Day. We sponsored the 2008 Get Sustainable Challenge, which involved 46 businesses working to improve their overall sustainability. We also worked with nine businesses with the EnviroSmart programme, all of whom are now Gold-certified EnviroMark businesses. Actual costs were $110,600.

Environment
Financial summary

	Council 2009 Actual $000s	Council 2009 Budget $000s
Funding statement		
General rate	9,333	9,333
Targeted rate	-	-
Government subsidies	57	10
Interest and dividends	21	20
Other operating revenue	2,026	1,736
Operating revenue	**11,437**	**11,099**
Direct operating expenditure	11,361	11,006
Finance costs	45	47
Depreciation	291	239
Operating expenditure	**11,697**	**11,292**
Operating surplus/(deficit)	**(260)**	**(193)**
Less:		
Capital expenditure	462	590
Proceeds from asset sales	(17)	(90)
Loan funding	(160)	(269)
Rates funded capital expenditure	**285**	**231**
Debt repayment	82	90
Investment additions	-	-
Operational reserve movement	143	(275)
Working capital movements	(41)	-
Non-cash items	(291)	(239)
Net funding required	**(438)**	**-**

	Council 2009 Actual $000s	Council 2009 Budget $000s
Operating revenue		
Managing resources	6,298	5,888
Monitor the state of the environment	3,673	3,965
Environmental Education	1,466	1,246
Total operating revenue	**11,437**	**11,099**
Operating expenditure		
Managing resources	6,306	6,067
Monitor the state of the environment	3,882	4,014
Environmental Education	1,509	1,211
Total operating expenditure	**11,697**	**11,292**
Capital expenditure		
Environmental monitoring equipment	129	270
Capital project expenditure	**129**	**270**
Land and buildings	-	-
Plant and equipment	66	70
Vehicles	267	250
Total capital expenditure	**462**	**590**

Greater Wellington's Transport group of activities contribute to the following community outcomes – *prosperous community, connected community, essential services, healthy environment, healthy community and quality lifestyle.* The specific activities continue to have a significant positive impact on wellbeing in general, particularly economic, environmental and social. Economic wellbeing is enhanced by providing a public transport system for people to get to work and by transport planning which facilitates the movement of freight and all types of vehicles for work purposes. This year we completed the Ngauranga to Wellington Airport Corridor Plan and the region's first Regional Land Transport Programme.

Environmental wellbeing is enhanced through contracting public transport services. This results in fewer vehicles on the roads, particularly at congested times, and leads to lower environmental impacts. Passenger boardings in 2008/09 totalled 35.4 million, up 2.1% on 2008/09.

Greater Wellington also encourages cycling and walking. These are environmentally friendly transport options with positive spin-offs in fitness terms. This year we continued our work with schools and businesses to encourage sustainable travel options and revised our regional walking and cycling plans.

Many public transport journeys are made for social reasons. The support we offer for special transport programmes for people with disabilities also leads to improved social wellbeing.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Prosperous community Connected community Essential services	Fund rail, bus and local harbour-ferry passenger services. Provide passenger service information through a call centre, website and paper timetables. Provide and maintain urban passenger trains, "Park and Ride" facilities, train stations, bus-rail interchanges, bus lanes and bus shelters. Develop an affordable Regional Land Transport Strategy and monitor its implementation.
Healthy environment Healthy community	Encourage people to use public transport.
	Part-fund taxi services for people with disabilities.

Activity: Plan and monitor the transport network

Levels of service:

1. Develop an affordable Regional Land Transport Strategy and monitor its implementation

Targets	Actual
LONG-TERM targets by 30 June 2016	
Average congestion on selected roads will remain below 20 seconds delay per kilometre travelled despite traffic growth.	In the Transit New Zealand travel time survey carried out in March 2009, all-day average congestion was 21.0 seconds delay per kilometre travelled. This was the same as in March 2008 and above the 24.6 delay in March 2007.
At least 80% of all trips up to 1km and 60% of all trips between 1km and 2km will be walked or cycled (74% and 19% respectively in 2004).	A survey carried out between February and April 2009 showed that 78% of trips up to 1km and 47% of trips between 1km and 2km were made by walking or cycling.
Journey-to-work trips using public passenger transport will increase by 20%.	Progress towards this target will be measured when 2011 Census data is available. On Census day 2006, 17% of journey-to-work trips were made by public transport and progress will be measured against this baseline.
Less than 442 million litres of petrol and diesel per annum will be used for transport purposes.	Fuel sales have been as follows: • Year to 31 December 2006 – 450 million litres • Year to 31 December 2007 – 464 million litres • Year to 31 December 2008 – 455 million litres • Year to 30 June 2009 – 451 million litres

Activity: Plan and monitor the transport network (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
An annual report on the Regional Land Transport Strategy will be approved by Council, within a budget of $80,000. (The LTCCP budget of $51,000 excluded some aspects of monitoring required.)	The 2007/08 Annual Monitoring Report was approved by the Regional Transport Committee on 22 October 2008. Actual costs were $81,000.
A travel plan programme and active transport coordination will continue to be implemented, within a budget of $642,000. (The LTCCP budget of $1,088,00 overstated the cost of the programme and was subsequently reduced.).	24 schools throughout the region are enrolled in the programme, with more than 7,900 primary and secondary students and their parents exposed to and developing or implementing sustainable travel-to-school initiatives. This figure surpasses the programme's target of engaging 16 schools in school travel plans by June 2009. There are almost 12,000 staff and 20,000 tertiary students from 12 organisations involved in developing and implementing workplace travel plans. As with the school programme, the three-year target of 12 workplace travel plans was met before the end of 2008/09. Actual costs were $1,197,000 taking into account a full allocation of internal staff costs and overheads. If the budget had been set on the same basis it would have been $1,186,000.
Greater Wellington will complete the Ngauranga to Wellington Airport Corridor Plan as a component of the Regional Land Transport Strategy, within a budget of $108,000. (The LTCCP budget of $324,000 was reduced to more accurately reflect the nature of the work planned.)	The plan was adopted by the Regional Transport Committee on 28 October 2008. Savings were made in market research, hearing process and submission analysis. Actual costs were $46,000.
Greater Wellington will review the Travel Demand Strategy, within a budget of $50,000.	The project progressed more slowly than anticipated as other activities took higher priority (namely the Regional Land Transport Programme). It is expected that the new plan will be completed by December 2009. Actual costs were $20,000, with the remainder carried forward to the 2009/10 year to complete the plan.
Greater Wellington will maintain the Wellington Transport Strategic Model, within a budget of $100,000.	The model was maintained at a total cost of $25,000, reflecting delays in the project due to other priorities. The remainder was carried forward to the 2009/10 year.

Activity: Provide the infrastructure for public transport

Levels of service:

1. Provide and maintain urban passenger trains, Park & Ride facilities, stations, bus-rail interchanges, bus lanes, and bus shelters

Targets	Actual
LONG-TERM targets by 30 June 2016	
Average congestion on selected roads will remain below 20 seconds delay per kilometre travelled despite traffic growth.	In the Transit New Zealand travel time survey carried out in March 2009, all-day average congestion was 21.0 seconds delay per kilometre travelled. This was the same as in March 2008 and above the 24.6 delay in March 2007.
SHORT-TERM targets by 30 June 2009	
All current and future public transport user facilities will be maintained in accordance with Greater Wellington's asset management plans and within a budget of $8.4 million. This includes maintenance and improvement of public transport user facilities, as well as improvement of signage at the region's 53 railway stations. (The LTCCP budget was $10,824,000. It was reduced because of changes to the timing of projects.)	All public transport user facilities were maintained in accordance with Greater Wellington's guidelines and asset-management plans. During 2008/09, $6,633,000 was spent maintaining and upgrading 2,829 bus stops, 818 shelters, 49 train stations, and associated Park & Ride facilities. Improvements to the region's public transport infrastructure included 16 new bus shelters and nine bus shelters that were retrofitted with perforated steel. The following station upgrades were also completed: • Waterloo subway was fitted with high-visibility anti-slip steps, new shelter tops were installed, and the emergency call button and closed-circuit television (CCTV) integration were upgraded • The unsafe shelter at Epuni Railway Station was demolished and new shelters installed • Naenae subway was given a "deep clean", repainted (including a mural) and 11 CCTV cameras installed

Activity: Provide the infrastructure for public transport (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009 (continued)	
	• A number of CCTV sites were upgraded at railway stations and rail carparks. Greater Wellington's capability to monitor these sites was improved. • Expenditure on the following projects was less than budget: • There was no expenditure on the redevelopment of the bus/rail interchange at Johnsonville. This project is subject to the developer's plans for the redevelopment of Johnsonville Mall • There was no expenditure on the planned rollout of the Metlink CBD signs. This project and associated budget has now been integrated into the Real Time Information project • There was a reduction in 2008/09 expenditure on the renewal of the trolley bus overhead infrastructure

Activity: Fund and promote public transport services

Levels of service:

1. Fund rail, bus and local harbour-ferry passenger services

Targets	Actual
LONG-TERM targets by 30 June 2016	
Average congestion on selected roads will remain below 20 seconds delay per kilometre travelled despite traffic growth (currently 20 seconds delay per kilometre).	In the Transit New Zealand travel time survey carried out in March 2009, all-day average congestion was 21.0 seconds delay per kilometre travelled. This was the same as in March 2008 and above the 24.6 delay in March 2007.
At least 80% of all trips up to 1km and 60% of all trips between 1km and 2km will be walked or cycled (74% and 19% respectively in 2004).	A survey carried out between February and April 2009 showed that 78% of trips up to 1km and 47% of trips between 1km and 2km were made by walking or cycling.
Journey-to-work trips using public passenger transport will increase by 20%.	Progress towards this target will be measured when 2011 census data is available. On Census day 2006, 17% of journey-to-work trips were made by public transport and progress will be measured against this baseline.
Less than 442 million litres of petrol and diesel per annum will be used for transport purposes (currently 459 million litres).	Fuel sales in the year to 31 December 2008 were 455 million litres. Fuel sales in the year to 30 June 2009 were 451 million litres. It is hoped that public transport improvements and a more efficient vehicle fleet will contribute to reducing transport-related fuel usage.

Activity: Provide the infrastructure for public transport (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
More than 95% of calls to the Metlink Service Centre will be answered and customers given the necessary travel information within a budget of $846,000 and with an overall customer satisfaction rate of 90%. (The LTCCP budget was $605,000. The increase relates to real increases in costs because of increased call volumes and higher service levels.)	95% of all calls to the Metlink Service Centre were answered and customers were provided with the necessary travel information, at a cost of $890,000. The overall customer satisfaction rating achieved was 79%, which was similar to the previous year (82%). Call volumes increased by almost 25% for this financial year. The overspend in this area is due to the increased volume in calls and the service centre overflow being outsourced until May 2009.
Peak-time passenger trips using public transport will increase by 4%. (The LTCCP budget relates to journey-to-work trips. As this is not able to be measured, the target has been amended to "peak-time passenger trips".)	Peak-time passenger trips by public transport reduced by 0.4% in 2008/09.
All rail, bus and harbour ferry service contracts will meet the requirements of Land Transport New Zealand (as required by the Land Transport Management Act 2003) within a budget of $61.6 million.	All rail, bus and harbour-ferry service contracts meet the requirements of the New Zealand Transport Agency (as required by the Land Transport Management Act 2003). Additional improvements to the region's public transport services network during 2008/09 include only minor changes to services to improve efficiency. The actual cost of contracted services, including concessionary fare reimbursements and school services, was $59,293,000. Expenditure was less than planned because the diesel fuel component of transport indices was lower than expected.
Wellington Diesel Bus Services will be reviewed, within a budget of $100,000.	The review of the Wellington city services commenced and public consultation began in June 2009. Reviews of Kapiti, Porirua, Stokes Valley and Wainuiomata bus services were also continued or completed during this period. Actual costs were $156,000.

Activity: Fund total mobility

Levels of service:

1. Part-fund taxi services for people with disabilities

Targets	Actual
LONG-TERM targets by 30 June 2016	
Greater Wellington will fund subsidised taxi travel for people with disabilities, distributed in consultation with disability agencies so that community facilities can be easily accessed.	Greater Wellington continues to fund subsidised taxi travel for people with disabilities as set out in the 10-Year Plan 2006-16 (LTCCP).
SHORT-TERM targets by 30 June 2009	
The Total Mobility scheme will be administered to the satisfaction of Land Transport New Zealand, within a budget of $2.3 million. (The LTCCP budget of $3,450,000 included indirect costs relating to this activity. These no longer apply.)	Total Mobility scheme procedures were carried out in accordance with the New Zealand Transport Agency guidelines. Actual costs were $2,111,000 primarily because budgeted growth did not eventuate. Greater Wellington has signed up to Phase 2 of the New Zealand Transport Agency's requirement for total mobility. During the year implementation of this commenced. Contracts were signed with assessment agencies and other requirements (such as electronic cards, taxi operating contracts and changes in hoist ownership) have all progressed and are expected to be completed in the 2009/10 year.

Transport
Financial summary

Funding statement	Note	Council 2009 Actual $000s	Council 2009 Budget $000s
General rate		-	-
Targeted rate		40,772	40,772
Government subsidies	1	98,943	108,233
Interest and dividends		116	1
Other operating revenue		6,025	2,620
Operating revenue		**145,856**	**151,626**
Direct operating expenditure		83,727	82,291
Finance costs		720	831
Depreciation		325	551
Operating expenditure		**84,772**	**83,673**
Transport improvement grant	1	70,240	82,933
Operating surplus/(deficit)		(9,156)	(14,980)
Less:			
Capital expenditure	2	636	2,192
Passenger transport investment		-	-
Proceeds from asset sales		(19)	(12)
Loan funding		(467)	(1,868)
Rates and subsidy-funded capital expenditure		**150**	**312**
Loan-funded improvement grants		(16,575)	(17,677)
Debt repayment		1,109	1,133
Investment additions		-	-
Operational reserve movement		1,878	(362)
Working capital movements		3,648	-
Non-cash items		4,282	1,614
Net funding required		**(3,648)**	-

	Council 2009 Actual $000s	Council 2009 Budget $000s
Operating revenue		
Plan and monitor the transport network	4,122	3,415
Provide the infrastructure for public transport	67,091	76,198
Fund and promote public transport services	72,003	69,414
Fund total mobility	2,640	2,599
Total operating revenue	**145,856**	**151,626**
Operating expenditure		
Plan and monitor the transport network	4,840	3,517
Provide the infrastructure for public transport	7,219	8,176
Fund and promote public transport services	70,419	69,381
Fund total mobility	2,294	2,599
Total operating expenditure	**84,772**	**83,673**
Provide the infrastructure for public transport		
Transport improvement grant	70,240	82,933
Capital expenditure		
Rail rolling stock	-	159
Other	603	1,975
Capital project expenditure	603	2,134
Land and buildings	-	-
Plant and equipment	-	-
Vehicles	33	58
Total capital expenditure	**636**	**2,192**

Note 1 - Government subsidies and transport improvement expenditure are below budget due to chnages in a number of rail infrastructure projects such as signalling, power and double tracking.
Note 2 - Capital expenditure was below budget due to a reclassification from capital expenditure to operational expenditure.

Greater Wellington collects, treats and delivers water to the cities of Lower Hutt, Porirua, Upper Hutt and Wellington. Our water supply group of activities contribute to the following community outcomes – *essential services, healthy community, healthy environment and prepared community.*

The continued supply of quality water is essential for the economic and social well-being of our community.

This year we continued to manage our water catchments and deliver high-quality water to the four cities. Confirmation from the Public Health Service that the water complied with the Drinking-Water Standards for New Zealand is expected.

The supply of water after an emergency event will be critical to the community's ability to recover. This year, as part of a long-term programme to make our systems more robust and secure, new emergency connections were added at Upper Hutt and work has commenced on improving pipeline security for the Kelburn zone.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Essential services
Healthy community

Collect water from the Hutt, Wainuiomata and Orongorongo catchments, and the Waiwhetu aquifer for public drinking-water supply.

Treat water so it meets the Ministry of Health's standards for drinking water.

Deliver water to the cities of Lower Hutt, Upper Hutt, Porirua and Wellington.

Assess the demand for water (now and in the future) and plan how such demands will be met, including developing future sources.

Healthy environment

Encourage people to use water wisely.

Manage catchments so that treatment plants receive good water quality.

Prepared community

Maintain our pipes and plants, and build resilience in the system so water can continue to be supplied after an emergency – or restored as quickly as possible.

Work with city councils to plan how water will be delivered to the community following an emergency event that disrupts supply.

Activity: Collect, treat and deliver water

Levels of service:

1. Collect water from the Hutt, Wainuiomata and Orongorongo catchments, and the Waiwhetu aquifer for public drinking water supply

2. Manage catchments so treatment plants receive good-quality water

3. Treat water so that it meets the Ministry of Health's standards for drinking water

4. Deliver water to the cities of Lower Hutt, Upper Hutt, Porirua and Wellington

Targets	Actual
LONG-TERM targets by 30 June 2016	
The quality of water supplied will continually meet the Ministry of Health's Drinking-Water Standards. The related water supply infrastructure will be maintained and improved to meet the standards specified in the Regional Water Supply Asset Management Plan.	We expect the Hutt Valley District Health Board to advise us that we have fully complied with the Drinking-Water Standards for New Zealand 2008 but, at the time of writing, such advice has not been received. Greater Wellington continues to manage its water supply assets in accordance with the Asset Management Plan, which was prepared to national standards.

Activity: Collect, treat and deliver water (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
Water will be supplied to the four cities within a total operating expenditure, excluding depreciation, of $21,473,029. (The LTCCP budget was $22,757,000. However, improved business efficiency has resulted in savings.)	Water was supplied to the four cities within budget. Savings were achieved through reduced interest charges, and less expenditure on contractors, personnel and materials. Actual total operating expenditure, excluding depreciation, was $20,491,000.
The collection, treatment and delivery of water will be managed to ensure the quality of water supplied continually complies with the Ministry of Health's New Zealand Drinking-Water Standards 2005.	We expect to be advised that the drinking water supplied to the four cities complied with the new Drinking-Water Standards for New Zealand 2008 and quality of water required by the community.
The gradings of the water treatment plants at 1 July 2008 will be maintained, except for the plants that will be graded during the year. Regraded plants will receive the same or a better grade.	The Te Marua and Wainuiomata Water Treatment Plants retained their A1 grading and Waterloo Water Treatment Plant retained a B grading. Gear Island, which is a standby plant, is awaiting grading and is currently graded "U" (ungraded).
Vegetation management and pest control measures will be carried out in water catchments in accordance with the Forestry Management Plan and within a $142,000 budget, so that treatment plants receive good quality water.	Vegetation management and pest control measures were carried out by staff and contractors. Untreated water showed no abnormal levels of cryptosporidium. Actual costs were $132,800.
Our four Wellington metropolitan city council customers will be provided with a business report by 30 November 2008, including: • Financial results for the preceding financial year ended 30 June • Actual quality compared with targeted performance • A list of interruptions to supply incidents, and time taken to respond and repair • A report on compliance with resource consent requirements • Status of ongoing service level agreements	An annual business report containing the required information was approved by the Parks, Forests and Utilities Committee on 27 November 2008 and distributed to customers and other interested parties.

Activity: Plan to meet current and future demand for water

Levels of service:

1. Assess the demand for water (now and in the future) and plan how such demands will be met, including developing future sources

2. Encourage people to use water wisely

Targets	Actual
LONG-TERM targets by 30 June 2016	
Water supply will be adequate to meet present and future demands in accordance with current supply policy (currently a 1 in 50-year drought standard).	We are operating at a 1 in 26-year drought standard. Greater Wellington's 10-Year Plan 2009-19 includes development projects and activities to restore the 1 in 50-year drought standard based on current population projections and water-consumption levels.
Water consumption will be reduced by the amount agreed with our four city customers and specified in the Wellington Water Management Plan.	Greater Wellington is in discussion with the region's eight city and district councils about a Regional Water Strategy for the sustainable use and management of our water resources. It is anticipated that the strategy will include water use reduction targets, though the form of those targets is still to be determined.

Activity: Plan to meet current and future demand for water (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
Design of system enhancements will begin to enable supply for a population of 395,000. (The LTCCP figure of 390,000 has been increased to reflect new population projections.)	The system enhancements were progressed by completing the following: • Investigations into raising the level of the Stuart Macaskill Lakes • A draft application for a resource consent to reduce the low flow limit at Kaitoke weir
Consultation will be carried out on the water supply strategy options.	The four city customers were consulted on some water supply strategy options, which were also included in the proposed 10-Year Plan 2009-19, which was released for public consultation.
A water conservation programme will be implemented, within a budget of $185,000. (The LTCCP budget was $76,000. However, it was increased to provide for more water conservation promotion in view of possible drought situations and the low security of supply standard.)	A wet February and low demand for water resulted in reduced advertising for water conservation and water restriction communications. Actual costs were $105,000.

Activity: Plan for emergencies

Levels of service:

1. Maintain our pipes and plants, and build resilience in the system so water can continue to be supplied after an emergency – or restored as quickly as possible

Targets	Actual
LONG-TERM targets by 30 June 2016	
Water will be available on a daily basis to meet the 1 in 50-year return period drought situation. The related water supply infrastructure will be maintained and improved to meet the standards specified in the Regional Water Supply Asset Management Plan.	Greater Wellington was unable to meet the 1 in 50-year supply standard in 2008/09 because of unanticipated population growth. We are currently operating to a 1 in 26-year drought standard or a 3.9% probability of shortfall in any year. Greater Wellington's 10-Year Plan 2009-19 includes development projects and activities to restore the 1 in 50-year drought standard based on current population projections and water-consumption levels.
Plans will be in place to enable water to be supplied to the community following a major natural disaster.	Greater Wellington Water has an "n-1" policy for security of water supply. This means that, even if one of the three main water treatment plants was out of commission, there would still be sufficient water available to meet the basic needs of the community under most circumstances. The resilience of the wholesale water supply system is being enhanced by improvements to the more vulnerable parts of the system. New cross connections are continuing to be installed between the customers' reticulation system and the wholesale water pipelines.

Activity: Plan for emergencies (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
At least one customer emergency connection will be installed, within a budget of $50,000.	An emergency supply connection was installed adjacent to the Timberlea Pumping Station to allow a water supply from the Greater Wellington water main into the Upper Hutt City Council reticulation main during an emergency. The budget was exceeded by $16,500 because of increased scope as another utility owner provided incorrect drawings. Actual costs were $66,500.
Hazard protection work will be undertaken at a cost not exceeding $350,000. (The LTCCP budget was $213,000. It was increased to allow for work on pipelines crossing the Wellington faultline.)	A total of $227,000 was spent on hazard-protection work. Though expenditure was less than budget, planning work was undertaken for protection of pipelines crossing the Wellington faultline. The works will now take place in 2009/10.

Water supply

Financial summary

	Note	Council 2009 Actual $000s	Council 2009 Budget $000s
Funding statement			
General rate		-	-
Targeted rate		-	-
Water supply levy		23,460	23,460
Government subsidies		-	-
Interest and dividends		965	1,027
Other operating revenue		418	(87)
Operating revenue		**24,843**	**24,400**
Direct operating expenditure	1	13,812	14,587
Finance costs		3,453	3,750
Depreciation		7,694	7,527
Operating expenditure		**24,959**	**25,864**
Operating surplus/(deficit)		**(116)**	**(1,464)**
Less:			
Capital expenditure		5,448	5,207
Proceeds from asset sales		(10)	(24)
Loan funding		(4,982)	(5,009)
Rates funded capital expenditure		**456**	**174**
Debt repayment	2	5,406	4,131
Investment additions		1,713	1,777
Operational reserve movement		3	(19)
Working capital movements		-	-
Non-cash items		(7,694)	(7,527)
Net funding required		**-**	**-**

	Council 2009 Actual $000s	Council 2009 Budget $000s
Operating revenue		
Collect, treat and deliver water	24,843	24,400
Total operating revenue	**24,843**	**24,400**
Operating expenditure		
Collect, treat and deliver water	24,959	25,864
Total operating expenditure	**24,959**	**25,864**
Capital expenditure		
Water sources	368	670
Water treatment plants	2,360	1,962
Pipelines	773	505
Pump stations	42	207
Reservoirs	-	200
Monitoring and control	397	713
Seismic protection	493	350
Other	506	400
Capital project expenditure	**4,939**	**5,007**
Land and buildings	370	-
Plant and equipment	65	81
Other	10	-
Vehicles	64	119
Total capital expenditure	**5,448**	**5,207**

Note 1 - Operating expenditure was below budget due to lower power and chemical costs due to to lower take from Te Marua Lakes. Personnel and finance costs were also below budget.
Note 2 - Debt repayments were increased due to the better operating result.

Greater Wellington's Parks group of activities contributes to four community outcomes – *quality lifestyle, sense of place, healthy community* and *healthy environment*.

Greater Wellington's diverse parks, forests and recreation areas have significant social benefits as they provide a wide range of outdoor recreation opportunities. Surveys conducted this year indicated that 52% of the regional population visited a regional park, forest or recreation area in the last 12 months. Also there was an increase in the number of frequent visitors to the parks – 24% in 2009, up from 14% in 2006. Visitors are also now going to more regional parks on average – 2.0 in 2009, up from 1.8 in 2008.

Greater Wellington's parks, forests and recreation areas also contribute to the environmental wellbeing of the community. Intensive plant and animal pest control programmes are carried out, along with a range of restoration activities, many of which involve the community. This year the aerial survey for introduced insects and fungi found that the forests were in good health, while the bird surveys show where bird numbers are increasing. Pest monitoring provides vital information about the effectiveness of the pest control techniques being used. New surveys for pest plant information are being completed over time to provide information about prioritisation of work. A high quality environment is essential for our water supply catchment areas.

Investment in facilities for our visitors is continuing. This year Greater Wellington has upgraded walking tracks in East Harbour Regional Park, replaced fencing, and investigated a park public drinking water supply to ensure it complied with new national water supply standards.

Rangers continue to work with the community on education and restoration projects, events, and to provide security for visitors.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Sense of place

Healthy community

Healthy environment

Manage Queen Elizabeth Park, Battle Hill Farm Forest Park, Belmont Regional Park, Kaitoke Regional Park and East Harbour Regional Park.

Manage the Hutt River trail and recreation areas in the Akatarawa and Pakuratahi Forests, and in the Hutt, Wainuiomata and Orongorongo catchments.

Prepare management plans to guide use and development.

Develop and maintain assets, eg, tracks, plantings, shelters and other facilities.

Care for and monitor ecosystem health.

Provide a ranger service to help the public enjoy our parks, recreation areas and trails.

Run a summer programme of community events.

Involve local communities in the management of these areas.

Activity: Manage regional parks and recreation areas

Levels of service:

1. Manage Queen Elizabeth Park, Battle Hill Farm Forest Park, Belmont Regional Park, Kaitoke Regional Park and East Harbour Regional Park

2. Manage the Hutt River Trail and recreation areas in the Akatarawa and Pakuratahi Forests, and in the Hutt, Wainuiomata and Orongorongo catchments

3. Prepare management plans to guide use and development

4. Develop and maintain assets, eg, tracks, plantings, shelters and other facilities

Targets	Actual
LONG-TERM targets by 30 June 2016	
The regional parks and forest areas will attract 750,000 visitors per annum and the customer satisfaction level will exceed 80%. A balance will be achieved between visitor numbers and the carrying capacity of these recreation areas.	The five regional parks and two forests attracted an estimated 967,000 visits in 2008/09. There was no statistically valid survey of customer satisfaction conducted during the year. A survey carried out in May 2008 showed that 91% of visitors were satisfied with their most recent park experience.
There will be no loss of regionally significant landscapes, ecosystems and heritage features from park and forest areas.	The ongoing review of parks, forests and recreation area management plans continues to emphasise the importance of landscapes, ecosystems and heritage values on Greater Wellington land. Systems to monitor ecosystem health and ongoing pest control programmes are showing that Greater Wellington is being successful in raising the ecological health of its land.
The assets in our parks and forest areas will be maintained and developed according to approved plans.	Regular systems for monitoring, inspecting and maintaining assets are in place to ensure that assets comply with acceptable standards. Condition assessment of assets show that asset condition remains consistently high.

Activity: Manage regional parks and recreation areas (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
Environmental assets and settings within the regional parks and forests will be managed in accordance with the Parks and Forests Environmental Asset Management Plan service levels, within a budget of $689,000. (This budget does not include $212,000 that was carried forward from 2007/08. The LTCCP budget of $932,000 was reduced to more accurately reflect the anticipated cost of this work.)	The Environmental Asset Management Plan has been implemented progressively over a number of years. All of the forests and the indigenous ecosystems in the parks now receive pest control but some fine tuning of the programme continues. This year the possum control bait station network in Korokoro Bush was extended to improve its effectiveness. A mustelid trapping network was also installed in Parangarahu Reserve to enhance the breeding success of the wetland birds. Goats are at low levels across Greater Wellington land but increased effort is still required in Akatarawa Forest. During the year accounting processes were revised to ensure that all programme costs were included. The team of pest plant workers are making good progress on the larger infestations of pest plants that will take some time to clear, while smaller pest plant infestations have been controlled Actual costs were $836,000 (before re-budgets of $212,000).
Recreation and heritage assets and facilities in the regional parks and forests will be managed in accordance with the Parks and Forests Infrastructure and Accounting Asset Management Plan service levels, within a budget of $1,257,000. (The LTCCP budget of $1,421,000 was recast to more accurately reflect priorities and costs.)	The annual inspection showed that the parks and forests assets were in good condition across the network. In addition, we implemented the asset renewal programme for infrastructure assets. All structures were inspected during the year, with a full engineering inspection of the bridges in the Wainuiomata Recreational Area and Kaitoke Regional Park. The regular maintenance and replacement programmes have resulted in assets that have longer life expectancies and reduced long-term maintenance costs, along with high user satisfaction. Actual costs were $1,318,000.

Activity: Manage regional parks and recreation areas (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
The annual capital works programme will be undertaken to appropriate architectural and engineering standards, within the Parks and Forests Asset Management Plan service levels, and within a budget of $307,000. (The LTCCP cost of $78,000 was increased to provide for replacement infrastructure at Waitangirua farm and Whitireia Park.)	All capital works projects were designed and supervised by architects or engineers, and have complied with building permit, resource consent and supervision requirements. All programmed capital works projects were completed on time and within budget, with the exception of developing a ranger's office at Whitireia Park, Porirua. Capital development of Whitireia Park is on hold until the transfer of the park is confirmed. Actual costs were $231,000.
Greater Wellington will investigate the possibility of assisting renewable energy production (eg, solar, wind, hydro) on its own lands, within a budget of $40,000	Expenditure was $159,000 because of unexpected legal costs incurred for proposed wind farm developments. Without these, other expenditure was $28,200.
The annual policy and planning work programme will be completed in accordance with the relevant statutory process and within a budget of $249,000.	The policy and planning work programme was implemented within budget. This included completing the review of the Parks and Forests Bylaw and Concessions Policy, beginning the review of the Parks Network Strategy and continuing the review of the Battle Hill Farm Forest Park Management Plan. Actual costs were $219,000.

Activity: Promote community use

Levels of service:

1. Provide a ranger service to help the public enjoy our parks, recreation areas and trails

2. Run a summer programme of community events

3. Involve local communities in the management of these areas

Targets	Actual
LONG-TERM targets by 30 June 2016 The regional parks and forest areas will attract 750,000 visitors per annum and the customer satisfaction level will exceed 80%. A balance will be achieved between visitor numbers and the carrying capacity of these recreation areas.	The five regional parks and two forests attracted an estimated 967,000 visits in 2008/09. There was no statistically valid survey of customer satisfaction conducted during the year. A survey carried out in May 2008 showed that 91% of visitors were satisfied with their most recent park experience. Surveys conducted this year indicated that 52% of the regional population visited a regional park, forest or recreation area in the past 12 months. This equates to 229,500 visitors normally resident here. There was an increase in the number of frequent visitors to the parks – 23% of the total population in 2009, up from 14% in 2006. Visitors are also now going to more regional parks on average – 2.0 in 2009, up from 1.8 in 2008.

Activity: Promote community use (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
Ranger services will be provided that facilitate public access, educate and inform visitors and users, liaise with community and stakeholder groups, and ensure compliance with Council policies, within a budget of $976,000. (The LTCCP budget of $1,091,000 provided for a full ranger service at Whitireia Park. This was reduced to allow for six months service only given the delays in the transfer of this park to Greater Wellington.)	Ranger staff provided security and education services in the parks. Community groups worked with rangers on a number of events, and planting and restoration projects. Rangers worked with park users to ensure they had a safe and enjoyable outdoor experience. Providing a ranger service at Whitireia Park is on hold until the transfer of the park is confirmed. Actual costs were $698,000.
The marketing plan for the regional parks and forests will be implemented within a budget of $165,000, and will include the planning, promotion and implementation of a Regional Outdoors Programme.	The marketing plan was implemented at a total cost of $172,000. The 2009 Regional Outdoors Programme attracted 15,854 people to 57 events, a 12% increase over last year. Most of this cost relates to reprinting brochures earlier than expected because of demand.
The annual community enhancement projects will be completed within a budget of $113,000.	All planned enhancement projects were achieved and some unplanned work was undertaken because external funding was received. Costs of undertaking this work were less than anticipated. Actual costs were $83,938.

Parks
Financial summary

	Council 2009 Actual $000s	Council 2009 Budget $000s
Funding statement		
General rate	5,595	5,595
Targeted rate	-	-
Government subsidies	-	-
Interest and dividends	-	-
Other operating revenue	952	871
Operating revenue	**6,547**	**6,466**
Direct operating expenditure	6,132	6,313
Finance costs	262	264
Depreciation	662	542
Operating expenditure	**7,056**	**7,119**
Operating surplus/(deficit)	**(509)**	**(653)**
Less:		
Capital expenditure	328	545
Proceeds from asset sales	(5)	(77)
Loan funding	(230)	(307)
Rates funded capital expenditure	**93**	**161**
Debt repayment	225	228
Investment additions	-	-
Operational reserve movement	(284)	(500)
Working capital movements	153	-
Non-cash items	(662)	(542)
Net funding required	**(34)**	-

	Council 2009 Actual $000s	Council 2009 Budget $000s
Operating revenue		
Manage regional parks and recreation areas	5,923	5,853
Promote community use	624	613
Total operating revenue	**6,547**	**6,466**
Operating expenditure		
Manage regional parks and recreation areas	6,418	6,503
Promote community use	638	616
Total operating expenditure	**7,056**	**7,119**
Capital expenditure		
Queen Elizabeth Park enhancements	-	-
East Harbour Park enhancements	-	-
Whitireia Park enhancements	-	70
Akatarawa Recreation Area enhancements	-	-
Asset management plan upgrades	238	236
Capital project expenditure	**238**	**306**
Land and buildings	11	-
Plant and equipment	-	17
Vehicles	79	222
Total capital expenditure	**328**	**545**

Greater Wellington's Land group of activities includes our biosecurity and soil conservation operations. This work makes a major contribution to the economic wellbeing of the region (particularly through its impact on the agricultural sector) and also to the community's environmental and social wellbeing. Land management contributes to the following community outcomes – *prosperous community* and *healthy environment*.

This year our revised Regional Pest Management Strategy was approved and implemented. We continued to focus our efforts on pests of regional significance, particularly those of limited distribution. We continued our pest control in priority key native ecosystem sites and expanded our joint venture pest control operations in public reserves with local councils.

The control of bovine tuberculosis (bovine Tb) vectors protects the viability of the region's cattle, deer and dairy farming, thereby enhancing farming productivity. There are also benefits to the health of our ecosystems. We have exceeded the regional target to reduce the number of bovine Tb-infected cattle and deer herds. More than 80% of our region is under intensive possum control programmes through a combination of bovine Tb vector control, and Greater Wellington and Department of Conservation-funded operations.

We promote sustainable land management to protect soil productivity, minimise the environmental effects of land use and enhance biodiversity. Unseasonal weather, particularly a late autumn drought, has impacted on land-based activities. Soil conservation programmes have been boosted by the Afforestation Grant Scheme, a Government-funded programme aimed at establishing new carbon forests on erosion-prone land. Through the Streams Alive programme we have continued to promote riparian (stream-side) management in 12 priority catchments throughout the region.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Prosperous community

Healthy community

Develop pest management strategies.

Eradicate or reduce significant pests (eg, possums, Manchurian wild rice, moth plant and rooks).

Reduce the numbers of wildlife that transmit bovine Tb to farmed cattle and deer (under contract to the Animal Health Board).

Investigate and manage the use of land.

Assist farmers and the community to protect and enhance the land.

Provide advice on land-management issues.

Activity: Manage pest plants and animals

Levels of service:

1. Develop pest-management strategies

2. Eradicate or reduce significant pests (eg, possums, manchurian wildrice, moth plant and rooks)

Targets	Actual
LONG-TERM targets by 30 June 2016	
Improve the health of the region's ecosystems and economy by implementing pest plant and animal management strategies. These will be carried out on 10 wetlands, four coastal escarpments, two dune ecosystems sites and 40 native forest areas.	The programme to improve the health of the region's ecosystems is on track with another successfully completed Regional Pest Management Strategy Operational Plan. The focus of the programme is the surveillance and eradication, or containment, of pests of limited distribution that threaten our regional environment and economy. The Key Native Ecosystems/Territorial Authority Reserves programme continues with 119 sites under pest plant and/or pest animal control. Sites under active pest management include 16 wetlands, seven dune ecosystems, six coastal escarpments, eight river/estuarine area and 88 native forest sites.

Activity: Manage pest plants and animals (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009 Work programmes identified in the seventh year of the Regional Pest Management Strategy 2002-2022 will be implemented in accordance with the approved operational plan, within a budget of $2,361,000.	The 2008/09 Regional Pest Management Strategy Operational Plan (RPMS) was successfully implemented and an annual report will be presented to the Catchment Management Committee for approval in November 2009. Active pest animal control programmes were implemented at 89 sites (18,656 hectares), comprising 34 private sites and 55 reserves. Servicing of Eastern Zone sites were spaced slightly with no observed detrimental effects on site protection. The programme was completed at a cost of $534,650. Revenue of $174,900 was provided by our funding partners. The rook control programme exceeded budget by 23% due to a more extensive nest-baiting programme in favourable weather conditions. The cat desexing programme was under-spent due to poor uptake in Wellington city. The costs for the rabbit, magpie, possums and other species programmes were close to budget. An approved aerial operation in the Hutt River catchment was delayed due to the weather conditions. Pest plant control programmes over 49 sites were completed at a cost of $1,192,400. This was 16.8% over budget due to increased efforts on suppressing total control and surveillance pest plants. An increased number of sites treated and more frequent site visits, to prevent total control plants reaching reproductive maturity, should reduce costs of treatment in the longer term. Most of the increased expenditure on the programme was offset by additional contribution ($108,400) from our funding partners, reducing the total overspend to 6.2%. Actual costs for delivering the RPMS were $2,516,000.

Activity: Control bovine tuberculosis in wildlife

Levels of service:

1. Reduce the numbers of wildlife that transmit bovine tuberculosis (bovine Tb) to farmed cattle and deer (under contract to the Animal Health Board)

Targets	Actual
LONG-TERM targets by 30 June 2016	
Our farming productivity and ecosystems will be enhanced by having 80% of the region under intensive possum control programmes, and by reducing the percentage of infected Tb cattle and deer herds to 0.2% (six infected herds).	At 30 June 2009, 81.5% of the region was under intensive possum control programmes and there were five bovine Tb-infected herds. This is an excellent result, exceeding the 2008/09 regional target of nine bovine Tb-infected herds.
SHORT-TERM targets by 30 June 2009	
By 30 June 2009, bovine Tb control operations will be planned and implemented over 171,500 hectares and wildlife surveys will be completed over 248,400 hectares, in accordance with the Wellington Bovine Tb Strategic Plan. (The LTCCP provided for 335,200 hectares within a budget of $4,805,000. Reduction of area and budget is a result of changed Animal Health Board funding and programmes.)	The total area of vector control for 2008/09, including carried over areas from 2007/08, was 201,200 hectares. Vector control was successfully completed over 176,500 hectares by year-end, with an additional 4,700 hectares completed in early July. An aerial control operation over 12,800 hectares was delayed to unusually bad weather conditions. The remainder of the programme, including the aerial control operations, is expected to be completed by the end of August 2009. All feral animal (wildlife) survey work over 251,000 hectares was completed. Actual costs for the Greater Wellington component of the programme (12.9% of total programme costs) were $1,094,200.

Activity: Promote sustainable land management

Levels of service:

1. Investigate and monitor the use of land

2. Assist farmers and the community to protect and enhance the land

3. Provide advice on land-management issues

Targets	Actual
LONG-TERM targets by 30 June 2016 The promotion of sustainable land management activities will result in: • An additional 4,500 hectares of erosion prone land planted using sustainable management practices • Communities being protected from major damage or harm caused by flooding and erosion • Maintenance of the overall health of our soils • Maintenance of the water quality in our key rivers and streams	The stabilisation of erosion-prone land is progressing. We planted 381 hectares of soil conservation trees during the year using established methods and techniques. Annual programmes focusing on erosion control and flood protection are completed for each of the six community catchment control schemes Baseline monitoring of soil health has been completed. Repeat monitoring is showing that there has not been any significant change in the region's soil health.

Activity: Promote sustainable land management (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
Approved soil conservation programmes incorporating 300 hectares of pole planting (25,000 poles), 150 hectares of conservation woodlots and 4km of shelterbelts will be completed to the Council's performance standards, within a budget of $565,000.	Approved soil conservation programmes were completed on 133 properties, incorporating 280 hectares of pole planting (19,500 poles), 19 hectares of conservation woodlots and 3km of shelterbelts. Conservation woodlots covering 82 hectares were funded under the Government's Afforestation Grant Scheme. Programmes were completed to Greater Wellington's performance standards. Actual costs were $481,700.
Approved programmes will be completed under six catchment control schemes to the satisfaction of each Scheme Advisory Committee to the Council's performance standards, within a budget of $92,500.	Approved programmes were completed for each of the six catchment control schemes to established standards and in accordance with resolutions of each advisory committee. Actual costs were $115,000.
Stage Two of the soil quality monitoring programme will continue. Established sites will be revisited to establish whether there has been any change over time, within a budget of $31,200.	A further 23 sites were revisited within Stage Two of the soil quality-monitoring programme. Actual costs were $18,400.
5km of riparian management, focusing on increased biodiversity along stream banks, will be implemented within a budget of $212,000.	3.9km of new riparian planting and 6.5km of maintenance planting were carried out as part of the riparian management programme to increase biodiversity. Actual costs were $219,500.

Land

Financial summary

	Council 2009 Actual $000s	Council 2009 Budget $000s
Funding statement		
General rate	4,622	4,622
Targeted rate	200	201
Government subsidies	-	-
Interest and dividends	50	44
Other operating revenue	2,643	2,409
Operating revenue	**7,515**	**7,276**
Direct operating expenditure	7,399	7,260
Finance costs	-	-
Depreciation	119	73
Operating expenditure	**7,518**	**7,333**
Operating surplus/(deficit)	**(3)**	**(57)**
Less:		
Capital expenditure	176	164
Proceeds from asset sales	(36)	(43)
Loan funding	-	-
Rates funded capital expenditure	**140**	**121**
Debt repayment	-	-
Investment additions	-	-
Operational reserve movement	(46)	(105)
Working capital movements	(267)	-
Non-cash items	(119)	(73)
Net funding required	**289**	**-**

	Council 2009 Actual $000s	Council 2009 Budget $000s
Operating revenue		
Promoting sustainable land management	2,602	2,527
Control bovine Tb wildlife vectors	1,448	1,285
Manage pest plants and animals	3,465	3,464
Total operating revenue	**7,515**	**7,276**
Operating expenditure		
Promoting sustainable land management	2,573	2,456
Control bovine Tb wildlife vectors	1,408	1,398
Manage pest plants and animals	3,537	3,479
Total operating expenditure	**7,518**	**7,333**
Capital expenditure		
Land and buildings	-	-
Plant and equipment	-	-
Vehicles	176	164
Total capital expenditure	**176**	**164**

Greater Wellington's safety and flood protection group of activities contributes to the following community outcomes – *quality lifestyle, prepared community, healthy community, healthy environment* and *sense of place.*

Greater Wellington contributes to economic and social wellbeing by assisting the community to protect itself from the consequences of flooding. We do this by investigating flood hazards, preparing floodplain management plans, and building and maintaining flood protection works, as well as extracting gravel. Operating a flood-warning system is an essential component of managing flood risks. As part of this work we look after our river environment, thereby contributing to environmental wellbeing.

This year all planned maintenance work was completed and we continued to implement the major capital works programme to reduce flood damage.
We are now into Year 9 of the 40-year programme.

Greater Wellington also manages the region's harbours for navigation safety and manages environmental incidents, such as oil spills. Our harbour management work contributes to the economic, social and environmental wellbeing of the community

During the year, and after a period of public consultation, the Council approved the revised Wellington Regional Navigation and Safety Bylaws, which came into effect on 1 July 2009.

Greater Wellington runs the Emergency Management Office and Emergency Operations Centre (EOC) of the Wellington Region Civil Defence Emergency Management Group, a consortia of local authorities in the region. Being prepared and able to respond to emergency events contributes to the economic, social, cultural and environmental wellbeing of the community. This year we completed eight plans/strategies/guidelines and ran a major three-day exercise with a scenario of a 7.6 Richter scale earthquake on the Wellington faultline.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

[illegible]	Plan to reduce the impacts of floods. Build and maintain agreed flood protection works, for example, stopbanks. Provide a consultancy service for land drainage schemes.
Prepared community	Plan for emergency events. Tell people about the risks they face and how these can be managed. Operate the Wellington Civil Defence Emergency Management Group Emergency Operations Centre. Operate a flood warning system.
Healthy community	Provide navigation aids in our harbours and a communications service for Wellington Harbour. Educate people about water safety and enforce maritime safety rules.
Healthy environment Sense of place	Enhance the environment along flood corridors. Clean up oil spills in our harbours and coastal waters.

Activity: Flood protection

Levels of service:

1. Plan to reduce the impacts of floods

2. Operate a flood-warning system

3. Build and maintain agreed flood protection works, eg, stopbanks

4. Enhance the environment along flood corridors

5. Provide a consultancy service for land-drainage schemes

Targets	Actual
LONG-TERM targets by 30 June 2016 There will be no loss of life or significant damage as a result of a flood event. Significant damage is defined as: • Damage caused by water from flooding rivers or streams (not stormwater systems) entering at least five houses or commercial/industrial premises • Flooding that leads to damage to key infrastructure that causes significant disruption to a community for one week or more, or widespread flood damage of farmland that has a significant impact on the neighbouring community	While no major floods occurred, we did have two five-year return period floods in October 2008 that caused significant damage to our edge-protection works in the rivers around Masterton. Despite this we were able to complete the maintenance works programmes and implement the capital works as programmed and to budget. We also undertook further flood hazard assessment work that has enabled us to advise the community on flood risk within the region.

Activity: Flood protection (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
In conjunction with the Upper Hutt City Council, the Pinehaven Stream flood hazard assessment will be completed, within a budget of $96,000.	This assessment was not completed. Completion is now due in the second quarter of 2009/10. Delays occurred in collecting aerial LiDAR survey data due to bad weather. Actual costs were $77,700.
River investigations in the Wairarapa, including the Waingawa River scheme review, will be completed to the satisfaction of the Catchment Management Committee, within a budget of $352,000.	Major river investigations included progressing the Waingawa River scheme review and the private stopbank study around Lake Wairarapa. Costs were less than budget as staff resources were diverted to capital works programmes. Actual costs were $220,300
The Strand Park stopbank improvements will be substantially completed in accordance with accepted engineering standards, within a budget of $2,805,000.	The stopbank reconstruction was completed in accordance with approved standards. The project was successfully completed under budget because of competitive tender prices. Actual costs were $1,658,000.
Year One of the Waiwhetu Stream cleanup and flood improvements project will be completed in accordance with accepted engineering standards, within a budget of $718,000.	Substantial progress was made on design, consenting and tendering tasks. Some delays occurred with the tendering process. The main contractor was appointed in June and works will commence during 2009/10. Actual costs were $650,500.
The Hutt Boulcott stopbank design and consents will be completed in accordance with accepted engineering standards, within a budget of $142,000.	Good progress has been made on the detailed design, preparation of designation/consent applications and land-entry agreements. These are expected to be completed by December 2009. Preparing designation/consent applications is taking more time than expected because of potential changes at the two affected golf clubs. While expenditure in 2008/09 is over budget, the total project is proceeding within the overall budget. Actual costs were $515,500.

Activity: Flood protection (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
Year Two of the Lower Wairarapa Valley Development Scheme stopbank improvements will be completed, within a budget of $753,000. (The LTCCP budget was $1,007,000. However, the project was changed from a seven to nine-year upgrade and budget was reduced accordingly.)	Year Two of the Lower Wairarapa Development Scheme stopbank improvements programme was completed as planned. Actual costs were $763,400.
Maintenance operations in the western part of the region will be completed in accordance with established standards, statutory requirements and the Western Rivers Asset Management Plan, all within a budget of $2,265,000.	All planned maintenance operations were completed in accordance with established standards, statutory requirements and the Western Rivers Asset Management Plan. Actual costs were $2,409,100.
Maintenance operations for the 10 Wairarapa river schemes will be completed to established standards and to the satisfaction of the Scheme Advisory Committees, within a budget of $1,555,000.	Maintenance operations for the 10 Wairarapa river schemes were completed in accordance with established standards and reported to the satisfaction of the Scheme Advisory Committees. Actual costs were $1,532,400.
Maintain the recreational and environmental values of the Hutt, Waikanae and Otaki river corridors to the satisfaction of the Catchment Management Committee and, where appropriate, undertake improvements identified in the adopted River Environmental Strategies, within a budget of $94,000.	Western River corridors were maintained in accordance with the relevant River Environmental Strategy. A summary of the significant activities undertaken will be reported to the Catchment Management Committee later in 2009 as part of the annual asset-maintenance report. Actual costs were $90,300.

Activity: Emergency management

Levels of service:

1. Plan for emergency events

2. Tell people about the risks they face and how these can be managed

3. Operate the Wellington Civil Defence Emergency Management Group Emergency Operations Centre

Targets	Actual
LONG-TERM targets by 30 June 2016 The Wellington Region Civil Defence Emergency Management (CDEM) Group's Plan is implemented to the satisfaction of the CDEM Group. As a result, the community and emergency management agencies will: • Be aware of the risks they face • Take action to manage the risks they face (80% of households in the region will have emergency food and emergency water supplies – currently 65% and 69% respectively) • Know their roles and responsibilities • Be able to respond to and recover from emergency events effectively	The Wellington Region CDEM Group met twice in 2008/09. Progress on work programmes in the Group's plan was reported to each meeting. The CDEM Group carries out a number of public education programmes to increase awareness of hazards and risks and promote preparedness for an emergency. The Group has an active programme for Disaster Awareness Week and plays a key role in the biennial "Earth Rock" exhibition at Te Papa. The Group works closely with the community through presentations, discussion groups etc. A wide range of preparedness material is made available. The last preparedness survey in the region was carried out in 2007. This showed that over 72% of households have emergency food supplies and 71% have adequate water emergency water supplies. The next survey is planned for 2009.

Activity: Emergency management (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
The Wellington Region CDEM Plan will be implemented to the satisfaction of the CDEM Group. Projects that are to be completed by Greater Wellington are listed under "key projects for 2008/09".	The listed projects were completed and will be reported to the next meeting of the CDEM Group.
The CDEM Group Plan will be reviewed.	The review of the CDEM Group Plan could not be completed until the Ministry of CDEM completed the guidelines for CDEM Plans. These guidelines were only released in July 2009. However, a draft plan was completed in anticipation of these guidelines in June 2009 after a series of stakeholder workshops. The final plan will be completed and released for public consultation by December 2009.

Activity: Harbour management

Levels of service:

1. Provide navigation aids in our harbours and a communications service for Wellington Harbour
2. Educate people about water safety and enforce maritime safety rules
3. Clean up oil spills in our harbours and coastal waters

Targets	Actual
LONG-TERM targets by 30 June 2016	
The Port and Harbour Safety Management System recommendations will be achieved to the satisfaction of the Council.	The principle recommendation from the Port and Harbour Safety Management System was to upgrade the Beacon Hill Signal Station. Construction commenced in July 2009.
No significant accidents will occur in our harbours and coastal waters.	There were no significant recreational boating accidents or fatalities during the summer period, though tragically a surfer died in Lyall Bay on 1 June after an accident with another surfer.
Adverse effects from oil spills in harbour and coastal waters will be minimised.	Oil spill response equipment has been kept in a ready state to allow a fast response to incidents. Harbours staff have maintained their oil spill response qualifications and continued to use "oil spill transfer checklists" to reduce oil bunkering spills.

Activity: Harbour management (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
The Beacon Hill Harbour Communications Station will provide a 24-hour, 365-day service in accordance with the Beacon Hill Operations Manual, within a budget of $450,000. (The LTCCP budget of $334,000 was increased to provide for implementation of the port and harbour risk assessment.)	The Communications Station operated on a 24-hour, 365-day basis in accordance with agreed operating standards. Actual costs were $440,900.
Reports of oil spills in harbour waters will be checked within 30 minutes, and clean-up action for actual oil spills commenced within one hour of being reported in harbour waters and within three hours of being reported in regional coastal waters, all within a budget of $16,000. A formal log will be kept and incidents followed up whenever possible.	A total of 22 oil spills were reported during the year, five of which required clean-up action by those responsible for the spill. A formal log was kept. Actual costs were $6,000.
Safety in our harbours and coastal waters will be maintained, within a budget of $106,000, by: • Administering the Wellington Regional Navigation and Safety Bylaws • Educating recreational boaters and harbour users about safety issues • Monitoring behaviour for safety purposes through our harbour ranger service • Investigating all reports of unsafe behaviour. A formal record will be kept	The Wellington Regional Navigational and Safety Bylaws were formally reviewed during the year, with the Council approving the reviewed bylaws in February 2009. The bylaws came into effect from 1 July 2009. During the summer months we carried out a safety education programme and maintained a high profile on the water to educate the public about water safety (under our Navigation and Safety Bylaws) and prevent accidents. The bylaws were distributed in appropriate "safe boating packs" at boat ramps, marinas, marine shops and harbour events. The packs included safety information from the Boating Safety Strategy that was developed by the National Pleasure Boat Safety Forum. Behaviour on the water was monitored for safety and all reports of unsafe behaviour were investigated and recorded. This year, five infringement notices were issued for more serious breaches of the bylaws. Actual costs were $118,000.

Safety and flood protection
Financial summary

	Council 2009 Actual $000s	Council 2009 Budget $000s
Funding statement		
General rate	8,819	8,819
Targeted rate	4,859	4,859
Government subsidies	54	116
Interest and dividends	479	529
Other operating revenue	2,737	2,046
Operating revenue	**16,948**	**16,369**
Direct operating expenditure	10,501	9,710
Finance costs	2,606	2,758
Depreciation	913	962
Operating expenditure	**14,020**	**13,430**
Operating surplus/(deficit)	**2,928**	**2,939**
Less:		
Capital expenditure	6,129	7,865
Proceeds from asset sales	(147)	(78)
Loan funding	(5,107)	(7,442)
Rates funded capital expenditure	**875**	**345**
Debt repayment	2,191	2,218
Investment additions	386	402
Operational reserve movement	413	936
Working capital movements	(570)	-
Non-cash items	(913)	(962)
Net funding required	**546**	**-**

	Council 2009 Actual $000s	Council 2009 Budget $000s
Operating revenue		
Flood protection	14,396	13,761
Emergency management	769	810
Harbour management	1,783	1,798
Total operating revenue	**16,948**	**16,369**
Operating expenditure		
Flood protection	11,445	10,767
Emergency management	789	846
Harbour management	1,786	1,817
Total operating expenditure	**14,020**	**13,430**
Capital expenditure		
Harbours improvements	79	1,000
Hutt floodpain management plan	-	-
Hutt River improvements	2,899	3,365
Waikanae River improvements	163	164
Otaki River improvements	234	1,207
Wairarapa scheme improvements	1,308	1,053
Other flood protection	763	825
Capital project expenditure	**5,446**	**7,614**
Land and buildings	404	-
Plant and equipment	24	46
Vehicles	255	205
Total capital expenditure	**6,129**	**7,865**

(1) Capital expenditure was below budget due to delays in upgrading the Beacon Hill facility while property issues were being resolved and savings made on the Strand Park stopbank

Our democratic processes contribute to the social wellbeing of the region by ensuring that the community is empowered to participate in the Council's decision-making. This year the Committee structure was reviewed and new terms of reference were developed.

The involvement of Māori in our work is vital to the cultural and social wellbeing of the region. Māori participation and inclusion in decision-making has been enhanced though Māori representatives sitting on all Council committees.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Strong and tolerant community

Provide opportunities for the public to participate in decision making, eg, in meetings or through planning and budgeting processes.

Run elections and pay Councillors.

Arrange and service Council meetings.

Work with iwi (collectively through Ara Tahi) and also individually.

Assist iwi to undertake special projects and to work with Greater Wellington.

Entrepreneurial and innovative region

Work with city and district councils to develop and implement a Wellington Regional Strategy.

Fund the publication of economic data for the region.

Service a $25 million loan to the Stadium Trust.

Activity: Run a democratic process

Levels of service:

1. Provide opportunities for the public to participate in decision making, eg, in meetings or through planning and budgeting processes

2. Run elections and pay Councillors

3. Arrange and service Council meetings

Targets	Actual
LONG-TERM targets by 30 June 2016	
The community will be informed about, and given an opportunity to participate in, all of the Council's significant decision making and issues which may have an impact on rates.	The Council consults the public on its annual plans and 10-year plans in accordance with the special consultative procedure of the Local Government Act 2002. These plans set out planned activities with budgeting and funding information, including rating impacts. This year we received 464 submissions on the *10-Year Plan 2009-19*, which incorporated the *Annual Plan 2009/10*.
All statutory requirements for meetings, including public notice and public availability of order papers, will be met.	Public notice of meetings is provided in accordance with the Local Government Official Information and Meetings Act 1987. This year, Order Papers were despatched for a total of 91 meetings within statutory timeframes. All meetings have been appropriately notified.

Activity: Run a democratic process (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
Community input will be sought before any significant decision on matters which may impact on rates.	Consultation on the *10-Year Plan 2009-19*, incorporating the *Annual Plan 2009/10*, was undertaken in accordance with the requirements of the Local Government Act 2002. A total of 464 submissions were received and 84 submitters presented their submissions to the Council.
Opportunities will be given to councillors for training and personal development.	7 Councillors attended training on the Local Government Official Information and Meetings Act 1987 in August 2008. 6 Councillors have been registered to attend financial governance workshops run by Local Government New Zealand. 10 Councillors attended a total of 18 conferences in 2008/09.
Councillors will be provided with a regular flow of information through the Councillors' Information Bulletin.	The *Councillors' Information Bulletin* was published weekly for 48 weeks of the year.
Public notice of meetings will be given in accordance with the Local Government Official Information and Meetings Act 1987.	All meetings were appropriately notified.
Order Papers will be despatched to members and be publicly available in accordance with the Local Government Official Information and Meetings Act 1987, and the Council's Standing Orders.	All Order Papers were despatched on time and available to the public in accordance with statutory requirements and the Council's Standing Orders.

Activity: Involve Māori in work

Levels of service:

1. Work with iwi, collectively (through Ara Tahi) and also individually

2. Assist iwi to undertake special projects and to work with the Council

Targets	Actual
LONG-TERM targets by 30 June 2016	
Greater Wellington and iwi of the region will continue to have a mutually beneficial relationship.	Greater Wellington continues to have a mutually beneficial relationship with iwi of the region. This year the review of the Charter of Understanding was begun. This is between the Council and seven iwi authorities of the region. Māori appointees to Council committees completed their first full year of participation.
SHORT-TERM targets by 30 June 2009	
Ara Tahi will meet six times Iwi will be resourced to:	Ara Tahi met six times this year. Six technical workshops were also held.
• Undertake special projects which mutually benefit Greater Wellington and iwi • Engage with Greater Wellington on a range of issues • Comment on non-notified resource consents	Project funding was provided to both Atiawa ki Whakarongotai and Ngati Kahungunu ki Wairarapa to enable them to underake GIS projects. Ngati Kahungunu ki Wairarapa also received funding to undertake restoration work on the Papawai Stream. Ngati Toa was funded to undertake a marine survey to assess the health of the local marine environment.
Within a budget of $279,000.	Funding was provided to each iwi to engage with Greater Wellington on a range of issues and to comment on non-notified resource consents. Actual costs were $268,000
Greater Wellington staff will have an enhanced knowledge of Te Reo and Tikanga.	Staff training needs were assessed and a new organisational approach to Te Reo and Tikanga was developed and is being implemented. Matariki week was profiled within the Council and staff provided with opportunities to participate in a variety of events. Māori Language Week was also celebrated.

Activity: To act as a keeper of the Wellington Regional Strategy

Levels of service:

1. Operate a Wellington Regional Strategy (WRS) Committee to develop and implement the WRS

2. Develop an effective Wellington Regional Strategy addressing sustainable prosperity and quality of life, and monitor its implementation

Targets	Actual
LONG-TERM targets by 30 June 2016	
Greater Wellington will continue to develop and implement the Wellington Regional Strategy in partnership with territorial authorities in the region.	The "Good Regional Form" elements of the WRS are being progressed in collaboration with the territorial authorities. These include, among others, the broadband project which was identified as the top priority in the WRS. The WRS Committee has met regularly to progress the strategy's implementation.

Note

*Funding for the activity ceases after 30 June 2012. A decision to continue the activity will follow a review, to be undertaken before 30 June 2011

Targets	Actual
SHORT-TERM targets by 30 June 2009	
The strategic actions identified in the adopted WRS will be progressed according to timetable.	The strategic actions have been progressed in accordance with task plans prepared by the WRS office and approved by the WRS Committee.
Greater Wellington will continue to facilitate stakeholder engagement in WRS priority action areas.	The WRS office has worked with a wide range of stakeholders on the WRS programme.

Activity: Operate a regional economic development agency

Levels of service:

1. Establish and fund Grow Wellington (an economic development agency) for the region via a Council-controlled organisation

Targets	Actual
LONG-TERM targets by 30 June 2016	
There will be an overall improvement in the Wellington Region's Genuine Progress Index.	No progress can be reported. A genuine progress index framework has been developed, but data collection and analysis is still to be completed.
A top-10 ranking will be achieved in the Mercer Quality of Living Survey (2006 = 12th).	Wellington was 12th in the 2008 survey.
The regional GDP per capita increase will be above the 10-year New Zealand rolling average.	Regional GDP per capita growth was 1.9% for the period 1998-2008. The New Zealand growth was 2.1%. The 2007-period growth figures were 1.5% and 1.8% respectively.
The average income of regional residents will increase to be above the 10-year New Zealand rolling average.	The regional average income increase 1999-2008 was 5.03% compared to the New Zealand increase of 5.11%.
The rate of increase in full-time equivalent jobs will be above the 10-year New Zealand rolling average.	The regional average job number increase from 1998-2008 was 1.9% compared to the New Zealand increase of 2.4%.
There will be an improvement in resident perceptions of the region as a place to live and work.	Three of the region's cities participated in the 2006 and 2008 Quality of Life Surveys. In 2006 an average of 66% of respondents from the three cities said they agree or strongly agree they have a sense of pride in the way their city looked. In 2008 this was 64%.

Activity: Operate a regional economic development agency (continued)

Targets	Actual
SHORT-TERM targets by 30 June 2009	
Grow Wellington will meet the agreed Statement of Intent requirements, as approved by the Wellington Regional Strategy (WRS) Committee.	At Statement of Intent (July 08 – June 09) was agreed by the WRS Committee in April 2008. All requirements of this Statement of Intent were met. Grow Wellington's annual report will be reported to the Wellington Regional Strategy Committee in October 2009.
Grow Wellington will operate within the budget agreed by the WRS Committee.	The agreed budget was $4.25 million. Actual costs were $4.113 million (subject to Grow Wellington's final accounts).

Community
Financial summary

	Council 2009 Actual $000s	Council 2009 Budget $000s
Funding statement		
General rate	2,931	2,931
Targeted rate	6,676	6,676
Government subsidies	105	-
Interest and dividends	19	4
Other operating revenue	2,371	2,546
Operating revenue	**12,102**	**12,157**
Direct operating expenditure	9,180	9,643
Finance costs	1,272	1,460
Depreciation	41	22
Operating expenditure	**10,493**	**11,125**
Operating surplus/(deficit)	**1,609**	**1,032**
Less:		
Capital expenditure	-	5
Proceeds from asset sales	-	-
Loan funding	-	-
Rates funded capital expenditure	**-**	**5**
Debt repayment	1,253	1,162
Investment additions	-	-
Operational reserve movement	(88)	(406)
Working capital movements	643	-
Non-cash items	252	271
Net funding required	**(451)**	**-**

	Council 2009 Actual $000s	Council 2009 Budget $000s
Operating revenue		
Run a democratic process	4,168	4,163
Involve Maori in our work	561	561
Act as keeper of the Wellington Regional Strategy	404	464
Operate a regional economic development agency	4,000	4,000
Contribution to the Regional Staduim	2,969	2,969
Operating expenditure	**12,102**	**12,157**
Operating expenditure		
Run a democratic process	4,016	4,086
Involve Maori in our work	561	561
Act as keeper of the Wellington Regional Strategy	478	464
Operate a regional economic development agency	4,113	4,500
Contribution to the Regional Staduim	1,325	1,514
Total operating expenditure	**10,493**	**11,125**
Capital expenditure		
Land and buildings	-	-
Plant and equipment	-	5
Vehicles	-	-
Total capital expenditure	**-**	**5**

Investment overview

Greater Wellington has a significant portfolio of investments, comprising:

- Liquid financial deposits
- Administrative properties (eg, depots)
- Forestry and business units
- Advance to the Wellington Regional Stadium Trust
- Internal treasury management function
- Equity investments in the WRC Holdings Group (including CentrePort Ltd)

Greater Wellington's philosophy in managing investments is to optimise returns in the long term, while balancing risk-and-return considerations. It recognises that as a responsible public authority, any investment it holds should be held for the community's long-term benefit, with any risk being appropriately managed. It also recognises that lower risk generally means lower returns.

From a risk management point of view, Greater Wellington is aware that its investment returns to the rate line are exposed to the success or otherwise of its two main investments – the WRC Holdings Group (including CentrePort Ltd) and its liquid financial deposits. At an appropriate time in the future, Greater Wellington believes it could continue to reduce its risk exposure by reducing its investment holdings and using the proceeds to repay debt. The timing of these divestments will be in accordance with Greater Wellington's objective to optimise the overall return to ratepayers.

Liquid financial deposits

Greater Wellington holds $33 million in cash deposits as a result of selling its interest in CentrePort to one of its wholly owned subsidiaries, Port Investments Ltd. The rationale for holding these deposits is regularly reviewed, taking into account:

- General provisions of Greater Wellington's Treasury Management Policy, including attitude to risk and creditworthy counterparties
- Specific provisions of Greater Wellington's Treasury Management Policy to hold sufficient deposits or have committed funds available as part of its self-insurance of infrastructural assets
- The requirement to hedge the $44 million debt within the WRC Holdings Group

Administrative properties

Greater Wellington's interests in the Upper Hutt depot and the Masterton office building are grouped to form an investment category – administrative properties.

Forestry and business units

Greater Wellington and its predecessor organisations have been involved in forestry for many years, primarily for soil conservation and water quality purposes. Greater Wellington currently holds 6,000 hectares of plantation and soil conservation reserve forests, of which approximately 4,000 hectares are in the western or metropolitan part of the region, with the remaining 2,000 hectares in the Wairarapa.

The overall investment policy with regard to forestry is to maximise long-term returns while meeting soil conservation, water quality and recreational needs. This policy assumes that harvesting will be on a sustainable yield basis and maintained without any demand on regional rates. In fact, both the plantation and reserve forest business units are required to budget for an internal dividend irrespective of the projected operating result for the year.

The internal dividend reflects the intergenerational equity issues inherent in the forestry investment and recognises the cost of ratepayer equity. The level of planned internal dividend contribution to the rate line from forestry is currently $225,000 per year. This dividend will continue to be reviewed annually.

Of Greater Wellington's other business units, Akura Conservation Centre and the Wairarapa Workshop are also required to return an internal dividend in the same way as plantation forestry and reserve forests. The internal dividend rate is based on the net assets employed by each of these businesses. The level of internal dividend will continue to be reviewed annually.

BioWorks, Greater Wellington's biosecurity business unit, is not currently required to return an internal dividend.

Advance to Wellington Regional Stadium Trust

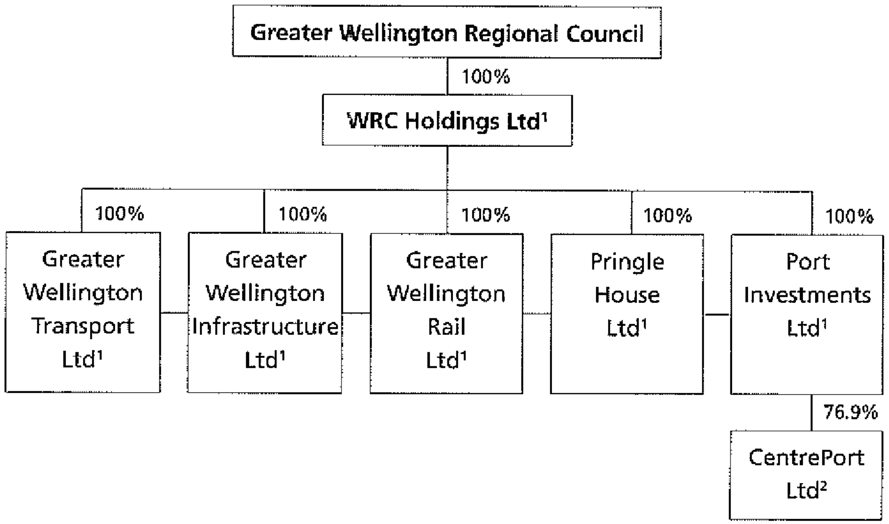
Greater Wellington advanced $25 million to the Wellington Regional Stadium Trust in August 1998. The advance is currently on an interest-free basis, with limited rights of recourse recognising the "quasi-equity" nature of the advance. Under the International Financial Reporting Standards, this advance has been written down to $3.95 million as at 30 June 2009.

Greater Wellington's internal treasury function

Greater Wellington's treasury management activity is carried out centrally to maximise ability to negotiate with financial institutions. As a result of past surpluses, sales of property and capital returns from the port company, the treasury function produces an internal surplus by on-lending those funds to activities that require debt finance. This allows the true cost of debt funding to be reflected in the appropriate areas. This surplus is then used to offset regional rates.

Equity investments in the 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 Government Act 2002

WRC Holdings Ltd and Port Investments Ltd are in essence investment holding companies. The main operating companies in the Group are CentrePort Ltd and Pringle House Ltd. Greater Wellington Transport Ltd, Greater Wellington Infrastructure Ltd and Greater Wellington Rail Ltd will own Greater Wellington interests in public transport infrastructure, such as rail rolling stock, stations and trolley-bus wires.

Each year WRC Holdings Ltd provides to Greater Wellington, as 100% shareholder, a Statement of Intent for the WRC Holdings Group.

The WRC Holdings Group structure was originally set up for a number of reasons that remain applicable, including:

- Appropriate separation of management and governance
- Imposing commercial discipline on the group's activities to produce an appropriate return by ensuring appropriate debt/equity funding and requiring a commercial rate of return
- Separation of Greater Wellington's investment and commercial assets from its public good assets

The WRC Holdings Group is Greater Wellington's prime investment vehicle, and the main mechanism by which it will own and manage any additional equity investments should they be acquired in the future.

Periodically, Greater Wellington reviews the structure to determine if it's still an appropriate vehicle for holding its investments.

In addition, Greater Wellington has minor equity interests in Civic Assurance and Airtel Ltd. These investments are owned directly by Greater Wellington rather than via the WRC Holdings Group.

Objectives of the group

The primary objectives of the group as set out in the 2008/09 Statement of Intent (SOI) were to:

- Support the Council's strategic vision, and operate as a successful, sustainable and responsible business
- Own and operate Greater Wellington's headquarters at 142-146 Wakefield Street, Wellington (known as the Regional Council Centre) on a cost-effective basis
- Own Greater Wellington's interest in CentrePort Ltd, to maximise the commercial value of CentrePort to the shareholders and protect the shareholders' investment, including land and property, while maintaining CentrePort's strategic value to the region's economy. CentrePort owns and operates the port of Wellington and related facilities at Seaview and Miramar. It also owns and operates a number of commercial properties. Current tenants include Statistics New Zealand, Telstra Clear and the New Zealand Rugby Union. CentrePort has just completed a major building which houses the Bank cf New Zealand. In 2008, construction commenced on a building for New Zealand Customs
- Own Greater Wellington's current and future investments in rail rolling stock
- Greater Wellington Rail Ltd currently owns 18 carriages used on the Wairarapa Line, at a cost of $26 million
- During 2007/08 a contract was entered into with Rotem Mitsui for the supply of 90 Matangi electric multiple units (EMU) with an option to purchase up to six additional EMUs. The units will be delivered in stages commencing 2010
- Effectively manage any other investments held by the Group to maximise the commercial value to the shareholders and protect the shareholders' investment

The financial objectives of the Group shall be to:

- Where possible provide a commercial return to shareholders
- Adopt policies that prudently manage risk and protect the investment of shareholders

The environmental objectives of the Group shall be to:

- Operate in an environmentally responsible and sustainable manner
- Minimise the impact of any of the Group's activities on the environment
- Raise awareness of environmental issues within the Group
- Ensure CentrePort and Pringle House become more energy efficient and make greater use of renewable energy

The social objectives of the Group are to:

- Be a leading organisation and a superior employer
- Provide a safe and healthy workplace
- Participate in development, cultural and community activities within the regions in which the group operates
- To help sustain the economy of the region

The WRC Holdings Group met all its objectives as set out in the 2008/09 SOI and Greater Wellington's 2006-16 Long-Term Council Community Plan (LTCCP).

The nature and scope of activities undertaken by WRC Holdings are consistent with those set out in the 2008/09 SOI and Greater Wellington's LTCCP.

Directors

Fran Wilde (Chair)
Anne Blackburn
Peter Blades
Ian Buchanan
John Burke
Peter Glensor

Financial performance targets

	Actual 2009	Target 2009
Net profit before tax	$9.5m	$8.1m
Revaluations	($11.0m)	
Net profit after tax	($3.9 m)	$4.1m
Return on total assets	4.5%	4.4%
Return on shareholder equity (excludes any change in the value of investment property)	6.07%	1.66%
Return on shareholder equity (includes any change in the value of investment property)	(3.0%)	NA
Dividends	$1.66m	$0.245m

Net profit before tax

The Group posted a net profit before tax, before any decrease in the value of investment property and land, of $9.5 million compared to the budget of $8.1 million for the year.

Net profit after tax (before deduction of minority interest)

The net profit after tax was $3.9 million loss compared to the budget of $4.1 million after deducting $11.0 million of property revaluations.

Return on total assets

This target is calculated as earnings before interest and tax (EBIT) and expressed as a percentage of average total assets.

Return on shareholder equity

Return on shareholder equity is calculated as net profit after tax (after deduction of minority interest) as a percentage of average shareholder equity (excluding minority interest). The measure is shown both before and after any increase/decrease in the value of investment properties. Average parent shareholder equity and earnings have reduced due to the valuation of investment property.

Dividends paid (or payable to the parent shareholder)

The dividend payable has increased due to lower interest rates on the Group's debts.

Activity: Environmental performance targets

Targets	Actual
CentrePort to develop a formal environmental management system consistent with the standards specified in AS/NZS 14000: 2004.	Achieved. Conducted self-assessment of systems against standard. This resulted in the Environmental Management Plan being updated. CentrePort is working on identified environmental objectives/targets aimed at ongoing performance improvement.
CentrePort to formally review, at least annually, the company's compliance with all environmental legislation, district and regional plans and conditions of resource consents held.	Achieved. Regulatory review undertaking along with a specific review of Resource Consents/Permits resulting in the granting of time extensions on dredging permits held. Monitoring of environmental effects also undertaken.
CentrePort to establish a sustainability programme with measurable performance criteria covering as a minimum the monitoring of waste and greenhouse gas emissions.	Achieved. Policy established and sustainability now part of CentrePort's overall business ethos. Carbon footprint and waste recycling performance reviewed against 2008 baseline position.
CentrePort to undertake the monitoring of environmental discharges in accordance with implemented management plans in the areas of: a. Port Noise b. Stormwater discharges to the Coastal Marine Area c. Fumigants associated with the pest treatment of cargoes	Achieved. a. Initial monitoring under the Port Noise Management Plan showed compliance for Central Port Area with inconclusive outcomes for the Seaview and Miramar port areas. Further monitoring is warranted. b. Monitoring of private stormwater discharges showed compliance, though high bacterial counts were registered due to bird rousting in port c. All monitoring data of pest treatment of cargoes were submitted to Greater Wellington

Activity: Environmental performance targets (continued)

Targets	Actual
CentrePort to maintain an environment issues register of environmental complaints and issues for monitoring and actioning purposes. The register to be reported to CPL's Health, Safety and Environmental Committee on a regular basis (meets at least three times per annum).	Achieved. No issues of materiality recorded.
CentrePort Ltd will hold a minimum of three Environmental Consultative Committee meetings in 2008/09 comprising CPL and affected stakeholders (customers, port users, local authorities and residential groups). The meetings provide a forum to identify and inform on a range of environmental port-related matters.	Achieved. CentrePort held three meetings. Iwi representation included.
The Group to comply with all conditions under resource consents and permits held, and fully adhere to the requirements of environmental law generally	The Group has complied with all of its resource consents.
The Group to establish a sustainability programme with measurable performance criteria.	The Group, excluding CentrePort Ltd, has established a sustainability programme via Greater Wellington.

Activity: Social performance targets

Targets	Actual
CentrePort to provide opportunities for employee growth, development, improvement and recognition.	Achieved. Key initiatives in 2009 were extending our leadership development programme to tier-three managers and 45 employees entering into national training contracts to gain Level 3 accreditation in Cargo Handling. Nine staff achieved accreditation in 2009.
CentrePort to maintain the tertiary level of compliance with the ACC Workplace Safety Management Practices Programme and comply with the AS/NZS 4801: Occupational Health and Safety Management Systems.	Achieved. ACC tertiary certificate received November 2008.
CentrePort to undertake an annual review of Health and Safety Policy	Achieved.
CentrePort to maintain compliance with the International Ship and Port Security (ISPS) Code which promotes security against terrorism within the port environment.	Achieved. Certified compliant until October 2009.
CentrePort to undertake risk assessments and implement any mitigating procedures relating to the Port and Harbour Safety Code, which promotes safety and excellence in marine operations.	Achieved. In 2006, CentrePort Ltd in conjunction with the Harbour Master, conducted a risk assessment review as part of the requirements of the Port and Harbour Safety Code. CentrePort Ltd and Greater Wellington are progressing the assessment and implementation of recommendations from that review with the next initiative being the Beacon Hill Communication Station upgrade.
CentrePort to undertake an appropriate level of community sponsorship.	Achieved. CentrePort contributed $81,734 to community sponsorship.
CentrePort to meet regularly with representative community groups.	Achieved.

Activity: General performance targets

Targets	Actual
The Company will, in consultation with the shareholders, continue to develop performance targets in the environmental and social areas in order to be able to maintain triple bottom line reporting in accordance with best practice.	Achieved. The 2010 Statement of Corporate Intent has one new environmental target and one revised environmental target.
When developing "property held for development", the CentrePort Board is to adhere to the following principles: • Properties may be developed without the building being fully pre-let so long as tenancy risk is managed prudently • Property developments must not compromise port operations • Developments are to be undertaken only if they are able to be funded without additional capital from shareholders	Achieved. Investment property to accommodate New Zealand Customs Service meets the pre-let requirements.
The CentrePort Board has resolved to partition the company into two business streams of port and property. Shareholders support this initiative to achieve an optimum company structure, while simultaneously developing the property asset base and maintaining focus on the port operations. CentrePort and shareholders will continue to work collaboratively on the implementation of an optimum company structure encompassing legal entities, asset segregation, and financing and dividend policy.	Achieved. CentrePort has established CentrePort Properties Limited as a vehicle for our property assets. Work is progressing on financing options.

Company objectives

The company's primary objectives as set out in the 2008/09 Statement of Corporate Intent shall be to:

- Operate as a successful, sustainable and responsible business
- Be customer focused and provide superior service
- Be the industry leader in transport logistics solutions

The financial objectives of the company shall be to:

- Provide a commercial return to shareholders
- Adopt policies that prudently manage risk and protect the investment of the shareholders

The environmental objectives of the company shall be to:

- Operate in an environmentally responsible and sustainable manner
- Raise awareness of environmental issues within the company
- Liaise with and communicate the Company's environmental and sustainability performance

The social objectives of the company shall be to:

- Be a learning organisation and superior employer.
- Provide a safe and healthy workplace
- Participate in and encourage development, cultural and community activities within the regions in which the company operates
- Consult with employees, stakeholders and the community where appropriate

Directors

W A Larsen (Chair)
DJ Benham
R Janes
JG Jefferies
EMM Johnson
RM Peterson

Financial performance targets

The following table lists performance against targets set in CentrePort's 2008/09 Statement of Corporate Intent. Comparison against targets is provided, excluding and including revaluation gains on investment properties and financial instruments (as the Statement of Corporate Intent did not anticipate changes in asset values).

	2008/09 Actual excluding valuation changes	2008/09 Actual including valuation changes[1]	2008/09 SCI target
Net profit before tax	$11.374m	$1.527m	$10.584m
Net profit after tax	$8.124m	($1.313)m	$7.800m
Return on total assets	4.7%	2.1%	4.8%2
– Port	7.4%	6.3%	7.5%
– Investment properties	2.6%	-1.4%	2.3%
Return on shareholders' funds[2]	4.2%	-0.7%	4.0%
Dividend	$5.17m	$5.17m	$5.17m
Dividend as a % of net profit after tax	64%	-	66%

(1) Includes unrealised changes in valuation of investment properties ($9.1 million loss), financial instruments ($0.2 million loss) and assets impairments ($0.8 million loss)

(2) Deterioration from prior year reflects the cost of the BNZ property development but no revenue

Investments
Financial summary

	Note	Council 2009 Actual $000s	Council 2009 Budget $000s
Funding statement			
Operating revenue		15,963	14,853
Operating expenditure		8,444	8,451
Earnings before interest		**7,519**	**6,402**
Finance costs		(3,557)	(3,375)
Operating surplus/(deficit)		**11,076**	**9,777**
Less:			
Contribution to general rates		8,308	8,308
Earnings retained		**2,768**	**1,469**
Operating surplus of individual investments			
Liquid financial deposits		3,755	2,591
WRC Holdings		3,623	3,129
Treasury management		6,462	4,386
Forestry		(2,959)	(448)
Business units and property		195	119
Operating surplus	(1)	**11,076**	**9,777**

(1) Operating revenue was higher than budget due to increased dividends from the WRC Holdings Group as a result of lower interest rates.

Statement of compliance and responsibility

Compliance

The Council and Greater Wellington Regional Council'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 Regional Council's management accept responsibility for the preparation of the annual financial statements and judgements used in them.

The Council and Greater Wellington Regional Council's 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 Regional Council's management, the annual financial statements for the year ended 30 June 2009 fairly reflect the financial position and operations of the Greater Wellington Regional Council.

Fran Wilde	**David Benham**	**Barry Turfrey**
Chair	Chief Executive	Chief Financial Officer
29 September 2009	29 September 2009	29 September 2009

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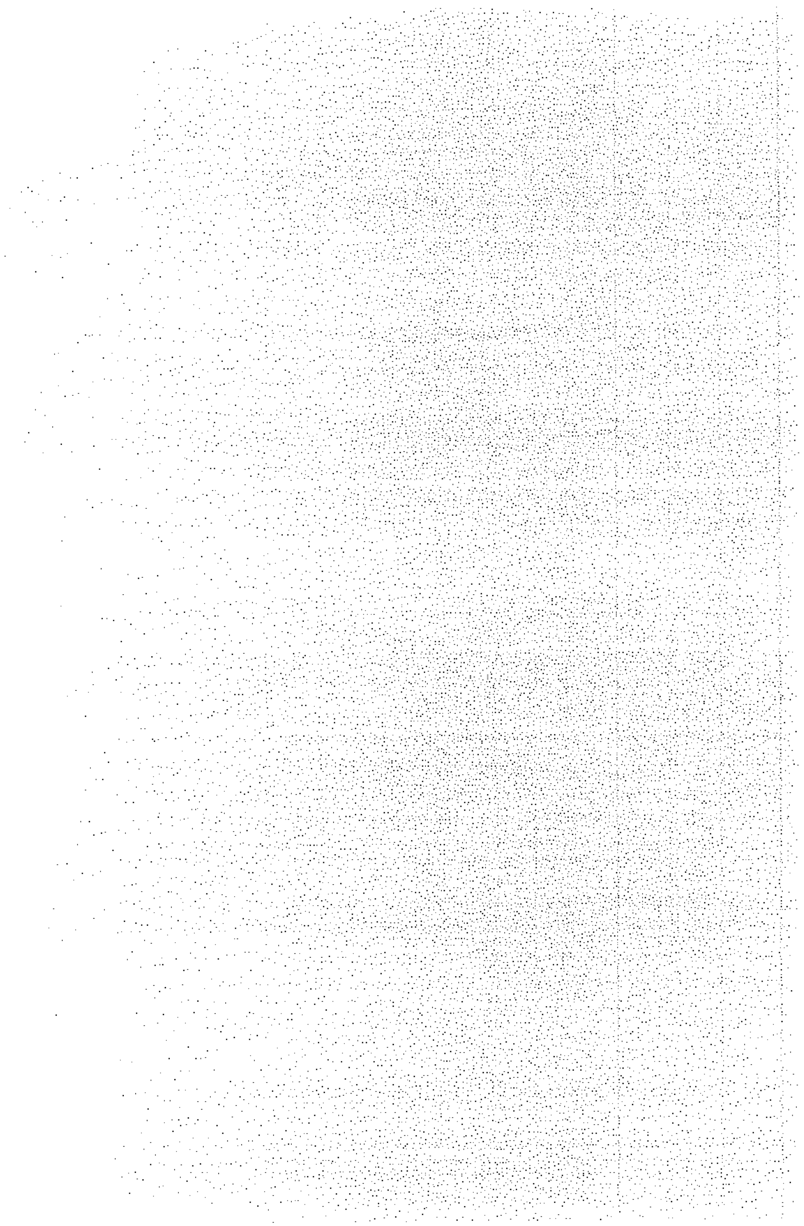

Supplementary information

Council commitee structure

Council	Wellington Regional Strategy Committee	Regional Transport Committee	Transport and Access Committee	Regulatory Committee	Catchment Management Committee (including subcommittees)	Regional Sustainability Committee	Finance, Audit and Risk Committee
Fran Wilde (c) **Peter Glensor (d)**	**Sir John Anderson (c)** **Fran Wilde (d)**	**Fran Wilde (c)** **Peter Glensor (d**	**Peter Glensor (c)** **Sandra Greig (d)**	**Sally Baber (c)** **Prue Lamason (d)**	**Ian Buchanan (c)** **Nigel Wilson (d)**	**Chris Laidlaw (c)** **Paul Bruce (d)**	**Judith Aitken (c)** **Barbara Donaldson (d)**

(c) *Chair*
(d) *Deputy Chair*

From 1 March 2009, the Parks, Forests and Utilities Committee was disestablished. Its functions were allocated to the Catchment Management and Regional Sustainability committees.

Greater Wellington management structure

Chief Executive **David Benham**	Divisional Manager Wellington Regional Strategy **Jane Davis**	Divisional Manager Transport Policy and Strategy **Jane Davis**	Divisional Manager Public Transport **Dr Wayne Hastie**	Divisional Manager Environment Management **Nigel Corry**	Divisional Manager Catchment Management **Wayne O'Donnell**	Divisional Manager Water Supply, Parks and Forests **Murray Kennedy**	Divisional Manager Corporate and Strategy **Dr Jane Bradbury**	Chief Financial Officer **Barry Turfrey**
		Transport Strategy Development	Design and Development	Environmental Education	Flood Protection	Water Supply	Corporate Strategy	Finance
		Transport Strategy Implementation	Metlink	Environmental Regulation	Land Management	Parks	Communications	Information Technology and Support Services
			Business	Environmental Monitoring and Investigations	Biosecurity	Forestry	Emergency Management	Treasury and Investments
			Procurement	Environmental Policy	BioWorks	Support Services	Human Resources	
				Harbours	Support Services	Special Projects Engineers	Secretariat (including Iwi Liaison)	
				Environmental Support	Total Catchment Management	Marketing		
						Engineering Services		

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