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**REPORT**

**Survey – Asset Management Activities**

**Wellington Region Local Authorities**

**7 NoveMber 2013**

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FOREWORD

The Local Government Commission has received a proposal from the three Wairarapa district councils to become a unitary authority and a proposal from the Greater Wellington Regional Council for a single Wellington Unitary Authority.

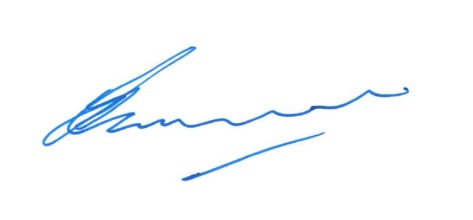
The state of each council’s assets and liabilities is likely to be a key concern for the public who may fear that they will shoulder the burden of another council’s debt or liabilities. However, because of the significance of major infrastructural assets as drivers of local authority budgets, narrowly focusing on financial indicators can provide an incomplete and misleading picture of the financial status of a local authority.

To help inform its deliberations the Commission wishes to look beyond the current financial picture and gain some insight into the state of assets of each local authority in the Wellington Region, and the likely significant expenditure that may be needed in the next 30 years.

MWH (NZ) Ltd was tasked to carry out a survey of the eight territorial authorities and the Regional Authority to:-

* provide a summary of the current state of key assets each local authority manages;
* identify the proposed expenditure on key assets, and renewals and replacements identified in Long Term Plans;
* provide a summary of the activities each local council plans to undertake in relation to its key assets in its Long-term Plan;
* identify possible, asset related, issues not reflected in the current Long-term Plans; (and)
* provide an opinion on the reliability of the current Asset Management Plans.

This report summarises the written responses received from the local authorities concerned in answer to six questionnaires (some general questions and one for each of the roads, water supply, wastewater (sewage), stormwater/flood control and public transport activities) that the Commission sent to them on 10 September 2013.

MWH thanks the nine councils for their ready co-operation and for the quality of, and the promptness of, their replies.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Signature)

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7 November 2013

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SECTION 1

KEY OBSERVATIONS

1.1 ASSET KNOWLEDGE

**1.1.1 Assets’ Type**

The replacement value of infrastructure assets (other than buildings) managed by the nine Wellington local authorities is $10.5b. The first fundamental for responsible asset management is that each knows exactly what assets it owns – and the location, material type, condition, capacity, criticality, performance, age and remaining life of each. Figure 1.1 shows the ‘assets’ type mix’ and Figure 1.2 gives a snap shot of the councils’ assessment of the completeness and accuracy of the asset data.

**Figure 1.1 – Assets’ Type Mix – Replacement Value ($m)**

**Key: -** Roads Water Supply Wastewater Stormwater/Flood Control Public Transport

**1.1.2 Asset Data – Completeness & Accuracy**

***Source: Responses from all territorial authorities regarding the reliability of the asset description, quantity, age, condition and performance data.***

**Note: -** The Wellington Regional Council says that except for bus asset age all of its public transport data is ‘highly reliable’. The bus asset age data and all of the flood control data is ‘reliable’.

A more detailed analysis is in Table: 2.2

**1.1.3 Asset Condition, Age & Remaining Life**

A good indication of the present condition, age and remaining life of the assets is to compare their current value (depreciated replacement value) with their estimated replacement value. The situation (for all of the assets – public transport, roads, water supply, wastewater and storm-water, and flood control) is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Table 1.3 - Asset Values** | | | |
| **AUTHORITY** | **REPLACEMENT VALUE** | **DEPRECIATED REPLACEMENT VALUE** | **PERCENT** |
|  | ($m) | ($m) | (%) |
| Wellington Regional Council | 1,757.0 | 1,037.0 | 59.0 |
|  | | | |
| Wellington | 3,349.0 | 1976.0 | 59.0 |
| Porirua | 797.9 | 482.4 | 60.5 |
| Kapiti | 652.8 | 455.6 | 69.8 |
| *Sub-total* | 4,799.7 | 2,914.0 | 60.7 |
|  | | | |
| Hutt | 1,755.1 | 923.9 | 52.6 |
| Upper Hutt | 723.5 | 450.3 | 62.2 |
| *Sub-total* | 2,478.6 | 1,374.2 | 55.4 |
|  | | | |
| Masterton | 828.0 | 604.6 | 72.9 |
| South Wairarapa | 456.3 | 359.4 | 78.7 |
| Carterton | 178.0 | 125.7 | 70.2 |
| *Sub-total* | 1,462.3 | 1,089.7 | 74.5 |
|  |  |  |  |
| ***TOTAL*** | **10,497.6** | **6,414.9** | **61.1** |

**Note: - 1.** The depreciated replacement value is the replacement cost of the assets less accumulated depreciation. This reflects their current condition and the ‘already consumed’ economic benefits to date.

**2.** The higher depreciated : replacement value ratio for the three Wairarapa Councils reflects the fact that 76.5% of the replacement value of their assets relates to roads and the depreciated : replacement value of roads for all councils (except Hutt) is more than 70% - and for the Wairarapa Councils it is 82.3%.

**3.** Figures showing the depreciated replacement value : replacement value for each activity are in the respective activity section and there is also a more detailed view in Table 1.9. The median for all of the activities **except** roads is 52%.

1.2 DEFERRED MAINTENANCE, DEPRECIATION, RENEWALS AND REPLACEMENT

Section 100 of the Local Government Act 2002 says:

*‘1. A local authority must ensure that each year’s projected operating revenues are set at a level sufficient to meet that year’s projected operating expenses.*

*2. Despite subsection (1), a local authority may set projected operating revenues at a different level from that required by that subsection if the local authority resolves that it is financially prudent to do so, having regard to:*

*(i) the estimated expenses of achieving and maintaining the predicted levels of service provision set out in the long-term plan, including the estimated expenses associated with* ***maintaining the service capacity and integrity of assets throughout their useful life;*** *(and)*

*(ii) the projected revenue available to fund the estimated expenses associated with* ***maintaining the service capacity and integrity of assets throughout their useful life;*** *…’*

Perhaps the most important question relating to infrastructure management is whether or not there has been any maintenance, repair, restoration/rehabilitation or replacement work that has not been carried out when it should have been (or when it was scheduled) and which has been put off or delayed for a future period.

The councils say that the only deferred maintenance or deferred renewals work that there is, is:

* Wellington Regional - for rail and buses (not quantified but potentially quite significant –

Council see the responses to questions 10 & 30 at the end of Section 7);

* Wellington City - some tunnels and bridges are targeted for gradual

replacement rather than for renewal;

* Porirua - $1.4m worth of road renewals work has been

deferred;

* Upper Hutt - some roads’ resurfacing work hasn’t been done

($6.8m); and

* Masterton - some deferred wastewater asset renewals work is

being done over the next six years ($1.5m).

Other observations under this heading include:

1. The degree to which aging infrastructure and the need for increased financial provision for renewals for water supply, and wastewater (especially wastewater) is raised – **but usually as an issue for the longer term – not now**. With only a few exceptions the expenditure on renewals over the next 10 years is less than the depreciation provision (i.e. the rate at which the assets are being consumed). See the Depreciation & Renewals’ charts for each activity in sections 3-6.
2. The very significant difference between the way the respective councils assess and fund (or don’t fund) depreciation for the respective activities – and (when they do) how they use the depreciation funds that are generated. A more detailed study would be necessary to fully understand what the practical effect of those differences is.
3. The forecasted expenditure over the next ten years for roads, water supply, wastewater, storm-water, flood control and public transport renewals and replacements is $1.546 billion – twice as much as that forecasted for new capital – but as mentioned above with only a few exceptions – most notably public transport - is still less than the rate at which asset use is being consumed:- viz

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Table 1.4 - Proposed Renewals & Replacement Expenditure**  **2012-2022 ($m)** | | | | | | | | |
| **Authority** | **Roads** | **Water Supply** | **Waste -water** | | **Storm water / FlOOD CONTROL** | **Public Transport** | | **Total** |
| Wellington Regional Council |  | 38.431 |  | | \*Note¹ | 337.245 | | **375.676** |
|  | | | | | | | | |
| Wellington | 286.000 | 154.540 | 109.780 | | 61.750 |  | | **612.070** |
| Porirua | 16.308 | 13.234 | 31.392 | | 0.427 |  | | **61.361** |
| Kapiti | 32.426 | 27.503 | 20.931 | | 5.187 |  | | **86.047** |
| *Sub-total* | 334.734 | 195.277 | 162.103 | | 67.364 |  | | **759.478** |
|  | | | | | | | | |
| Hutt | 90.900 | 26.020 | 63.220 | | 8.240 |  | | **188.380** |
| Upper Hutt | 25.940 | 12.890 | 11.380 | | 14.261 |  | | **64.471** |
| *Sub-total* | 116.840 | 38.910 | 74.600 | | 22.501 |  | | **252.851** |
|  | | | | | | | | |
| Masterton | 39.764 | 22.930 | 14.810 | | 1.441 |  | | **78.945** |
| South Wairarapa | 20.610 | 3.630 | 27.910 | | 1.750 |  | | **53.900** |
| Carterton | 17.258 | 5.172 | 3.141 | |  |  | | **25.571** |
| *Sub-total* | 77.632 | 31.732 | 45.861 | | 3.191 |  | | **158.416** |
| (34%) | | (20%) | | (18%) | (6%) | | (22%) | |
| ***TOTAL*** | **529.206** | **304.350** | **282.564** | | **93.056** | **337.245** | | **1,546.421** |

**Note ¹:** For floodplain management the Regional Council does not separate out specific costs for renewals from the overall costs of its asset upgrade programme.

1.3 New Capital Expenditure

Forecasted new capital expenditure for public transport, roads, water supply, wastewater, storm-water and flood control over the next 10 years totals $781.717M, almost half of which is for roads and public transport. Just 20% of this total is for growth. Most of it is for increased levels of service. (For the fuller analysis see Table 2.4)

***ILOS = Increased level of service***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Table 1.5 - Proposed New Capital Expenditure**  **2012-2022 ($m)** | | | | |
| **Authority** | **Growth** | **ILOS** | **Other** | **Total** |
| Wellington  Regional Council | 57.447 | 139.432 | 63.432 | **260.014** |
|  | | | | |
| Wellington | 16.251 | 157.109 |  | **173.360** |
| Porirua | 49.755 | 17.879 |  | **67.634** |
| Kapiti | 13.694 | 76.936 |  | **90.630** |
| *Sub-total* | 79.700 | 251.924 |  | **331.624** |
|  |  | | | |
| Hutt | 0.000 | 118.726 |  | **118.726** |
| Upper Hutt | 24.293 | 11.878 |  | **36.171** |
| *Sub-total* | 24.293 | 130.604 |  | **154.897** |
|  |  | | | |
| Masterton | 1.278 | 24.032 |  | **25.310** |
| South Wairarapa | 0.000 | 0.000 | 5.104 | **5.104** |
| Carterton | 0.000 | 4.768 |  | **4.768** |
| *Sub-total* | 1.278 | 28.800 | 5.104 | **35.182** |
|  | | | | |
| ***TOTAL*** | ***162.718*** | ***550.463*** | ***68.536*** | ***781.717*** |

Expressed as a percentage of the 2012/13 rate levies the estimated cost of the proposed new capital works programme for the next 10 years (including expenditure for growth) is:

* Wellington 73%
* Porirua 145%
* Kapiti 183%

*Subtotal Group 100%*

* Hutt 126%
* Upper Hutt 116%

*Subtotal Group 123%*

* Masterton 104%
* South Wairarapa 45%
* Carterton 50%

*Subtotal Group 78%*

1.4 OTHER OBSERVATIONS

**1.4.1 Population**

The figures on the right hand side in this table are the population estimates as provided by the respective councils. The 2013 census figures are the usually resident population results from the 2013 census that were released by Statistics New Zealand on 15 October 2013 – during the preparation of this report. The Wellington regional population grew by 11.2% in the 12 year period 2001-2013 (17,000 less than Statistics were predicting) and the Councils are expecting it to increase by a further 10.3% over the next 18 years.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Table 1.6 - Population Forecasts** | | | | | | | |
| **Census** | | | **AUTHORITY** | **Population**  **2012** | **Forecasted Population**  **2030** | **Increase No.** | **%** |
| **2001** | **2006** | **2013** |
|  |  |  |  |
| 163,827 | 179,466 | 190,956 | Wellington | 200,100 | 229,009 | 28,909 | 14.4 |
| 47,367 | 48,546 | 51,717 | Porirua | 53,000 | 55,600 | 2,600 | 4.9 |
| 42,447 | 46,197 | 49,104 | Kapiti | 49,351 | 58,905 | 9,554 | 19.3 |
|  |  |  |  |  |  |  |  |
| 253,641 | 274,209 | 291,777 | *Sub-total* | 302,451 | 343,514 | 41,063 | 13.6 |
|  |  | |  |  |  |  |  |
| 95,490 | 97,701 | 98,238 | Hutt | 103,000 | 105,200 | 2,200 | 2.1 |
| 36,372 | 38,415 | 40,179 | Upper Hutt | 42,000 | 48,300 | 6,300 | 15.0 |
|  |  |  |  |  |  |  |  |
| 131,862 | 136,116 | 13,8417 | *Sub-total* | 145,000 | 153,500 | 8,500 | 5.9 |
|  |  | |  |  |  |  |  |
| 22,617 | 22,623 | 23,352 | Masterton | 23,500 | 22,900 | (600) | (2.3) |
| 8,742 | 8,889 | 9,528 | South Wairarapa | 9,300 | 9,300 |  |  |
| 6,849 | 7,098 | 8,235 | Carterton | 7,800 | 9,290 | 1,490 | 19.1 |
|  |  |  |  |  |  |  |  |
| 38,208 | 38,610 | 41,115 | *Sub-total* | 40,600 | 41,490 | 890 | 2.2 |
|  |  | |  |  |  |  |  |
| 423,711 | 448,935 | 471,309 | ***TOTAL*** | 488,051 | 538,504 | 50,453 | **10.3** |

**1.4.2 Rateable Properties & Land Use**

92% of the rateable properties in the Wellington, Porirua and Hutt cities are used for residential purposes. For Kapiti and Upper Hutt the percentage is 86% in both cases. In the Wairarapa the percentages drop to 64% for Masterton, 51% for Carterton and 48% for South Wairarapa.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Table 1.7A - Rateable Properties and Land Use** | | | | | |
|
| **AUTHORITY** | **Rateable Properties** | | | | |
| **Residential** | **Industrial and Commercial** | **Rural** | **Other** | **TOTAL** |
|
|  |  |  |  |  |  |
| Wellington | 69,175 | 5,384 | 720 |  | 75,279 |
| Porirua | 16,536 | 796 | 598 |  | 17,930 |
| Kapiti | 21,021 | 966 | 2,165 | 300 | 24,452 |
|  | *(90.7%)* | *(6.1%)* | *(3.0%)* | *(0.2%)* | *(100%)* |
| *Sub-total* | 106,732 | 7,146 | 3,483 | 300 | 117661 |
|  |  |  |  |  |  |
| Hutt | 35,625 | 2,320 | 478 | 266 | 38,689 |
| Upper Hutt | 14,236 | 682 | 1,166 | 390 | 16,474 |
|  | *(90.4%)* | *(5.4%)* | *(3.0%)* | *(1.2%)* | *(100%)* |
| *Sub-total* | 49,861 | 3,002 | 1,644 | 656 | 55,163 |
|  |  |  |  |  |  |
| Masterton | 7,857 | 558 | 3,866 |  | 12,281 |
| South Wairarapa | 2,923 | 259 | 2,910 |  | 6,094 |
| Carterton | 2,291 | 239 | 1,993 |  | 4,523 |
|  | *(57.1%)* | *(4.6%)* | *(38.3%)* |  | *(100%)* |
| *Sub-total* | 13,071 | 1,056 | 8,769 |  | 22,898 |
|  |  |  |  |  |  |
|  | *(86.7%)* | *(5.7%)* | *(7.1%)* | *(0.5%)* | *(100%)* |
| ***TOTAL*** | 169,664 | 11,204 | 13,896 | 956 | **195,722** |

KEY: Residential Industrial/Commercial Rural Other

**1.4.3 Public Debt**

The forecasted increase in public debt over the next 10 years is shown in Table 1.8.

In the case of the territorial authorities the figures relate to all of their activities – not only to roads, water supply, wastewater and storm-water. It isn’t possible to say what the debt for only those activities is because some councils (including Wellington City) don’t manage their debt in that way. The Regional Council’s forecasted increase of $222m is for:-

* + - * Public Transport $152m;
      * Water Supply $46m; (and)
      * Flood Control $24m.

The total projected increase is 48% - half of which relates to the Wellington Regional Council. The increase for the territorials alone is $229m (or 32%).

|  |  |  |  |
| --- | --- | --- | --- |
| **Table 1.8 - Public Debt - All Activities 2012-2022 ($m)** | | | |
|
| **AUTHORITY** | **2013** | **2022** | **Increase** |
|
| Wellington Regional Council | 219 | 441 | 222 |
|  |  |  |  |
| Wellington | 374 | 532 | 158 |
| Porirua | 53 | 53 |  |
| Kapiti | 125 | 188 | 63 |
| *Sub-total* | 552 | 773 | 221 |
|  | | | |
| Hutt | 81 | 56 | (25) |
| Upper Hutt | 25 | 48 | 23 |
| *Sub-total* | 106 | 104 | (2) |
|  | | | |
| Masterton | 52 | 54 | 2 |
| South Wairarapa | 10 | 16 | 6 |
| Carterton | 9 | 11 | 2 |
| *Sub-total* | 71 | 81 | 10 |
|  | | | |
| ***TOTAL*** | **948** | **1,399** | **451** |

**1.4.4 Other Observations**

In addition to the common concerns about:

* **Natural Hazards**: the risk of natural hazard events and the cost of repairing and restoring the networks after them;
* **Climate Change**: the necessity to plan for future climate change;
* **Government Policy Changes**: the impacts on local authorities’ operations and costs that government policy changes can have; (and)
* **Environmental Expectations**: higher environmental expectations (especially when new resource consents have to be obtained or existing ones renewed);

other matters identified by the study are:

* **Mature Infrastructure**: The relatively static state of the Wellington region’s various infrastructure services’ demand.
* *“In general terms the Wellington region’s public transport market is mature with projected low to medium growth in demand”*

Source: Greater Wellington Regional Council

* Only $162m is programmed to be spent to meet needs caused by growth during the 10 year period 2012-2022.
* **Transmission Gully**: The most significant new capital work for the region is the proposed Transmission Gully Motorway project but apart from the traffic implications on the local roads, and the fact that the affected local councils may have to later take over responsibility for sections of revoked state highways, all of the costs relating to that project are the responsibility of the New Zealand Transport Agency (NZTA).
* **3 Waters’ Service Delivery**: The fact that the water supply, wastewater and stormwater infrastructure in Wellington, Hutt and Upper Hutt is managed by the same party now (a Council CCO – Capacity Infrastructure Services Ltd (Capacity)) and that Porirua intends to become a shareholder in the CCO and have its services managed by Capacity as well.
* **Water Supply Pricing**: The apparent low cost of sourcing and providing water in Wellington, Porirua, Hutt and Upper Hutt - compared with, for instance Auckland, where the current water charge is $1.348 per 1000 litres payable monthly according to the quantity of water consumed. There are no water meters in these parts of Wellington – the cost of water is included in the rates.

However the Wellington Regional Council has highlighted the need for additional source capacity or storage and says that it’s 2015-25 long term Plan is likely to identify a required significant increase in debt there is but will result in a substantial increase in the amount of the current water levy.

* **NZTA Subsidies**: How critical retention of the current NZTA subsidy rates for public transport and for roads is – in the case of the territorials especially for those councils where the maintenance and renewal of roads is such a significant part of their budgets – as it is in the Wairarapa and in Kapiti.
* **Weather Tightness**: The following councils have contingent liabilities for weather tightness claims relating to their responsibilities as building consent authorities:
* Wellington $67.0m
* Porirua $1.3m
* Kapiti $1.0m
* Hutt $1.4m
* Upper Hutt $0.4m
* **Earthquake Strengthening**: The estimated cost of the councils’ earthquake obligations relating to Council buildings is:-
* Wellington $47.2m
* Porirua note¹
* Kapiti $2.0m
* Hutt $21.8m
* Upper Hutt $0.4m
* Masterton $5.2m
* South Wairarapa $1.0m
* Carterton $0.5m

The Wellington Regional Council also mentions as one of its financial challenges:-

*“Improved resilience, including ….. seismic performance of water supply infrastructure.”*

**Note: ¹** Porirua has a potential liability relating to its Civic Administration Building – awaiting the results of an engineering assessment.

1.5 CONCLUSION

Apart from the foregoing the responses didn’t identify anything really extraordinary. The nine councils appear to have a good understanding of the assets they own, their current condition, the levels of service the assets are required to provide, and what needs to be done to properly manage and maintain them in order to achieve the outcomes sought.

This conclusion is based however on information received relating almost entirely to the next 10 years (which is the planning horizon most of the councils use). The study did cause some uneasiness about:

* whether or not the future renewal requirements are in all cases being sufficiently planned for and undertaken at the most optimum time in the asset lifecycle; (and)
* the absence of information about potential extraordinary funding requirements for renewals in the next 10-30 years – especially for water supply, wastewater and stormwater.

In this regard Table 1.9 shows the **comparative** age and condition of the civil infrastructure that the councils provide and manage (or others manage on their behalf).

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Table 1.9 - Current Infrastructure Age and Condition** | | | | | |
| **(Depreciated Value as a Percentage of the Assets’ Replacement Value)** | | | | | |
| **AUTHORITY** | **Roads** | **Public Transport** | **Water Supply** | **Wastewater** | **Stormwater / Flood Control** |
|
| Wellington Regional Council |  | **45%** | **56%** |  | **100%** |
|  | | | | | |
| Wellington | 73% |  | 50% | 53% | 54% |
| Porirua | 70% |  | 50% | 54% | 64% |
| Kaptiti | 75% |  | 59% | 64% | 77% |
|  | | | | | |
| Hutt | 56% |  | 45% | 47% | 58% |
| Upper Hutt | 64% |  | 62% | 56% | 65% |
|  | | | | | |
| Masterton | 83% |  | 44% | 49% | 52% |
| South Wairarapa | 84% |  | 52% | 54% | 50% |
| Carterton | 77% |  | 41% | 36% | 50% |

It is also clear all of the local authorities are, as they have indicated in their comments highlighted in red under the ‘Risks’ Management’ and Financial/Funding Challenges’ headings in Section 3-7, going to have to make financial provision for **significantly greater** renewals costs before too long. A cursory reading of the councils’ asset management plans (AMPs) reveals substantial parts of the piped networks reaching the end of their economic lives within the next 30 years. It wasn’t possible to obtain from the condition data in the AMPs sufficient information to give an accurate comparative view but based on the ‘material type’ and ‘age assumption’ information the situation appears to be generally as follows.

Pre the late 1970s there was widespread use of asbestos cement pipes. These have shorter lives than most pipes made of other materials and the current condition of at least those laid before 1970 can generally be described as being ‘poor to very poor’. Tables 1.10 and 1.11 show the extent of asbestos used by each local authority and of other pipes that are in ‘poor or very poor’ condition. It is reasonable to assume all of these pipes will have to be replaced within the next 10-30 years. The cost of renewing or replacing other water and wastewater assets that reach the end of their economic lives during that time will of course be additional.

**Note:** South Wairarapa measures asbestos pipe only. Other condition ratings are not available.

**Note:** South Wairarapa measures asbestos pipe only. Other condition ratings are not available.

**Concluding Comment**

The study findings reinforce a comment made by the Minister of Local Government (Hon. Chris Tremain) in a report to the Cabinet Economic Growth and Infrastructure Committee on 14 August 2013:-

*“The National Infrastructure Plan identified shortcomings in the legislative framework and information base for local authority infrastructure, especially for urban water services. These do not provide the long-term perspective required to assess whether there are hidden investment gaps or affordability issues beyond the 10 year horizon. Questions have been raised as to whether there has been sufficient planning for the level of asset renewal that might be required in upcoming years, in light of the 50 to 60 years that have elapsed since the period of major post-war investment. This results in a lack of assurance about the sustainability of what is projected over the 10 year period.”¹*

*¹ Reference: Minister of Local Government Press Release – “Local Government Planning Overhauled” 28 August 2013.*

*(Page 5)*

SECTION 2

GENERAL INFORMATION –

TOTAL DISTRICT

* 1. TERRITORIAL AUTHORITIES – PHYSICAL STATISTICS

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Table 2.1 – Territorial Authorities – Physical Statistics – 2012/13** | | | | | | | | | | |
| **AUTHORITY** | **Area** | **Population** | **Infrastructure ($m)** | | **Rateable Properties ($m)** | | | | | |
| **Replacement Value** | **Depreciated Replacement Value** | **Residential** | **Industrial and Commercial** | **Rural** | **Other** | **TOTAL** | % |
| **(Ha)** | **(No.)¹** |
|  |  |  |  |  |  |  |  |  |  |  |
| Wellington | 29,000 | 190,956 | 3,349.0 | 1,976.0 | 69,175 | 5,384 | 720 |  | 75,279 | *38.5%* |
| Porirua | 17,500 | 51,717 | 797.9 | 482.4 | 16,536 | 796 | 598 |  | 17,930 | *9.2%* |
| Kapiti | 73,060 | 49,104 | 652.8 | 455.6 | 21,021 | 966 | 2,165 | 300 | 24,452 | *12.5%* |
| *Sub-total* | 119,560 | 291,777 | 4,799.7 | 2,914.0 | 106,732 | 7,146 | 3,483 | 300 | 117,661 | *60.2%* |
|  |  |  |  |  |  |  |  |  |  |  |
| Hutt | 37,998 | 98,238 | 1,775.1 | 923.9 | 35,625 | 2,320 | 478 | 266 | 38,689 | *19.8%* |
| Upper Hutt | 53,436 | 40,179 | 723.5 | 450.3 | 14,236 | 682 | 1,166 | 390 | 16,474 | *8.4%* |
| *Sub-total* | 91,434 | 138,417 | 2,498.6 | 1,374.2 | 49,861 | 3,002 | 1,644 | 656 | 55,163 | *28.2%* |
|  |  |  |  |  |  |  |  |  |  |  |
| Masterton | 229,500 | 23,352 | 828.0 | 604.6 | 7,857 | 558 | 3,866 |  | 12,281 | *6.3%* |
| South Wairarapa | 248,455 | 9,528 | 456.3 | 359.4 | 2,923 | 259 | 2,910 |  | 6,094 | *3.0%* |
| Carterton | 118,000 | 8,235 | 178.0 | 125.7 | 2,291 | 239 | 1,993 |  | 4,523 | *2.3%* |
| *Sub-total* | 595,955 | 41,115 | 1462.3 | 1,089.7 | 13,071 | 1,056 | 8,769 |  | 22,898 | *11.6%* |
|  |  |  |  |  | *(86.7%)* | *(5.7%)* | *(7.1%)* | *(0.5%)* | *(10%)* |  |
| ***TOTAL*** | *806,949* | *471,309* | *8,760.6* | *5,377.9* | *169,664* | *11,204* | *13,896* | *956* | *195,722* | *100%* |

The Wairarapa Districts cover nearly three quarters of the region’s area but have only 9% of the population and 11.6% of the total number of rateable properties.

**Note¹:** 2013 Census

* 1. TERRITORIAL AUTHORITIES – ASSET DATA CONFIDENCE

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Table 2.2 – Territorial Authorities – Asset Data Confidence**  **(Assessed Reliability of Data Completeness & Accuracy)** | | | | | | | | | | | | | | | |
|
| **Information** | **Roads** | | | **Water Supply** | | | **Wastewater** | | | **Storm water** | | | **Total** | | |
| HR | R | UN | HR | R | UN | HR | R | UN | HR | R | UN | HR | R | UN |
| Asset Description | 5 | 4 |  | 2 | 6 |  | 2 | 5 | 1 | 1 | 6 |  | 10 | 21 | 1 |
| Asset Quantity | 5 | 3 |  | 3 | 5 |  | 3 | 5 |  | 3 | 5 |  | 14 | 18 |  |
| Asset Age | 4 | 4 |  | 2 | 5 | 2 | 2 | 6 | 1 | 2 | 4 | 3 | 10 | 19 | 6 |
| Condition | 2 | 6 |  | 1 | 3 | 6 | 1 | 3 | 5 | 1 | 3 | 5 | 5 | 15 | 16 |
| Performance | 2 | 6 |  | 1 | 4 | 3 | 1 | 4 | 3 | 1 | 5 | 2 | 5 | 19 | 8 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **TOTAL** | 18 | 23 | 0 | 9 | 23 | 11 | 9 | 23 | 10 | 8 | 23 | 10 | 44 | 92 | 31 |

Key: -

|  |  |  |
| --- | --- | --- |
| **Confidence Grade** | | **Description** |
| HR | Highly reliable | Data based on sound records, procedure, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate + 2% |
| R | Reliable | Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate + 10% |
| UN | Uncertain | Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated + 25% |

**Note: -**Water supply, wastewater and storm water condition data is the least reliable. 57% of the responses received rated the condition data for those services

as ‘uncertain’.

* 1. TERRITORIAL AUTHORITIES – KEY FINANCIAL STATISTICS

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Table 2.3 – Territorial Authorities - Key Financial Statistics** | | | | | |
|
| **AUTHORITY** | **Rate Levy 2012/13 ($mil)²** | **Capital Value of Average Residential Property ($)** | **Rates & Charges Payable by Average Residential Property 2013/14 ($¹)** | **Public Debt³** | |
| **2013 Actual ($m)** | **2022 Estimate ($m)** |
|
| Wellington | 237.390 | 526,940 | 2,324 | 373.668 | 532.355 |
| Porirua | 46.621 | 385,030 | 2,441 | 53.058 | 52.499 |
| Kapiti | 49.017 | 370,000 | 2,291 | 125.000 | 188.000 |
| *Sub-total* | 333.028 |  | 7,056 | 551.726 | 772.854 |
|  | | | | | |
| Hutt | 93.983 | 368,515 | 1,931 | 80.875 | 56.255 |
| Upper Hutt | 31.096 | 333,000 | 1,783 | 24.586 | 48.438 |
| *Sub-total* | 125.079 |  | 3,714 | 105.461 | 104.693 |
|  | | | | | |
| Masterton | 24.141 | 225,000 | 2,066 | 51.985 | 54.174 |
| South Wairarapa | 11.306 | 269,000 | 2,202 | 10.138 | 16.711 |
| Carterton | 10.201 | 220,000 | 2,218 | 8.825 | 10.989 |
| *Sub-total* | 45.648 |  | 6,846 | 70.948 | 81.874 |
|  | | | | | |
| ***TOTAL*** | **503.755** |  | **17,256** | **728.135** | **959.421** |

¹ From all rates and charges including all water supply and wastewater charges (including water by meter and wastewater by water volume etc.) - GST Inclusive.

² GST Exclusive.

³ For all activities – not only roads, water supply, wastewater and stormwater. It isn’t possible to say what the debt only for those activities is because some councils (including Wellington) don’t manage their debt in that way.

* 1. PROPOSED NEW CAPITAL EXPENDITURE

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Table 2.4 - Proposed New Capital Expenditure 2012-2022 ($m)** | | | | | | | | | | | | | | | | | | | |
| **AUTHORITY** | **Roads & Public Transport¹** | | | **Water Supply** | | | | | **Wastewater** | | | **Storm-water & Flood Control** | | | | **Total** | | | |
|  | Growth | ILOS | Total | Growth | ILOS | Other | | Total | Growth | ILOS | Total | Growth | ILOS | Other | Total | Growth | ILOS | Other | **Total** |
| Wellington Regional Council |  | 96,720 | 96,720 | 57,447 | 42,415 |  | | 99,862 |  |  |  |  |  | 63,432 | 63,432 | 57,447 | 139.135 | 63,432 | **260,014** |
|  | | | | | | | | | | | | | | | | | | | |
| Wellington | 14.800 | 102.000 | 116.800 | 0.986 | 37.418 |  | | 38.404 | 0.198 | 7.285 | 7.483 | 0.267 | 10.406 |  | 10.673 | 16.251 | 157.109 | 0.000 | **173.360** |
| Porirua | 37.476 | 1.256 | 38.732 | 8.550 |  |  | | 8.550 | 3.729 | 10.131 | 13.860 |  | 6.492 |  | 6.492 | 49.755 | 17.879 | 0.000 | **67.634** |
| Kapiti | 4.500 | 26.117 | 30.617 | 4.595 | 16.273 |  | | 20.868 | 1.837 | 9.841 | 11.678 | 2.762 | 24.705 |  | 27.467 | 13.694 | 76.936 | 0.000 | **90.630** |
| *Sub-total* | 56.776 | 129.373 | 186.149 | 14.131 | 53.691 |  | | 67.822 | 5.764 | 27.257 | 33.021 | 3.029 | 41.603 |  | 44.632 | 79.700 | 251.924 | 0.000 | **331.624** |
|  |  | | |  | | |  | | | | | | | | |  | | | |
| Hutt |  | 47.876 | 47.876 |  | 12.510 |  | | 12.510 |  | 40.849 | 40.849 |  | 17.491 |  | 17.491 | 0.000 | 118.726 | 0.000 | **118.726** |
| Upper Hutt | 6.380 | 8.367 | 14.747 |  | 0.885 |  | | 0.885 | 17.913 |  | 17.913 |  | 2.626 |  | 2.626 | 24.293 | 11.878 | 0.000 | **36.171** |
| *Sub-total* | 6.380 | 56.243 | 62.623 |  | 13.395 |  | | 13.395 | 17.913 | 40.849 | 58.762 |  | 20.117 |  | 20.117 | 24.293 | 130.604 | 0.000 | **154.897** |
|  | | | | | | | | | | | | | | | | | | | |
| Masterton | 1.278 | 10.426 | 11.704 |  | 0.139 |  | | 0.139 |  | 13.174 | 13.174 |  | 0.293 |  | 0.293 | 1.278 | 24.032 | 0.000 | **25.310** |
| South Wairarapa |  |  |  |  |  | 5.104 | | 5.104 |  |  |  |  |  |  |  | 0.000 | 0.000 | 5.104 | **5.104** |
| Carterton |  | 2.816 | 2.816 |  |  |  | |  |  | 1.828 | 1.828 |  | 0.124 |  | 0.124 | 0.000 | 4.768 | 0.000 | **4.768** |
| *Sub-total* | 1.278 | 13.242 | 14.520 |  | 0.139 | 5.104 | | 5.243 |  | 15.002 | 15.002 |  | 0.417 |  | 0.417 | 1.278 | 28.800 | 5.104 | **35.182** |
|  |  |  | (46%) |  |  |  | | (24%) |  |  | (14%) |  |  |  | (16%) |  |  |  |  |
| ***Total*** | *64.434* | *295.578* | ***360.012***  **Note¹:** Wellington Regional Council = Public Transport. All other figures = roads. | *71.578* | *109.640* | *5.104* | | ***186.460*** | *23.677* | *83.108* | ***106.785*** | *3.029* | *62.137* | *63.432* | ***128.598*** | *162.718* | *550.463* | *68.536* | ***781.717*** |

* 1. GENERAL DISTRICT-WIDE STATISTICAL INFORMATION

**Note ¹:** 2013 Census.

**Note ¹:** Council estimates before census results known.

Total number of rateable properties = 195,720

Average = $2,574

**Note:** Includes Restricted Assets $101m

**Note:** Included water by meter

Wellington - Fully funded by user fees. No rates impact.

Porirua - Includes the costs associated with the Spicer Landfill Joint Venture with Wellington City

Council

* 1. RISK MANAGEMENT – TOTAL DISTRICT

The Councils’ top five risks **of any type.**

|  |  |
| --- | --- |
| **AUTHORITY** | **RISK** |

|  |  |
| --- | --- |
| Wellington | * **Lack of, or reduced, confidence in the City’s earthquake resilience**. * Lack of safety of the city and residents (includes pedestrian safety). * Failure to meet Wellington 2040: Smart Capital objectives and outcomes. * Poor quality transport infrastructure and transport connections. * Inability to grow, attract and retain events. |
| Porirua | * A risk management framework is being prepared for the new triennium Council and as part of this an analysis of the top risks will be undertaken. These will no doubt feature financial and asset aspects (as noted in the separate questionnaires). |
| Kapiti | * **Impacts of climate change on Council’s infrastructure costs**   **Increased flooding risk,** compounded by the effects of rising groundwater levels**. Increasing risk of coastal erosion and inundation and the impact on coastal properties throughout the District.**   * **Seismic Risk**   **The Council identifies seismic risk in its District Plan and manages development in relation to those risks. Also the impacts of this risk on future insurance costs.**   * Major changes to Central Government Policies affecting Local Government   Policy changes which affect Council’s infrastructure investment decisions. E.g. Change to the legislation in relation to the Development Contributions for community facilities represents a loss of $25m of Development Contributions over 20 years.  Central Government imposing costs and responsibilities on Local Government without associated funding.  The financial implications and the additional resource requirements of any new Government policy amendments or new legislation  Reduced NZTA funding of local roading network – have reduced the range of eligible projects and a review of FAR rates could lead to lower roading subsidy rates in the future.   * Council’s high dependency on rates for its revenue   Rates as a proportion of Council’s total revenue is 77% compared to the national average of 55%. The Council has no revenue producing shareholding in port or power companies to share the increasing costs.   * Rising Community and Environmental Expectations   The quality of community infrastructure and costs of provision/maintenance.  Higher costs of meeting resource consent conditions for Wastewater Treatment Plants, Stormwater Discharges etc. |

|  |  |
| --- | --- |
| **AUTHORITY** | **RISK** |

|  |  |
| --- | --- |
| Hutt | * Financial Priorities – Affordability is a strong theme among ratepayers. **There is a need to address future replacement of our ageing facilities.** The recent changes to the Local Government Act focus local authorities on minimising rates; lower debt and providing high quality infrastructure in a cost – effective way. Therefore not achieving on Council’s Long Term Financial Strategy is a key risk. * Core Services – Council is required to reliably deliver its key services (and activities as described in the Annual Plan). With the relocation of services currently provided in the main administration building to High Street, there is a need to plan on the continuity of Council’s core services. Therefore disruption to Council’s core services during the relocation is a key risk. * City Development – Council aims to retain and grow businesses, and create a vibrant City. The council has an Economic Development Strategy and Making Places programme and has started work on the development of an Urban Growth Strategy and a second generation District Plan. Therefore not achieving on its strategies designed to contribute to the City’s economy, lifestyle, culture and heritage is a key risk. * **Natural Disasters – The Christchurch earthquakes have highlighted the country’s vulnerability to natural disasters. The Council is responsible for delivering essential infrastructure services, and emergency management. Therefore natural disaster is a key risk.** * Environmental Sustainability – Our community has indicated that environmental sustainability should be a top priority. Council aims to lead by example in energy efficiency, promotion of walking, cycling and landfill management. Therefore not achieving on Council’s Environmental Sustainability Strategy is a key risk. |
| Upper Hutt | * **Earthquake** * **Flooding** * NZTA reduced funding |

|  |  |
| --- | --- |
| Masterton | * Regulatory Risk   Compliance risk  Environmental risk (changing standards)   * **Natural Hazard Risks**   **Catastrophic earthquake**  **Flood risk**   * Infrastructure Failure Risk   Risk that some event may cause a failure in Council infrastructure (e.g. water contamination, damage to roading network etc.)   * Governance/Scale risk   Ability of the council to continue to operate and comply with the ever increasing demands being placed on a small unit of local government.   * Economic risk   Risk to the local economy and the ability of the community to pay for services if the national and global economic situation deteriorates. |
| South Wairarapa | * **Natural disaster (though mitigated by insurance to some extent)** * Change to, or new, environmental standards * Base cost escalation above forecast * Inability of ratepayers to pay their rates * Loss of Government subsidies (e.g. FAR review) |
| Carterton | * Not assessed |

**Note:** Red type denotes comments re: renewals. See also ‘Financial/Funding Challenges’ in Sections 3-7.

Blue type denotes comments re: natural hazards.

2.7 RESPONSES TO OTHER QUESTIONS

**General – Total Districts**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 8 | Has the Council addressed its potential earthquake obligations relating to Council buildings? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 |  |  |  | 3 |  |  |  |  |
|  | ‘No’ |  |  | 2 |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - **Civic Administration Building:** Built in 1967, the Civic Building was initially assessed as being potentially earthquake-prone if it had to

house activities that were essential to post-disaster recovery. However, as these activities can be carried out elsewhere, the need for the building to be strengthened to be fully functioning after an earthquake may not be necessary. As a responsible building owner, however, the Council has commissioned a detailed engineering assessment to ascertain what strengthening work might be necessary to ensure the safety for the public and staff. Once this assessment has been obtained, the Council will have to make decisions around the level of earthquake strengthening that may be appropriate for the future use of the building.

**Insurance:** Council is a Local Authority Protection Programme (LAPP) fund member. As the LAPP fund is being built up, the excess on the insurance policies has increased to $2.5million. To ensure sufficient resources should an event occur, Council is increasing its Insurance and Indemnity Reserve by an increase of 0.5% of rates ($225,000) over a 7 year period, starting 2013/14.

2 - Awaiting final adoption of earthquake policy and subsequent initial assessments.

3 - Civic Administration, Town Hall Building Project. No other buildings identified.

**General – Total Districts**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 12 | Does the Council have any weather tightness issues **relating to Council buildings**? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 12A | Does the Council have any weather tightness issues in its capacity as the building consent agency? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 76 |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 12B | If the answer to the previous question was ‘yes’ what is the contingent liability ($m) | $67.0 | $1.3 | $1.0 |  | $1.4m | $0.4 |  |  |  |  |

**General – Total Districts**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 16 | Are there any identifiable extraordinary cost issues relating to refuse collection and disposal within the next 30 years? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 | 2 |  |  |  |  | 3 |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  | 4 | 5 |

1 - Landfill: Spicer Landfill (a joint venture between Porirua and Wellington City Councils) phased development (requires consents for each phase), at

Current filling rates could provide landfill capacity for 30-35 years, with necessary aftercare provisions. Replacement landfill not identified, nor cost of closure.

2 - Landfill closure and rehabilitation costs.

3 - The Wairarapa Councils have a contract to dispose of refuse a Bonny Glen landfill, near Marton. This expires in 2019.

Council has a budget for investigations into future options (2014/15) however it is likely that refuse will continue to be transported to a facility out of the district.

4 - SWDC current contract to Bonny Glenn expires 2019 with a 1 year renewal option. While no specific plans have been made past this, there are a number

of options. It is not anticipated there will be a material costs increase over and above normal solid waste disposal cost increases forecast.

5 - Current contract for use of external landfill expires in 2019. Expect to negotiate a replacement contract.

SECTION 3

ROADS

* 1. ROADS – GENERAL INFORMATION

**Note:** Of the 807km of unsealed roads in the region 708km (or 88%) are in the Wairarapa districts.

**Note ¹:** Some doubts about whether the figures from each Council include (or don’t include) management costs & overheads.

|  |  |  |
| --- | --- | --- |
| Authority | Renewals | Depreciation |
| Wellington | 28585 | 19765 |
| Porirua | 1245 | 3838 |
| Kapiti | 2579 | 4008 |
|  |  |  |
| Hutt | 7088 | 9739 |
| Upper Hutt | 2340 | 4095 |
|  |  |  |
| Masterton | 4777 | 4476 |
| South  Wairarapa | 1844 | 2381 |
| Carterton | 1394 | 1260 |

**Note:** Wellington City: Some tunnels and bridges targeted for replacement.

* 1. DEPRECIATION v RENEWALS - ROADS

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 19765 | 25700 |
| 2014 | 21000 | 24800 |
| 2015 | 22800 | 26200 |
| 2016 | 23200 | 26500 |
| 2017 | 23700 | 28000 |
| 2018 | 24300 | 28300 |
| 2019 | 24700 | 30000 |
| 2020 | 25200 | 31000 |
| 2021 | 25800 | 32200 |
| 2022 | 26600 | 33400 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | |  |  |  |  |  |  |  |  |  |
|  | Depreciation | Renewals |
| 2013 | 3447 | 1,227 |
| 2014 | 3793 | 1,405 |
| 2015 | 3979 | 2,015 |
| 2016 | 4301 | 1,461 |
| 2017 | 4409 | 2,054 |
| 2018 | 4818 | 1,935 |
| 2019 | 4849 | 1,608 |
| 2020 | 5454 | 1,530 |
| 2021 | 4484 | 1,590 |
| 2022 | 4959 | 1,483 |

|  |  |  |
| --- | --- | --- |
|  | Renewals | Depreciation |
| 2013 | 2858 | 4279 |
| 2014 | 2756 | 4592 |
| 2015 | 2867 | 4826 |
| 2016 | 2963 | 5079 |
| 2017 | 3072 | 5205 |
| 2018 | 3145 | 5141 |
| 2019 | 3384 | 5438 |
| 2020 | 3646 | 6071 |
| 2021 | 3463 | 6411 |
| 2022 | 3942 | 6756 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 9771 | 6573 |
| 2014 | 9646 | 6739 |
| 2015 | 10103 | 6906 |
| 2016 | 10605 | 11985 |
| 2017 | 10946 | 9896 |
| 2018 | 11809 | 10144 |
| 2019 | 12387 | 8983 |
| 2020 | 12407 | 9649 |
| 2021 | 12996 | 9909 |
| 2022 | 13569 | 10167 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 4117 | 2590 |
| 2014 | 4143 | 2392 |
| 2015 | 4176 | 3080 |
| 2016 | 4208 | 2551 |
| 2017 | 4241 | 2545 |
| 2018 | 4306 | 2541 |
| 2019 | 4328 | 2506 |
| 2020 | 4340 | 2450 |
| 2021 | 4351 | 2472 |
| 2022 | 4361 | 2453 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 4433 | 4529 |
| 2014 | 4439 | 3601 |
| 2015 | 4809 | 3705 |
| 2016 | 4831 | 3672 |
| 2017 | 4842 | 3795 |
| 2018 | 5324 | 3887 |
| 2019 | 5331 | 3982 |
| 2020 | 5339 | 4095 |
| 2021 | 5885 | 4201 |
| 2022 | 5893 | 4297 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 2380 | 1595 |
| 2014 | 2399 | 1702 |
| 2015 | 2408 | 1889 |
| 2016 | 2546 | 1962 |
| 2017 | 2563 | 2036 |
| 2018 | 2580 | 2114 |
| 2019 | 2730 | 2197 |
| 2020 | 2747 | 2286 |
| 2021 | 2765 | 2370 |
| 2022 | 2926 | 2499 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 1260 | 1469 |
| 2014 | 1293 | 1519 |
| 2015 | 1422 | 1577 |
| 2016 | 1443 | 1630 |
| 2017 | 1464 | 1681 |
| 2018 | 1598 | 1740 |
| 2019 | 1620 | 1805 |
| 2020 | 1644 | 1877 |
| 2021 | 1826 | 1944 |
| 2022 | 1852 | 2016 |

* 1. ASSET CONFIDENCE - ROADS

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **ASSET CONFIDENCE - ROADS**  **Territorial Authorities** | | | | | |
| **(Assessed Reliability of Data Completeness and Accuracy)** | | | | | |
| **AUTHORITY** | **Data Attribute** | **Very Uncertain** | **Uncertain** | **Reliable** | **Highly Reliable** |
|
| Wellington | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Porirua | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Kaptiti | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Hutt | Asset Description |  |  | Bridges | Pavements |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Upper Hutt | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Masterton | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| South | Asset Description |  |  |  |  |
| Wairarapa | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Carterton | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |

|  |  |
| --- | --- |
| **Confidence Grade** | **Description** |
| Highly reliable | Data based on sound records, procedure, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate + 2% |
| Reliable | Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate + 10% |
| Uncertain | Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated + 25% |
| Very uncertain | Data based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy + 40% |

* 1. RISK MANAGEMENT - ROADS

The Councils’ top five risks relating to the roads activity.

|  |  |
| --- | --- |
| **AUTHORITY** | **RISK** |

|  |  |
| --- | --- |
| Wellington | * **The inability to deliver key transport services due to a natural emergency such as floods, storms or earthquakes.** * Loss of life or serious injury to staff, a contractor or member of the public from a maintenance / construction- related accident or faulty / inadequate infrastructure. * Inadequate maintenance programs leading to deteriorated/critical failure of the vehicular network (including bridges and pavements). * Failure to operate in line with a targeted Service Level Agreement (SLA) model. Continuous improvement not exhibited. * A serious incident such as collapse / damaged road caused by failure of asset. |
| Porirua | * **Future funding for Transmission Gully Motorway removed** * Change in government levels of service requirements. * Damage to street furniture due to over-dimension load movements. * External contractors damage Council roads. * Death or serious injury contributed to by poor physical road features. |
| Kapiti | * Traffic implications on Kapiti Road. * Practical challenges associated with RoNS projects. * **Affordability with changes in Government policy.** * Asset management improvement. * Property access. |

|  |  |
| --- | --- |
| Hutt | * **Storms – areas prone, widespread failures of roads in the Western Hills, Eastbourne Road and Wainuiomata Hill Road. Also, there are areas on the Hutt Valley plain that are prone to flooding.** * **Earthquakes – major fault to west of the Hutt Valley running approximately parallel to SH2.** * **Tsunami/Seiche – coastal erosion harbour area.** * **Liquifaction – low to moderate potential**. * Slope Failure in Western Hills. |
| Upper Hutt | * **Reduced funding from NZTA**. * Earthquakes. * Flooding. |

|  |  |
| --- | --- |
| Masterton | * **Unforeseen natural events / Lifelines WELA**. * Corporate Risk Policy. * Register and Asset Risk Plan. * Business Continuity Plan. * Energy Management. |
| South Wairarapa | * **Exposure of expenditure budgets to un-budgeted resourcing of natural hazard events e.g. flood and tide damage**. * **Reduction in funding levels from NZTA and Council resulting in lesser level of service**. * **Overstating** **of asset condition, resulting eventually in in-sufficient funding levels available to maintain stated levels of service**. |
| Carterton | * Not Assessed |

**Note:** Red highlighting denotes comments re: renewals.

Blue highlighting denotes comments re: natural hazards.

Green highlighting denotes comments re: NZTA subsidies.

* 1. FINANCIAL/FUNDING CHALLENGES - ROADS

|  |  |
| --- | --- |
| **AUTHORITY** | **FINANCIAL/FUNDING CHALLENGES** |

|  |  |
| --- | --- |
| Wellington | * Mode and mix of transportation we adopt and type of platform required to be renewed and maintained. (E.g. light rail, bus, increasing the cycle network). Wellington has a limited roading corridor for expansion and to provide for all these modes of transport. |
| Porirua | * **Age of assets requiring extensive maintenance and renewals programme.** * Transmission Gully Motorway link roads. * Transferral of State Highways to become local road. |
| Kapiti | * **Review of the Funding Assistance Rates (NZTA subsidies) and change in other government policies will have implications on the roading asset programme.** * **Kapiti Coast is situated on a flat coastal plain so the district is very susceptible to the impacts of climate change over the longer term – sea level rise, coastal erosion, increased flood volumes and rising groundwater tables. The timeline as to when these impacts may be felt is unclear – major financial impacts may fall outside the 30 year horizon of this survey.** |

|  |  |
| --- | --- |
| Hutt | * **No particular financial challenges**; **current LTP funding is adequate taking into account low population growth**, **good levels of renewal works**, pavement asset in good condition and a constant level of annual funding. |
| Upper Hutt | * If future major development takes place in certain areas of the City this will place extreme pressure on some parts of the network. This has been modelled and will be considered as part of any development plan. * **Any downward change to the NZTA financial assistance rate would have a negative impact.** |

|  |  |
| --- | --- |
| Masterton | * **The major challenges at present revolve around the availability of NZTA subsidies to support the roading programme.** * An associated risk would be any changes to the Financial Assistance Rate applicable to council. |
| South Wairarapa | * The extended network, geographically speaking, means that routine road maintenance activity for example is relatively costly. **FAR review may also have a major impact.** |
| Carterton | * **The biggest financial challenge long term will be the potential replacement of any large bridges that have reached the end of their life**. Probably 30 plus years away. Otherwise a fairly stable situation in the meantime. |

**Note:** Red highlighting denotes comments re: renewals

Blue highlighting denotes comments re: natural hazards.

Green highlighting denotes comments re: NZTA subsidies

* 1. SERVICE DELIVERY - ROADS

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **AUTHORITY** | **‘In-house’** | **‘Out-sourced’** | **Partly ‘In-house and partly ‘Out-sourced’** | **As a Council Controlled Organisation** | **Other** |
|  |  |  |  |  |  |
| Wellington |  |  | Predominately outsourced via a Roading Corridor Contract split with Downer (Northern area & CBD) Leighton (Southern Area) |  |  |
| Porirua |  |  | X |  |  |
| Kapiti |  |  | X |  |  |
|  |  |  |  |  |  |
| Hutt | Administration | Capital physical works and Professional services | Maintenance physical works – outsourced supervision in house. |  |  |
| Upper Hutt |  | X |  |  |  |
|  |  |  |  |  |  |
| Masterton | Engineering Management | Maintenance & renewals work |  |  |  |
| South Wairarapa | Management | X |  |  |  |
| Carterton |  | X |  |  |  |

3.7 RESPONSES TO OTHER QUESTIONS

**Roads**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2 | **Climate Change:** Does your Council Have A Climate Change Management Policy? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  | 4 |  | 5 |  |  |
|  | ‘No’ |  | 1 | 2 |  | 3 |  |  |  | 6 | 7 |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - PCC has a Carbon Emissions Reduction Action Plan dated 2010 and a new Sustainability Strategy, both targeting mitigation aspects around energy, waste

and emissions.

2 - No overarching climate change policy. Council has a Carbon & Energy Management Plan that includes climate charge mitigation (emissions reduction)

targets. Council’s emissions are monitored. Also statements in LT(CC)P since 2006 on adaption (Council will intervene on the coast to protect roads and public health infrastructure only from erosion) but no developed policy as such.

3 - Hutt City Council does not have a Climate Change Policy. However, the Asset Management Plan deals with the effects of expected higher seal levels by

considering their impact on service level gaps in the asset development programme of the AMP.

Seawalls in Eastern Bays designed to counter storm surge and have another 800mm tier added (800mm is the rise in next 100 years). Cycleway/seawall project is $8 million at $100,000 per annum subsidised at 58%. This amount is provided for in Council’s LTP.

4 - Whilst UHCC does not have a specific Climate Change Management Policy it does have a 2012-2022 Sustainability Strategy. In addition the Asset

Management Plan has a specific climate change section that deals with the subject. The AMP also notes that the effects of climate change are considered when renewals are designed. Climate change considerations are taken account of in the AMP and LTP.

5 - No specific costs or actions have been specifically attributed to climate change. As council prepares plans and reviews and upgrades assets the potential

impacts from climate change are assessed and built into the modelling and design parameters.

6 - Combined District Plan references potential future hazards and risks associated with Climate Change.

7 - Any climate change impact likely to be from increased storm damage. No sea level rise impact. 1% of general rates currently set aside for storm damage

reserve annually.

**Roads**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 6 | **Future Demand:** Are there any identifiable extraordinary ‘future demand’ issues or changes within the next 30 years relating to this activity? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 | 2 | 3 |  | 4 |  |  | 5 |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  | 6 |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - The level of service we will be required to maintain around our southern coastline – impact of climate change and rising sea levels

2 - Potential expansion of the urban zone with particular respect to Porirua’s ‘Northern Growth Area’ and the progression of Transmission

Gully Motorway including new network links and likely transfer of state highways to become local roads.

3 - Completion of the RoNZ projects will impact the local roading network.

4 - Seaview Gracefield transport study – simulated future growth, Cross valley link to address future demand growth.

5 - A Masterton Bypass is a possible option to deal with an expected increase in forestry traffic. Funding is included in the LTP for investigations however no

capital funding is proposed at this stage. Timeframe is likely to be beyond 10 years.

6 - Population growth very flat, logging may place some stress on the network.

**Roads**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 10 | **Deferred Maintenance & Renewals:** Is there any deferred maintenance and/or deferred renewals (backlog) relating to this activity? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 | 2 |  |  |  | 3 |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - For some tunnel and bridges work the Council is targeting gradual replacements rather than upgrades.

2 - Renewals ~$1.4m

3 - $6.8m - Through lack of funding from NZTA.

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 12 | If the answer to Question 10 was ‘Yes’ does the Council’s current long-term plan provide for that deferred maintenance/deferred renewals to be eliminated by 2022? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  | 3 |  |  |  |  |
|  | ‘No’ | 1 | 2 |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - No it doesn’t - but it provides for urgent repairs.

2 - Renewals ~$3m.

3 - Yes - but depends on future funding from NZTA.

**Roads**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 14 | **Depreciation:** Are all of the infrastructure assets relating to this activity subject to the assessment of depreciation each year? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  | 1 |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Basecourse, earthworks, formation & subbase are not depreciated. But all other roading assets are.

**Roads**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 16 | Is all depreciation relating to this activity fully funded each year? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  | 1 | 2 |  |  | 3 |  | 4 | 5 | 6 |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Council decided in 2009 to commence rate funding depreciation at a financially sustainable level (gradual increase) but focussed on the major area of

renewal, the ‘3 waters’. This now firmly embedded in the Councils’ financial management of its infrastructure assets. The Council may review the need to apply rate funded depreciation for other assets in future years.

1. - It is fully funded over the 20 years LTP but not from Yr 1 to Yr 9. It is not fully funded because of early peaks in capital spend and for intergenerational

equity issues.

3 - Council does not fund depreciation.

The funding required to replace and maintain the asset is based on the history of extensive condition surveying/works orders and customer comments since the mid-nineties and is reviewed every three years for sufficiency. This process is accepted by Audit.

4 - Council rates & NZTA subsidy fund the renewals requirement each year (the depreciation expense is not separately funded as well). For the roading

activity Council has always adopted the approach of funding the actual asset renewal needs rather than the depreciation amount. This, coupled with good asset management practices is considered to be a prudent approach.

5 - Depreciation is 50% rate funded. This is a Council funding policy decision based on the requirement to maintain the roading network in an adequate

state over the long term.

6 - The portion equivalent to that funded through NZTA is not funded by Council.

**Roads**

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| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 18 | Are depreciation funds used solely for funding renewals? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ | 1 |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Extract from our Policy

If the capital expenditure relates to the replacement (renewal) of an existing asset, the expenditure will be funded by depreciation. Funding for depreciation comes from rates. Any surplus depreciation, after paying for the replacement of Council assets, will be used to repay borrowings. In other words long life assets build up a surplus of funding in the early years (repay debt) and in the later years the council draws the excess depreciation used to repay debt. Net nil over the life of the asset.

2 - The first call on depreciation is the repayment of loans. The balance is applied to renewals.

**Roads**

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| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 24 | **Maintenance & Operations:** Can you foresee any significant extraordinary maintenance and operations costs relating to this activity in the next 30 years? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 | 2 |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Unexpected natural events such as extreme weather or earthquakes which may accelerate the condition of the asset to need repairs/ replacements.

2 - New Transmission Gully Motorway link roads and current state highways transferred to become local roads.

**Roads**

|  |  |  |  |  |  |  |  |  |  |  |  |
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| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 30 | **Renewals:** Can you foresee any significant extraordinary renewals cost impacts relating to this activity in the next 30 years? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 **-** Within the next 20/30 years - Renewals of current SH vested in PCC post Transmission Gully Motorway / Intersection upgrades.

**Roads**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 37 | **New Capital:** Can you foresee any significant extraordinary new capital costs in the next 30 years? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 | 2 |  |  | 3 |  |  | 4 |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Depends on the required investment in Public Transport enhancements and levels of service. E.g. cycle ways. - within the next 10 years.

2 - Within the next 10 years - Funding may need to be escalated to lower the risk profile / Transmission Gully Motorway link roads.

3 - Within the next 10 years - 24/25 to 26/27 Cross Valley link $72m.

4 - Possible Masterton Bypass.

**Roads**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 41 | **Development Contributions:** Does the Council charge development contributions or financial contributions for this activity? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

**Roads**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 43 | **Other Matters:** Are you aware of any other significant matters that may arise in the next 30 years relating to this activity that hasn’t been addressed by the above questions? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Regional Governance and shared services.

**Roads**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 46 | **Resource Consents:** Are there now, or do you foresee the Council having within the next 10 years, any major resource or other consenting issues relating to this activity? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Consents arising from capital works programmes, especially Transmission Gully Motorway link roads, as well as renewals including stricter discharge

controls.

**Roads**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 49 | Is the current asset management plan for this activity completely in alignment with your Council’s current long-term plan? (I.e. No difference between the amounts identified in the asset management plan as being required for maintenance, renewals and new capital projects and what is forecasted in the long term plan). |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

**Roads**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| 50 | Has the Asset Management Plan for this activity been independently reviewed? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  | 1 |  | 2 | 3 |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Parts have been peer reviewed and a total peer review is being commissioned this year.

2 - Components of the AMP are reviewed when new projects are investigated.

3 - Audit New Zealand as part of the LTP process.

SECTION 4

WATER SUPPLY

4.1 WATER SUPPLY – GENERAL INFORMATION

**Note:** Wellington Regional Council is the bulk supplier to 50+ supply points to the Wellington, Hutt, Porirua, and Upper Hutt City Councils.

**Note:** Some doubts about whether the figures from each Council include (or don’t include) management costs & overheads.

|  |  |  |
| --- | --- | --- |
|  | Renewals | Depreciation |
| Wellington Regional | 2,758 | 8,257 |
| Wellington | 8,823 | 13823 |
| Porirua | 1,455 | 2148 |
| Kapiti | 1,915 | 1940 |
|  |  |  |
| Hutt | 1,793 | 3248 |
| Upper Hutt | 1,046 | 1533 |
|  |  |  |
| Masterton | 1,657 | 1063 |
| South Wairarapa | 256 | 800 |
| Carterton | 41 | 458 |

* 1. DEPRECIATION v RENEWALS – WATER SUPPLY

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 8357 | 2758 |
| 2014 | 8289 | 1635 |
| 2015 | 8331 | 1674 |
| 2016 | 8323 | 4006 |
| 2017 | 8587 | 3467 |
| 2018 | 8889 | 7014 |
| 2019 | 9415 | 5787 |
| 2020 | 9698 | 4273 |
| 2021 | 9637 | 3994 |
| 2022 | 9711 | 3823 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 13744 | 10799 |
| 2014 | 13605 | 11416 |
| 2015 | 13539 | 13068 |
| 2016 | 13533 | 14930 |
| 2017 | 13574 | 16799 |
| 2018 | 13595 | 17891 |
| 2019 | 13641 | 16788 |
| 2020 | 13675 | 17061 |
| 2021 | 13724 | 17892 |
| 2022 | 13799 | 17892 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 2271 | 1465 |
| 2014 | 2334 | 1321 |
| 2015 | 2587 | 1299 |
| 2016 | 2586 | 1011 |
| 2017 | 2716 | 1516 |
| 2018 | 2755 | 1340 |
| 2019 | 3001 | 1400 |
| 2020 | 3083 | 1469 |
| 2021 | 3449 | 1210 |
| 2022 | 3576 | 1203 |

|  |  |  |
| --- | --- | --- |
|  | Renewals | Depreciation |
| 2013 | 5398 | 2017 |
| 2014 | 4474 | 2228 |
| 2015 | 736 | 2367 |
| 2016 | 664 | 2446 |
| 2017 | 1743 | 2463 |
| 2018 | 4647 | 2488 |
| 2019 | 2601 | 2561 |
| 2020 | 1723 | 2596 |
| 2021 | 2199 | 2625 |
| 2022 | 3318 | 2656 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 3258 | 1998 |
| 2014 | 3196 | 2259 |
| 2015 | 3169 | 2179 |
| 2016 | 3182 | 2222 |
| 2017 | 3227 | 2559 |
| 2018 | 3251 | 2595 |
| 2019 | 3274 | 2883 |
| 2020 | 3311 | 3076 |
| 2021 | 3351 | 3086 |
| 2022 | 3392 | 3166 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 1570 | 931 |
| 2014 | 1578 | 1066 |
| 2015 | 1586 | 1274 |
| 2016 | 1589 | 1307 |
| 2017 | 1590 | 1340 |
| 2018 | 1602 | 1375 |
| 2019 | 1611 | 1414 |
| 2020 | 1622 | 1457 |
| 2021 | 1631 | 1502 |
| 2022 | 1640 | 1218 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 1237 | 2156 |
| 2014 | 1242 | 1691 |
| 2015 | 1350 | 1278 |
| 2016 | 1350 | 2784 |
| 2017 | 1350 | 7472 |
| 2018 | 1479 | 1780 |
| 2019 | 1479 | 1433 |
| 2020 | 1481 | 1505 |
| 2021 | 1631 | 1504 |
| 2022 | 1631 | 1557 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 799 | 313 |
| 2014 | 828 | 324 |
| 2015 | 845 | 335 |
| 2016 | 849 | 346 |
| 2017 | 873 | 357 |
| 2018 | 888 | 368 |
| 2019 | 880 | 378 |
| 2020 | 896 | 390 |
| 2021 | 905 | 402 |
| 2022 | 896 | 414 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 458 | 191 |
| 2014 | 469 | 104 |
| 2015 | 479 | 108 |
| 2016 | 490 | 112 |
| 2017 | 504 | 703 |
| 2018 | 548 | 729 |
| 2019 | 594 | 757 |
| 2020 | 623 | 788 |
| 2021 | 638 | 822 |
| 2022 | 675 | 858 |

4.3 ASSET CONFIDENCE – WATER SUPPLY

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **ASSET CONFIDENCE - WATER SUPPLY**  **Territorial Authorities** | | | | | |
| **(Assessed Reliability of Data Completeness and Accuracy)** | | | | | |
| **AUTHORITY** | **Data Attribute** | **Very Uncertain** | **Uncertain** | **Reliable** | **Highly Reliable** |
|
| Wellington | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Porirua | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Kaptiti | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Hutt | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Upper Hutt | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Masterton | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| South | Asset Description |  |  |  |  |
| Wairarapa | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Carterton | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |

|  |  |
| --- | --- |
| **Confidence Grade** | **Description** |
| Highly reliable | Data based on sound records, procedure, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate + 2% |
| Reliable | Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate + 10% |
| Uncertain | Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated + 25% |
| Very uncertain | Data based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy + 40% |

* 1. RISK MANAGEMENT – WATER SUPPLY

The Councils’ top five risks relating to the water supply activity.

|  |  |
| --- | --- |
| **AUTHORITY** | **RISK** |

|  |  |
| --- | --- |
| Wellington Regional Council | * Water supply infrastructure capacity insufficient to meet security of supply standard. * Water supply fails to meet drinking water standards resulting in public health issues. * Damage to water supply infrastructure from an event which interrupts supply. * Operations cause environmental damage. |
|  | |
| Wellington | * Backflow into the distribution system due to lack of inadequate, or faulty backflow prevention device. * Single point failure resulting in widespread lack of supply. E.g. major pipe or reservoir failure in an area sourced by this critical asset. * Backflow into the distribution system due to water pressure in the distribution system lower than pressure in supplied premises. * Lack of back up electricity for power supply. * Supply disruption due to system operation. |
| Porirua | * Institutional knowledge loss * Failure to get private contributions. * Insufficient capacity for fire fighting. * Supply loss due to condition. * Poor Project management. |
| Kapiti | * Hand over of assets – low quality. * Lack of resources – key staff * Project Management – inadequate processes. * Secure funding – inadequate processes. * Health and safety – Contractors |

|  |  |
| --- | --- |
| Hutt | * **Significant earthquake adversely impacts the activity**. * Contamination of the water supply due to an intentional act, insecure facilities, introduction through the service reservoir or inadequate staff training. * Supply outages due to mains failure. * Supply disruption due to system operation or asset failure. * Failure of the bulk water in other than a significant event. |
| Upper Hutt | * **Significant earthquake adversely impacts the activity.** * Contamination of the water supply due to an intentional act, insecure facilities, introduction through the service reservoir or inadequate staff training. * Supply disruption due to system operation or asset failure. * Supply outages due to mains failure. * Failure of the bulk water in other than a significant event. |

|  |  |
| --- | --- |
| Masterton | * **10** **Year Renewal Programme** * Assets attributes * Energy Management * Compliance with resource consent conditions. * Risk control schedule. |
| **AUTHORITY** | **RISK** |
|  | |
| South Wairarapa | * Future more stringent regulatory framework. * Reduced Funding Levels. * Increased service requirements. * **Natural disaster affecting and increasing demand on infrastructure**. |
| Carterton | * **Major earthquake.** |

**Note:** Red highlighting denotes comments re: renewals.

Blue highlighting denotes comments re: natural hazards.

* 1. FINANCIAL/FUNDING CHALLENGES – WATER SUPPLY

|  |  |
| --- | --- |
| **AUTHORITY** | **FINANCIAL/FUNDING CHALLENGES** |

|  |  |
| --- | --- |
| Wellington Regional Council | * Additional source capacity or storage will be required within the next 30 years. Options are being investigated and confirmation of the preferred option will be included in the 2015-2025 LTP. The timing of the provision of additional capacity/storage will take into account the increasing population and water consumption trend. * Improved resilience, including emergency water for Wellington and **seismic performance of water supply infrastructure.**   Funding these initiatives will significantly increase debt levels and this will result in a substantial increase in the current water levy which will have an impact on all the region’s metro ratepayers. |
|  | |
| Wellington | * **An ageing infrastructure and the funding of the upcoming peak in renewals within the next 10-20 years.** |
| Porirua | * **Age of assets, requiring an extensive renewal programme.** * **Funding issues – depreciation**, contributions, pressure on rates. |
| Kapiti | * Significant investment is being made in the water supply and district-wide water metering projects currently to improve security of supply. * **The renewal of asbestos cement mains will require planning to mitigate the sharp rise in renewals spending projected for the late 2030s (smooth expenditure profile)** |

|  |  |
| --- | --- |
| Hutt | * Capital upgrades are required to parts of the network in Eastbourne to enhance security of supply via a duplicate main and duplicate reservoir. However there is provision in the LTP for this work. |
| Upper Hutt | * **Renewing ageing** **AC & Steel pipes** and minimising potential network damage resulting from a major earthquake. |

|  |  |
| --- | --- |
| Masterton | * No immediate challenges, however there is a potential cost for the installation of water meters to manage demand in future. This would be driven by either an economic assessment or by any change to the consented volume of water available to council. |
| South Wairarapa | * No significant challenges. |
| Carterton | * No major financial/funding challenges likely in the foreseeable future. |

**Note:** Red highlighting denotes comments re: renewals. See also the answer to question 30 at the end of this section.

Blue highlighting denotes comments re: natural hazards.

* 1. SERVICE DELIVERY – WATER SUPPLY

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **AUTHORITY** | **‘In-house’** | **‘Out-sourced’** | **Partly ‘In-house and partly ‘Out-sourced’** | **As a Council Controlled Organisation** | **Other** |
|  |  |  |  |  |  |
| Wellington Regional Council | X |  |  |  |  |
|  | | | | | |
| Wellington |  |  |  | Capacity Infrastructure Services Ltd |  |
| Porirua | X¹ |  |  |  |  |
| Kapiti |  |  | Primarily in house for operations and maintenance supplemented by contractors as required. |  |  |
|  |  |  |  |  |  |
| Hutt |  |  |  | Capacity Infrastructure Services Ltd |  |
| Upper Hutt |  |  |  | Capacity Infrastructure Services Ltd |  |
|  |  |  |  |  |  |
| Masterton |  |  | Treatment plant operation in house, reticulation maintenance contracted. |  |  |
| South Wairarapa | Management | X |  |  |  |
| Carterton |  |  | X |  |  |

**Note**¹: Intending to change to a contract with Capacity Infrastructure Services Ltd (source – Porirua City Council Annual

Report 2012/13)

4.7 RESPONSES TO OTHER QUESTIONS

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2 | **Climate Change:** Does your Council Have A Climate Change Management Policy? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 2 |  |  |  |  | 6 |  |  |  |  |
|  | ‘No’ | 1 |  | 3 | 4 |  | 5 |  |  |  | 7 |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - The Council does not have a single policy on climate change (being developed). Guidance is provided through the Regional Policy Statement, our Corporate Sustainability Action Plan and strategies and operational policy within departments. The impact of climate change has been fully assessed and is embedded in our strategic modelling and is referred to in our Asset Management Plan. This is updated a new information arises.

2 - Climate Change Action Plan (2010).

3 - PCC does have a Carbon Emission Reduction Action Plan dated 2010 and Sustainability Strategy, both targeting mitigation aspects around energy, waste and direct emissions.

4 - No overarching climate change policy. Council has a Carbon & Energy Management Plan that includes climate change mitigation (emissions reduction) targets. Council’s emissions are monitored. CEMARS registration since 2012. Also statements in LT(CC)P since 2006 on adaptation (Council will intervene on the coast to protect roads and public health infrastructure only from erosion) but no developed policy as such.

5 - Hutt City Council does not have a Climate Change Policy. However, within Hutt City Council’s Long Term Plan (LTP) 2012 to 2022 there are numerous statements relating to the effects of climate change, including within the Storm water Management and Economic Outlook sections.

In addition, the HCC Asset Management Plan deals with Climate Change. The AMP also takes account of climate change utilising the Climate Change Effects And Impacts Assessment – A Guidance Manual For Local Government In New Zealand.

6 - While UHCC does not have a specific Climate Change Management Policy, it does have a 2012-2022 Sustainability Strategy that can be found on the UHCC website here: <http://www.upperhuttcity.com/store/doc/Sustainability_Strategy_2012-2022.pdf>

In addition, the UHCC Asset Management Plan has a specific climate change section. The AMP also notes that the effects of climate change are considered when renewal works are designed.

Climate change considerations taken account of in the AMPs and LTP for the year period.

7 - The combined District Plan only references potential future hazards and risks associated with Climate Change.

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 6 | **Future Demand:** Are there any identifiable extraordinary ‘future demand’ issues or changes within the next 30 years relating to this activity? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 |  | 2 |  |  |  |  |  | 3 | 4 |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - Additional source capacity or storage will be required within the next 30 years. Options are being investigated and confirmation of the preferred option

will be included in the 2015-2025 LTP. The timing of the provision of additional capacity/storage will take into account the increasing population and water consumption trend.

2 - Potential expansion of the urban zone with respect to Porirua’s ‘Northern Growth Area’ and progression of the Transmission Gully Motorway.

3 - There is a potential cost for the installation of water meters to manage demand in the future. This would be driven by either an economic assessment or

by any change to the consented volume of water available to council.

4 - Likely future caveats on ‘water take’ volumes from bores and surface water sources requiring additional conservation measures.

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 10 | **Deferred Maintenance & Renewals:** Is there any deferred maintenance and/or deferred renewals (backlog) relating to this activity? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 14 | **Depreciation:** Are all of the infrastructure assets relating to this activity subject to the assessment of depreciation each year? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 16 | Is all depreciation relating to this activity fully funded each year? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  | 1 | 2 |  |  |  | 3 |  | 4 | 5 |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - Renewals funded by loans.

2 - 97% of the activity is fully funded each year.

3 - Currently funding at 15% incrementally, increasing to 30% in 2014/15. First resolved in 2009 to commence funding depreciation for this activity but at a

level that is financially sustainable.

4 - The funding required to replace and maintain the asset is based on the history of extensive condition surveying/works order and customer comments

since the mid-nineties and is reviewed every three years for sufficiency. This process is accepted by Audit.

5 - Refer to Council’s Financial Strategy (page 33 of the LTP).

Depreciation was not fully funded following the 2011 revaluation of assets. The level of depreciation is being progressively increased over the term of the LTP to allow for a catch-up in depreciation funding. Debt repayment is funded instead of depreciation where debt is associated with an activity.

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 18 | Are depreciation funds used solely for funding renewals? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ | 1 | 2 |  | 3 |  |  |  |  |  |  | 4 |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - Greater Wellington primarily funds capital expenditure from borrowings, proceeds from asset sales and the use of reserves (sources other than

operating revenue). However, operating revenue is used to fund interest on debt, as well as used to repay debt principal. Greater Wellington has large infrastructure assets with long economic lives that yield long term benefits. The use of debt is seen as an appropriate and efficient mechanism for promoting inter-generational equity between current and future tax payers in relation to Greater Wellington’s assets and investments and ensuring rates and charges are set at a level to pay for the underlying assets used in service delivery.

2 - Extract from our Policy

If the capital expenditure relates to the replacement (renewal) of an existing asset, the expenditure will be funded by depreciation. Funding for depreciation comes from rates. Any surplus depreciation, after paying for the replacement of Council assets, will be used to repay borrowings. In other words long life assets build up a surplus of funding in the early years (repay debt) and in the later years the council draws the excess depreciation used to repay debt. Net nil over the life of the asset.

3 - The first call on depreciation is the repayment of loans. The balance is applied to renewals.

4 - Renewals of existing capital works and new capital expenditure are funded from the annual depreciation and/or loans.

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 24 | **Maintenance & Operations:** Can you foresee any significant extraordinary maintenance and operations costs relating to this activity in the next 30 years? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 | 2 |  |  | 3 | 4 |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - Potential additional costs relating to providing a supplementary bulk water source to ensure Council is able to maintain the required level of service in a

1:50 year drought.

2 - Capacity increases for regional storage and treatment likely to result in a step change to bulk water purchase cost for client councils.

3 - Potential costs relating to providing a supplementary bulk water source to ensure Council is able to maintain a level of service to meet a 1:50 year

drought. These costs are provided for in the LTP.

4 - Potential costs relating to providing a supplementary bulk water source to ensure Council maintains a level of service to meet a 1:50 year drought.

These costs are provided for in the LTP and paid to the Regional Council through bulk water levy.

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 30 | **Renewals:** Can you foresee any significant extraordinary renewals cost impacts relating to this activity in the next 30 years? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  | 1 |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - Within the next 20 years - Current pipeline renewal strategy runs at medium risk, pushing ‘bow wave’ of renewal needs.

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 37 | **New Capital:** Can you foresee any significant extraordinary new capital costs in the next 30 years? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 |  | 2 |  |  |  | 3 |  | 4 |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - Additional water source or storage capacity as commented on at question #7.

Improved resilience, including emergency water for Wellington and seismic performance of water supply infrastructure.

Current items relating to this:

* + - Land purchase
    - Pakuratahi/Kaitoke Storage Lakes
    - Distribution system upgrades
    - Takapu Road e/m storage
    - Wellington City e/m storage

2 - Within the next 10 years - New reservoir at Elsdon.

3 - Potential costs relating to providing a supplementary bulk water source to ensure Council maintains a level of service to meet a 1:50 year drought. These

costs are provided for in the LTP and paid to Regional Council through bulk water levy.

4 - Within the next 20 years - A new reservoir is planned to assist with the continuity of supply to the Landsdown area.

**Water Supply**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 41 | **Development Contributions:** Does the Council charge development contributions or financial contributions for this activity? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 43 | **Other Matters:** Are you aware of any other significant matters that may arise in the next 30 years relating to this activity that hasn’t been addressed by the above questions? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 | 2 |  |  | 3 |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 & 3 - The Wellington Regional Plan is currently under review. The final plan will likely have ramifications for 3-water activity delivery across the region. Central Government has signalled further changes to the Local Government Act and Resource Management Act. If these changes occur, they will likely have as yet unknown ramifications for the 3-water activity delivery across the region.

2 - Regional governance and shared services.

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 46 | **Resource Consents:** Are there now, or do you foresee the Council having within the next 10 years, any major resource or other consenting issues relating to this activity? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 |  | 2 |  |  | 3 | 4 |  | 5 |  | 6 |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - Consenting of infrastructure to provide additional water storage and/or pipelines.

2 - Consents arising from capital works programmes, especially the provision of as new reservoir and pipeline, as well as renewals including stricter

discharge controls.

3 - Renewal of several existing reservoir consents.

4 - Seddon Street emergency water supply – On behalf of UHCC, Capacity has applied for a water take consent from GWRC. GWRC has requested a pump

test.

5 - Renewal of a water take consent in 2017

6 - Current consent application for renewal of ‘surface take’ being processed. Likely to be a reduction in allowable take during low stream flows.

Council will then increase the take from groundwater bores which are consented.

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 49 | **The Asset Management Plan:** Is the current asset management plan for this activity completely in alignment with your Council’s current long-term plan? (I.e. No difference between the amounts identified in the asset management plan as being required for maintenance, renewals and new capital projects and what is forecasted in the long term plan). |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

**Water Supply**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 50 | Has the Asset Management Plan for this activity been independently reviewed? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  | 2 |  |
|  | ‘No’ |  |  |  |  |  |  |  |  | 1 |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - Components of the AMP are reviewed when new projects are investigated.

2 - Audit New Zealand as part of the LTP review.

SECTION 5

WASTEWATER (SEWERAGE)

5.1 WASTEWATER (SEWERAGE) – GENERAL INFORMATION

Hutt - Number of connections not available. Number of water supply connections used.

**Note ¹:** Some doubts about whether the figures from each Council do (or don’t) include management costs & overheads.

|  |  |  |
| --- | --- | --- |
|  | Renewals | Depreciation |
| Wellington | 6,721 | 12,293 |
| Porirua | 3,866 | 4,372 |
| Kapiti | 1,716 | 2,241 |
|  |  |  |
| Hutt | 4,409 | 6,819 |
| Upper Hutt | 1,138 | 1,699 |
|  |  |  |
| Masterton | 1,764 | 1,381 |
| South Wairarapa | 154 | 377 |
| Carterton | 628 | 292 |

* 1. DEPRECIATION v RENEWALS – WASTEWATER (SEWERAGE)

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 12293 | 7411 |
| 2014 | 12316 | 8143 |
| 2015 | 12304 | 9158 |
| 2016 | 12312 | 9920 |
| 2017 | 12327 | 10700 |
| 2018 | 12325 | 11482 |
| 2019 | 12394 | 12264 |
| 2020 | 12478 | 13045 |
| 2021 | 12580 | 13827 |
| 2022 | 12674 | 13827 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 4901 | 2352 |
| 2014 | 5145 | 2557 |
| 2015 | 5932 | 2717 |
| 2016 | 6166 | 2494 |
| 2017 | 6568 | 2196 |
| 2018 | 6166 | 3135 |
| 2019 | 6295 | 7619 |
| 2020 | 6377 | 2638 |
| 2021 | 7068 | 2500 |
| 2022 | 7359 | 3184 |

|  |  |  |
| --- | --- | --- |
|  | Renewals | Depreciation |
| 2013 | 2589 | 2212 |
| 2014 | 2316 | 2251 |
| 2015 | 1794 | 2301 |
| 2016 | 1402 | 2392 |
| 2017 | 1906 | 2417 |
| 2018 | 3372 | 2451 |
| 2019 | 2317 | 2540 |
| 2020 | 2330 | 2595 |
| 2021 | 1706 | 2638 |
| 2022 | 1199 | 2683 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 6662 | 4529 |
| 2014 | 6554 | 4077 |
| 2015 | 6513 | 4365 |
| 2016 | 6510 | 4466 |
| 2017 | 6516 | 5294 |
| 2018 | 6488 | 4621 |
| 2019 | 6469 | 5395 |
| 2020 | 6472 | 5197 |
| 2021 | 6881 | 19752 |
| 2022 | 7444 | 5526 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 1704 | 1275 |
| 2014 | 1709 | 1299 |
| 2015 | 1714 | 1051 |
| 2016 | 1716 | 1171 |
| 2017 | 1722 | 1295 |
| 2018 | 1727 | 1426 |
| 2019 | 1735 | 1568 |
| 2020 | 1734 | 1718 |
| 2021 | 1734 | 1877 |
| 2022 | 1738 | 1609 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 1743 | 2105 |
| 2014 | 1816 | 1778 |
| 2015 | 1995 | 1781 |
| 2016 | 2011 | 1216 |
| 2017 | 2011 | 1161 |
| 2018 | 2182 | 1221 |
| 2019 | 2196 | 1468 |
| 2020 | 2221 | 1624 |
| 2021 | 2432 | 1320 |
| 2022 | 2432 | 1501 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 377 | 172 |
| 2014 | 412 | 294 |
| 2015 | 429 | 112 |
| 2016 | 464 | 288 |
| 2017 | 481 | 298 |
| 2018 | 492 | 307 |
| 2019 | 504 | 315 |
| 2020 | 532 | 325 |
| 2021 | 560 | 335 |
| 2022 | 574 | 345 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 292 | 674 |
| 2014 | 406 | 575 |
| 2015 | 454 | 588 |
| 2016 | 511 | 601 |
| 2017 | 508 | 144 |
| 2018 | 512 | 150 |
| 2019 | 561 | 158 |
| 2020 | 602 | 167 |
| 2021 | 633 | 177 |
| 2022 | 689 | 180 |

5.3 ASSET CONFIDENCE – WASTEWATER (SEWERAGE)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **ASSET CONFIDENCE – WASTEWATER**  **Territorial Authorities** | | | | | |
| **(Assessed Reliability of Data Completeness and Accuracy)** | | | | | |
| **AUTHORITY** | **Data Attribute** | **Very Uncertain** | **Uncertain** | **Reliable** | **Highly Reliable** |
|
| Wellington | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Porirua | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Kaptiti | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Hutt | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Upper Hutt | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Masterton | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| South | Asset Description |  |  |  |  |
| Wairarapa | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Carterton | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |

|  |  |
| --- | --- |
| **Confidence Grade** | **Description** |
| Highly reliable | Data based on sound records, procedure, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate + 2% |
| Reliable | Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate + 10% |
| Uncertain | Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated + 25% |
| Very uncertain | Data based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy + 40% |

* 1. RISK MANAGEMENT - WASTEWATER

The Councils’ top five risks relating to the wastewater activity.

|  |  |
| --- | --- |
| **AUTHORITY** | **RISK** |

|  |  |
| --- | --- |
| Wellington | * Lack of redundancy in critical assets. * Council failure to allow sufficient funding for depreciation for the asset renewal over the life of the asset. * Excessive entry of stormwater into the wastewater system causing excessive overflow. * Climate Change. * **Major earthquake.** |
| Porirua | * Lack of capacity – truck system. * Lack of capacity – treatment plant. * Institutional knowledge lost. * Discharge consent non-compliance. * System overload due to inflow and infiltration. |
| Kapiti | * Hand over of assets – low quality. * Power failure resulting in overflows – environmental discharge. * Lack of internal resources – attracting key staff * Secure funding – inadequate processes * Condition performance data – lack of reliable data. |

|  |  |
| --- | --- |
| Hutt | * **Significant earthquake adversely impacts the activity.** * Assets not achieving design life. * Wastewater infrastructure causes harm to the general public. * Inability to contain peak flows in the wastewater system. * Excessive entry of groundwater and stormwater into the system. |
| Upper Hutt | * **Significant earthquake adversely impacts the activity**. * Assets not achieving design life. * Excessive entry of groundwater and stormwater into the system. |

|  |  |
| --- | --- |
| Masterton | * Risk control schedule. * Corporate Risk Policy. * Asset attributes. * Development Contributions appropriate. * **Lifelines** |
| South Wairarapa | * Future more stringent regulatory framework. * Reduced Funding Levels. * Increased service requirements * **Natural Disaster affecting infrastructure.** * Unforeseen long term adverse environmental impacts of the activity. |
| Carterton | * **Major earthquake** |

**Note:** Blue highlighting denotes comments re: natural hazards.

* 1. FINANCIAL/FUNDING CHALLENGES - WASTEWATER

|  |  |
| --- | --- |
| **AUTHORITY** | **FINANCIAL/FUNDING CHALLENGES** |

|  |  |
| --- | --- |
| Wellington | * **An ageing infrastructure and the funding of the upcoming peak in renewals within the next 10-20 years**. |
| Porirua | * **Age of assets requiring extensive renewals programme** * Funding issues; depreciation, contributions, pressure on rates * Network capacity |
| Kapiti | * **There** **are a significant number of wastewater pumping stations in the district that need to be operated, maintained and ultimately renewed. An ongoing programme of renewal will require funding outside the 20 year plan.** * **The renewal of asbestos** **mains will require planning to mitigate the risk of a spike in the renewals program in the late 30 year projections.** |

|  |  |
| --- | --- |
| Hutt | * Capital upgrades required to parts of the network to remedy inflow and infiltration issues. Capacity is currently undertaking investigations to determine the magnitude of the problem. Once the investigations are complete, Capacity will be in a position to estimate the cost to undertake the improvements. However there is provision in the LTP for renewals. |
| Upper Hutt | * **Renewing** **ageing AC pipes and minimising potential network damage resulting from a major earthquake**. |

|  |  |
| --- | --- |
| Masterton | * The biggest funding challenge for wastewater is the cost of servicing and repaying the debt needed for the resource consent and upgraded wastewater treatment plant. * We have recognised and built into the LTP, the cost of an ongoing reticulation renewals programme. * The LTP indicates the council will stay within prudent financial limits for debt and rates increases. |
| South Wairarapa | * **Discharge consent renewals** and future regulatory obligations will present real funding challenges to Council over the next decade and beyond. * **Asset renewal (pipeline reticulation)** **will take a considerable portion of capital/renewal works funding for the next ten years**. |
| Carterton | * Pressure to discharge more treated effluent to land instead of river. There is already zero discharge to the river during 3 months of summer. A new consent just finalised will now allow discharge to the river relating to river flow rather than a blanket restriction for 3 months. However, Council will need to discharge more to land overall in 4 years’ time. An adjacent property of 65 hectares been recently purchased to facilitate this. |

**Note:** Red highlighting denotes comments re: renewals. See also the answer to question 30 at the end of this section.

* 1. SERVICE DELIVERY - WASTEWATER

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **AUTHORITY** | **‘In-house’** | **‘Out-sourced’** | **Partly ‘In-house and partly ‘Out-sourced’** | **As a Council Controlled Organisation** | **Other** |
|  |  |  |  |  |  |
| Wellington |  |  |  | Capacity Infrastructure Services Ltd |  |
| Porirua | X¹ |  |  |  |  |
| Kapiti |  |  | Primarily in house for operation and maintenance supplemented by contractor as required. |  |  |
|  |  |  |  |  |  |
| Hutt |  |  |  | Capacity Infrastructure Services Ltd |  |
| Upper Hutt |  |  |  | Capacity Infrastructure Services Ltd |  |
|  |  |  |  |  |  |
| Masterton |  |  | Reticulation maintenance is contracted, treatment plant operation is in-house. |  |  |
| South Wairarapa | Management | X |  |  |  |
| Carterton |  |  | X |  |  |

**Note¹:** Intending to change to contract with Capacity Infrastructure Services Ltd (source – Porirua City Council Annual Report

2012/13)

5.7 RESPONSES TO OTHER QUESTIONS

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2 | **Climate Change:** Does your Council Have A Climate Change Management Policy? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 |  |  |  |  | 5 |  | 6 |  |  |
|  | ‘No’ |  | 2 | 3 |  | 4 |  |  |  | 7 |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Climate Change Action Plan (2010**).**

2 - PCC has a Carbon Emission Reduction Action Plan dated 2010 and a new Sustainability Strategy, both targeting mitigation aspects

around energy, waste and emissions.

3 - No overarching climate change policy. Council has a Carbon & Energy Management Plan that includes climate change mitigation

(emissions reduction) targets. Council’s emissions are monitored. CEMARS registration since 2012. Also statements in LT(CC)P since 2006 on adaptation (Council will intervene on the coast to protect roads and public health infrastructure only from erosion) but no developed policy as such.

4 - Hutt City Council does not have a Climate Change Policy. However, within Hutt City Council’s Long Term Plan (LTP) 2012 to 2022 there

are numerous statements relating to the effects of climate change, including within the Storm water Management and Economic Outlook sections. In addition, the HCC Asset Management Plan deals with Climate Change. The AMP also notes that existing infiltration/inflow reduction strategies, including pipeline renewal programmes, are designed to minimise the entry of storm water to the wastewater system to the greatest practical extent. There is little more that can be done to further reduce infiltration/inflow volumes in areas where these strategies have been implemented. Additional measures to accommodate climate change are therefore likely to involve providing additional capacity in the wastewater system in the form of peak flow storage.

In projecting future wastewater volumes it has been assumed that the infiltration/inflow strategies will achieve a reduction in average storm water volumes in the wastewater system from 20 per cent to 15 per cent over the next 20 years. Further analysis of whether this target can be achieved is required. There may be capital upgrades required to parts of the network to remedy inflow and infiltration issues. Capacity is currently undertaking investigation to determine the magnitude of the problem. Once the investigations are complete, Capacity will be in a position to estimate the cost to undertake the improvements. However there is provision in the LTP for renewals.

5 - While UHCC does not have a specific Climate Change Management Policy, it does have a 2012-2022 Sustainability Strategy can be found on the UHCC

website here: <http://www.upperhuttcity.com/store/doc/Sustainability_Strategy_2012-2022.pdf>. In addition, the UHCC Asset Management Plan has a specific climate change section that deals with Climate Change. The AMP also notes that the effects of climate change are considered when renewal works are designed. Climate change considerations taken account of in the AMPs and LTP for the year period.

6 - The Council has a sustainability Strategy that includes actions such as reviewing procurement policies to better reflect sustainable values, working

towards energy efficiency and a reduced carbon footprint within its own offices and activities.

7 - The combined District Plan only references potential future hazards and risks associated with Climate Change.

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 6 | **Future Demand:** Are there any identifiable extraordinary ‘future demand’ issues or changes within the next 30 years relating to this activity? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  | 2 |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Potential expansion of the urban zone with particular respect to Porirua’s ‘Northern Growth Area’ and the progression of Transmission Gully Motorway

will directly impact the trunk reticulation network and treatment plant.

2 - Council is in the early stages of its urban growth strategy. The final outcome may have some impact but that impact is currently not quantified.

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 10 | **Deferred Maintenance & Renewals:** Is there any deferred maintenance and/or deferred renewals (backlog) relating to this activity? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  | 1 |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Asset renewals were deferred prior to the construction of the new wastewater treatment plant. Council is now over half way through an accelerated 6

year program to catch up on the reticulation renewal deferral. The 2012/13 estimated value of the amount deferral is $1.5m.

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 14 | **Depreciation:** Are all of the infrastructure assets relating to this activity subject to the assessment of depreciation each year? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 16 | Is all depreciation relating to this activity fully funded each year? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ | 1 | 2 | 3 |  |  | 4 |  | 5 |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - 95% of the activity is fully funded each year with the exception of the Moa Point Treatment Plant.

2 - Currently funded at 15% incrementally increasing to 30% in 2014/15. First resolved in 2009 to commence funding depreciation for this activity, but at a

level that is financially sustainable.

3 - It is not fully funded in years 3 to 7 but the shortfall is funded over years 8 to 20. Intergenerational equity issues - ensuring that future generations that

benefit pay their share of the costs.

4 - The funding required to replace and maintain the asset is based on the history of extensive condition surveying/works orders and customer comments

since the mid-nineties and is reviewed every three years for sufficiency. This process is accepted by Audit.

5 - Refer to Council’s Financial Strategy. (Page 33 of LTP).

Depreciation was not fully funded following the 2011 revaluation of assets. The level of depreciation is being progressively increased over the term of

the LTP to allow for a catch up. Debt repayment is funded instead of depreciation where the debt was used to fund the upgrading/renewal of assets.

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 18 | Are depreciation funds used solely for funding renewals? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ | 1 |  | 2 |  | 3 |  |  |  |  | 4 |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Extract from our Policy

If the capital expenditure relates to the replacement (renewal) of an existing asset, the expenditure will be funded by depreciation. Funding for depreciation comes from rates. Any surplus depreciation, after paying for the replacement of Council assets, will be used to repay borrowings. In other words long life assets build up a surplus of funding in the early years (repay debt) and in the later years the Council draws the excess depreciation used to repay debt. Net nil over the life of the asset.

2 - The first call on depreciation is the repayment of loans. The balance is applied to renewals.

3 - Funds both renewals and improvements.

4 - Renewals of existing capital works and new capital expenditure is funded from the annual depreciation and/or loans.

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 24 | **Maintenance & Operations:** Can you foresee any significant extraordinary maintenance and operations costs relating to this activity in the next 30 years? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Growing network, particularly capacity upgrades to plant and pump stations, as well as new pressurised schemes being developed in marginal areas.

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 30 | **Renewals:** Can you foresee any significant extraordinary renewals cost impacts relating to this activity in the next 30 years? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 | 2 | 3 |  | 4 |  |  |  | 5 |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Within the next 10 years - The South Karori outfall pipeline will need renewing – consent condition and condition related.

2 - Within the next 10 years - Sludge handling plant.

3 - Within the next 10 years - The consenting of the Paraparaumu Treatment Plant which expires in 2022. Increased environmental awareness and

concerns about freshwater quality across the country is likely to have impact on the renewal process. That may require

significant investment.

Within the next 30 years - AC pipe replacement renewal.

4 - 2020/21 – 2021/2022: Pencarrow wastewater outfall pipeline replacement. However this is planned for the in the LTP

5 - Within the next 10 years - Some uncertainty around the extent of the renewal period.

Within the next 20 years - Less uncertainty.

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 37 | **New Capital:** Can you foresee any significant extraordinary new capital costs in the next 30 years? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 |  |  |  |  |  |  | 2 |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Within the next 10 years - Cross-harbour pipeline and storage tanks.

Within the next 30 years - Trunk network upgrades to accommodate Northern Growth.

2 - Within the next 10 years - Expenditure profile will be within the total LTP forecast, but not necessarily by year

Within the next 20/30 years - Wastewater Disposal Costs (e.g. Land Purchase) for three urban communities will create a funding challenge for the

Council.

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 41 | **Development Contributions:** Does the Council charge development contributions or financial contributions for this activity? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 43 | **Other Matters:** Are you aware of any other significant matters that may arise in the next 30 years relating to this activity that hasn’t been addressed by the above questions? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 | 2 |  |  | 3 | 4 |  | 5 |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1,3 & 4 - The Wellington Regional Plan is currently under review. The final RPS will likely have ramifications for 3-water activity delivery across the region.

Central Government has signalled further changes to the Local Government Act and Resource Management Act. If these changes occur, they will likely have as yet unknown ramifications for 3-water activity delivery across the region.

2 - Regional governance and shared services.

5 - Renewal of Masterton’s wastewater treatment and discharge resource consent.

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 46 | **Resource Consents:** Are there now, or do you foresee the Council having within the next 10 years, any major resource or other consenting issues relating to this activity? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 | 2 | 3 |  | 4 |  |  |  | 5 | 6 |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - The resource consent for Moa Point WWTP requires the installation of bypass treatment. It is likely than a “S127” will be applied for, to remove or

defer this requirement.

2 - Consents arising from capital works programmes, especially cross harbour pipeline and treatment plant upgrades. Greater requirement foreseen for

control of discharges and overflows.

3 - The consenting of the Paraparaumu Treatment Plant which expires in 2022. Increased environmental awareness and concerns about freshwater quality

across the country is likely to have an impact on the renewal process. Discharge of treated effluent into urban waterways is becoming increasingly difficult.

4 - 2020/21 – 2021-2022: Pencarrow wastewater outfall pipeline replacement.

5 - Three urban wastewater disposal schemes simultaneously requiring new long term consents before 2015.

6 - A new consent for treated wastewater discharge to land and water has recently been finalised. Replacement consents will be required in 2018.

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 49 | **The Asset Management Plan:** Is the current asset management plan for this activity completely in alignment with your Council’s current long-term plan? (I.e. No difference between the amounts identified in the asset management plan as being required for maintenance, renewals and new capital projects and what is forecasted in the long term plan). |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

**Wastewater (Sewerage)**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 50 | Has the Asset Management Plan for this activity been independently reviewed? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  | 2 |  |
|  | ‘No’ |  |  |  |  |  |  |  | 1 |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

1 - Components of the AMP are reviewed when new projects are investigated.

2 - Audit New Zealand as part of the LTP.

SECTION 6

STORMWATER & FLOOD CONTROL

6.1 STORMWATER & FLOOD CONTROL – GENERAL INFORMATION

**Note ¹:** Some doubts about whether the figures from each Council do (or don’t) include management costs & overheads.

**Note: -** Wellington Regional Council does not separately cost renewals for floodplain management

|  |  |  |
| --- | --- | --- |
|  | Renewals | Depreciation |
| Wellington Regional | 0 | 992 |
| Wellington | 2,502 | 6459 |
| Porirua | 0 | 2194 |
| Kapiti | 253 | 1054 |
|  |  |  |
| Hutt | 792 | 2935 |
| Upper Hutt | 733 | 1492 |
|  |  |  |
| Masterton | 374 | 228 |
| South Wairarapa | 0 | 101 |
| Carterton | 0 | 59 |

For details see the answers to question 52 at the end of this section.

* 1. DEPRECIATION v RENEWALS – STORMWATER (FLOOD CONTROL)

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 992 | 0 |
| 2014 | 1050 | 0 |
| 2015 | 1086 | 0 |
| 2016 | 1066 | 0 |
| 2017 | 1225 | 0 |
| 2018 | 1204 | 0 |
| 2019 | 1323 | 0 |
| 2020 | 1309 | 0 |
| 2021 | 1393 | 0 |
| 2022 | 1458 | 0 |

**Note:** Wellington Regional Council does not separately identify renewals for floodplain management

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 6440 | 4012 |
| 2014 | 6414 | 4473 |
| 2015 | 6397 | 5465 |
| 2016 | 6390 | 5996 |
| 2017 | 6364 | 6296 |
| 2018 | 6373 | 6596 |
| 2019 | 6387 | 6896 |
| 2020 | 6410 | 7161 |
| 2021 | 6447 | 7427 |
| 2022 | 6512 | 7427 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 2239 | 0 |
| 2014 | 2283 | 0 |
| 2015 | 2520 | 0 |
| 2016 | 2546 | 0 |
| 2017 | 2746 | 0 |
| 2018 | 2778 | 0 |
| 2019 | 3046 | 0 |
| 2020 | 3084 | 135 |
| 2021 | 3378 | 142 |
| 2022 | 3443 | 150 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 893 | 746 |
| 2014 | 934 | 0 |
| 2015 | 970 | 50 |
| 2016 | 1038 | 568 |
| 2017 | 1081 | 605 |
| 2018 | 1124 | 403 |
| 2019 | 1138 | 363 |
| 2020 | 1154 | 593 |
| 2021 | 1203 | 619 |
| 2022 | 1254 | 1220 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 2943 | 750 |
| 2014 | 2911 | 751 |
| 2015 | 2999 | 765 |
| 2016 | 3098 | 781 |
| 2017 | 3108 | 933 |
| 2018 | 3239 | 812 |
| 2019 | 3365 | 830 |
| 2020 | 3362 | 849 |
| 2021 | 3478 | 872 |
| 2022 | 3579 | 893 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 1572 | 764 |
| 2014 | 1582 | 987 |
| 2015 | 1595 | 1369 |
| 2016 | 1608 | 1431 |
| 2017 | 1609 | 1498 |
| 2018 | 1634 | 1563 |
| 2019 | 1646 | 1641 |
| 2020 | 1656 | 1699 |
| 2021 | 1668 | 1791 |
| 2022 | 1682 | 1518 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 223 | 155 |
| 2014 | 223 | 125 |
| 2015 | 247 | 129 |
| 2016 | 247 | 134 |
| 2017 | 248 | 138 |
| 2018 | 271 | 142 |
| 2019 | 271 | 147 |
| 2020 | 271 | 152 |
| 2021 | 298 | 157 |
| 2022 | 298 | 162 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 101 | 0 |
| 2014 | 108 | 208 |
| 2015 | 108 | 0 |
| 2016 | 113 | 221 |
| 2017 | 119 | 179 |
| 2018 | 127 | 235 |
| 2019 | 131 | 189 |
| 2020 | 140 | 249 |
| 2021 | 147 | 201 |
| 2022 | 153 | 265 |

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 59 | 0 |
| 2014 | 66 | 0 |
| 2015 | 66 | 0 |
| 2016 | 66 | 0 |
| 2017 | 70 | 0 |
| 2018 | 70 | 0 |
| 2019 | 70 | 0 |
| 2020 | 77 | 0 |
| 2021 | 77 | 0 |
| 2022 | 77 | 0 |

* 1. ASSET CONFIDENCE – STORMWATER & FLOOD CONTROL

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **ASSET CONFIDENCE - STORMWATER & FLOOD CONTROL**  **Territorial Authorities** | | | | | |
| **(Assessed Reliability of Data Completeness and Accuracy)** | | | | | |
| **AUTHORITY** | **Data Attribute** | **Very Uncertain** | **Uncertain** | **Reliable** | **Highly Reliable** |
|
| Wellington | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Porirua | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Kaptiti | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Hutt | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Upper Hutt | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Masterton | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| South | Asset Description |  |  |  |  |
| Wairarapa | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Carterton | Asset Description |  |  |  |  |
|  | Asset Quantity |  |  |  |  |
|  | Asset Age |  |  |  |  |
|  | Condition |  |  |  |  |
|  | Performance |  |  |  |  |

|  |  |
| --- | --- |
| **Confidence Grade** | **Description** |
| Highly reliable | Data based on sound records, procedure, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate + 2% |
| Reliable | Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate + 10% |
| Uncertain | Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated + 25% |
| Very uncertain | Data based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy + 40% |

* 1. RISK MANAGEMENT – STORMWATER/FLOOD CONTROL

The Council’s top five risks relating to this activity.

|  |  |
| --- | --- |
| **AUTHORITY** | **RISK** |

|  |  |
| --- | --- |
| Wellington Regional Council | * **Overtopping of flood protections assets.** * **Failure of flood protection assets during a flood.** * **Earthquake damage.** * **Climate change.** * Consenting of works. * **Note a major flood across the region could influence Councils spending; however, GWRC does have reserves of $11.4m (as at 30 June 2013) and insurance to cover for significant assets.** |
|  | |
| Wellington | * Council failure to allow sufficient funding for depreciation for the asset renewal over the life of the asset * Non-point source contamination of stormwater runoff * Discharge of stormwater polluted with contaminants, possibly litter, sediment, sewage. * **Climate change** * Blockage of intakes |
| Porirua | * Contamination of waterways. * Consenting issues. * Lack of resource, contractors and professional. * Capacity issues leading to flooding. * Sedimentation, nutrification of waterways. |
| Kapiti | * With the new fresh water policy statement Regional Council will start imposing quality limits on discharges. * Health and safety of water bodies. * Lack of maintenance. * Under capacity of existing systems. * Water quality * Inadequate planning for growth. |

|  |  |
| --- | --- |
| Hutt | * **Significant earthquake adversely impacts the activity.** * **Overtopping of water courses.** * **Major flooding in severe rainfall event.** * Discharge of stormwater polluted with contaminants, sediment or sewage. * Jamming of floodgates |
| Upper Hutt | * **Significant earthquake adversely impacts the activity** * Missing or damaged covers (manholes/access chamber) causes harm or damage. * Stormwater infrastructure causes harm to the general public. * Stormwater discharge polluted with contaminants, sediment or sewage. * Spillages or deliberate dumping of contaminants into stormwater system. |

|  |  |  |
| --- | --- | --- |
| Masterton | * Risk Register and Asset Risk Plan. * **Lifelines / Unforeseen Natural Events** * Corporate Risk Policy. * Asset Valuations / Asset Attributes * Business Continuity Plan. | |
|  | | |
| **AUTHORITY** | | **RISK** |
|  | | |
| South Wairarapa | * Future Regulatory Framework * Reduced Funding Levels. * Increased service requirements * **Design capacity of systems compromised by change in climatic conditions.** | |
| Carterton | * **Major earthquake,** * **Climate Change – more intense storms.** | |

**Note:** Blue highlighting denotes comments re: natural hazards.

* 1. FINANCIAL/FUNDING CHALLENGES – STORMWATER/ FLOOD CONTROL

|  |  |
| --- | --- |
| **AUTHORITY** | **FINANCIAL/FUNDING CHALLENGES** |

|  |  |
| --- | --- |
| Wellington Regional Council | * **Always a demand for higher standards of flood protection particularly following flood events.** Meeting this demand while also maintaining acceptable rating levels is a challenge.   A requirement to meet higher environmental outcome standards for maintenance and renewal work is increasing the cost of works significantly beyond the normal inflationary levels.   * **A major flood across the region could influence Councils spending; however, GWRC does have reserves of $11.4m (as at 30 June 2013) and insurance to cover for significant assets.** |
|  |  |
| Wellington | * **Upgrading the storm water network up to flood protection standards specified in the Council’s code of practice (varying standards for primary protection up to a 1 in 50yr event)** * **Ageing infrastructure and the funding of the** **upcoming peak in renewals within the next 10-20 years.** |
| Porirua | * Storm water quality, treatment, monitoring and enforcement * Network capacity |
| Kapiti | * **Kapiti Coast is situated on a flat coastal plain so district is very susceptible to the impacts of climate change over the longer term – sea level rise, coastal erosion, increased flood volumes and rising groundwater tables**. The timeline as to when these impacts may fall is unclear – major financial impacts may fall outside the 30 year horizon of this survey. |

|  |  |
| --- | --- |
| Hutt | * **The majority of the existing storm water infrastructure was designed to accommodate a 5 year ARI rainfall event. As such, much of the infrastructure is overloaded when more severe rainfall is experienced**. The Council is addressing this via new and replacement infrastructure constructed as a part of the asset renewal or asset development programme as per the LTP. |
| Upper Hutt | * **Upgrading the storm water network up to flood protection standards specified in Council’s code of practice**. |

|  |  |
| --- | --- |
| Masterton | * Ongoing maintenance of the network (provided for in the LTP) * If the system is maintained and waterways are kept clear there is sufficient network capacity. |
| South Wairarapa | * Hard storm-water infrastructure in terms of scale is a minor waterborne asset in this District. |
| Carterton | * No major challenges likely in the foreseeable future |

**Note:** Red highlighting denotes comments re: renewals.

Blue highlighting denotes comments re: natural hazards.

* 1. SERVICE DELIVERY – STORMWATER/FLOOD CONTROL

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **AUTHORITY** | **‘In-house’** | **‘Out-sourced’** | **Partly ‘In-house and partly ‘Out-sourced’** | **As a Council Controlled Organisation** | **Other** |
|  |  |  |  |  |  |
| Wellington Regional Council | X |  |  |  |  |
|  | | | | | |
| Wellington |  |  |  | Capacity Infrastructure Services Ltd |  |
| Porirua | X¹ |  |  |  |  |
| Kapiti |  |  | X |  |  |
|  |  |  |  |  |  |
| Hutt |  |  |  | Capacity Infrastructure Services Ltd |  |
| Upper Hutt |  |  |  | Capacity Infrastructure Services Ltd |  |
|  |  |  |  |  |  |
| Masterton |  | X |  |  |  |
| South Wairarapa | Management | X |  |  |  |
| Carterton |  |  | X |  |  |

**Note¹:** Intending to change to contract with Capacity Infrastructure Services Ltd (source – Porirua City Council Annual

Report 2012/13)

6.7 RESPONSES TO OTHER QUESTIONS

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2 | **Climate Change:** Does your Council Have A Climate Change Management Policy? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 2 |  |  |  |  |  |  |  |  |  |
|  | ‘No’ | 1 |  | 3 | 4 |  | 5 | 6 |  |  | 7 |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - The Council does not have a single policy on climate change (being developed). Guidance is provided through the Regional Policy Statement, our

Corporate Sustainability Action Plan and strategies and operational policy within departments.

All estimates in the floodplain management plans and subsequent budgeting for implementation via the Council’s LTP have included allowances for climate change. It is not possible to separate out the specific allowances for climate change as they are embedded in Level of Service increases.

The Council (see Report 13.720) recently endorsed new climate criteria for rainfall intensity and sea level rise – to assist flood management investigations.

2 - Climate Change Action Plan (2010).

3 - PCC has a Carbon Emission Reduction Action Plan dated 2010 and a new Sustainability Strategy, both targeting mitigation aspects

around energy, waste and emissions.

4 - No overarching climate change policy. Council has a Carbon & Energy Management Plan that includes climate change mitigation (emissions reduction)

targets. Council’s emissions are monitored. Also statements in LT(CC)P since 2006 on adaptation (Council will intervene on the coast to protect roads and public health infrastructure only from erosion) but no developed policy as such.

5 - Hutt City Council does not have a Climate Change Policy. However, within Hutt City Council’s Long Term Plan (LTP) 2012 to 2022 there are numerous

statements relating to the effects of climate change, including within the Storm water Management and Economic Outlook sections. In addition, the HCC Asset Management Plan deals with the effects of expected changes in rainfall patterns by incorporated in projections of future storm water volumes to be managed. Higher sea levels are considered in terms of their impact on service level gaps in the asset development programme of the AMP.

6 - While UHCC does not have a specific Climate Change Management Policy, it does have a 2012-2022 Sustainability Strategy can be found on the UHCC

website here: <http://www.upperhuttcity.com/store/doc/Sustainability_Strategy_2012-2022.pdf>

In addition, the UHCC Asset Management Plan has a specific climate change section that deals with Climate Change. The AMP also notes that the effects of climate change are considered when renewal works are designed.

Climate change considerations taken account of in the AMPs and LTP for the year period.

7 - Combined District Plan only references potential future hazards and risks associated with Climate Change.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 6 | **Future Demand:** Are there any identifiable extraordinary ‘future demand’ issues or changes within the next 30 years relating to this activity? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 | 2 | 3 |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - Council has programme of investigations to assess flood risk on all of the major floodplains within the region. These investigations are normally

undertaken within the context of preparing a Floodplain Management Plan for a river or stream and generally result in a demand for a higher level of service than is currently provided. Implementation of the outcomes of the floodplain management planning work will require considerable expenditure and Council has already has to set an implementation timeframe for implementing existing Floodplain Management Plans over the next 40 years. The current LTP provides for an average of $6.9M of capital expenditure over the next 10 years to assist with implementation. This is considered a reasonable commitment to providing for improved flood protection given the Council’s other funding priorities.

2 - Climate change effects are resulting in more intense rainfall events which create an increased demand on the storm water system.

3 - Intensification of the urban zone, along with projected high occurrence of intense storm events and other climate change effects, leading to greater

pressure on network capacity.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 10 | **Deferred Maintenance & Renewals:** Is there any deferred maintenance and/or deferred renewals (backlog) relating to this activity? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 14 | **Depreciation:** Are all of the infrastructure assets relating to this activity subject to the assessment of depreciation each year? |  |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |  |

**Stormwater/ Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 16 | Is all depreciation relating to this activity fully funded each year? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ | 1 |  | 2 |  |  |  | 3 |  | 4 |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - Renewals funded by loan.

2 - Currently funded at 15% incrementally increasing to 30% in 2014/15. First resolved in 2009 to commence funding depreciation for this activity but at a

level that is financially sustainable.

3 - The funding required to replace and maintain the asset is based on the history of extensive condition surveying/works orders and customer comments

since the mid-nineties and is reviewed every three years for sufficiency. This process is accepted by Audit.

4 - Refer to Council’s Financial Strategy (page 33 of LTP)

Depreciation was not fully funded following the 2011 revaluation of assets. The level of depreciation is being progressively increased over the term of the LTP to allow for a catch up in depreciation funding. Debt repayment is funded instead of depreciation where debt is associated with an activity.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 18 | Are depreciation funds used solely for funding renewals? |  |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ | 1 |  | 2 |  |  |  | 3 |  |  |  |  | 4 |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |  |

1 - Not applicable – see the answer to question 16.

For floodplain management, Council does not separate out specific costs for renewals from the overall costs of its asset upgrade programme.

Greater Wellington primarily funds capital expenditure from borrowings, proceeds from asset sales and the use of reserves (sources other than operating revenue). However, operating revenue is used to fund interest on debt, as well as used to repay debt principal. Greater Wellington has large infrastructure assets with long economic lives that yield long term benefits. The use of debt is seen as an appropriate and efficient mechanism for promoting inter-generational equity between current and future tax payers in relations to Greater Wellington’s assets and investments and ensuring rates and charges are set at a level to pay for the underlying assets used in service delivery.

2 - Extract from our policy

If the capital expenditure relates to the replacement (renewal) of an existing asset, the expenditure will be funded by depreciation. Funding for depreciation comes from rates. Any surplus depreciation, after paying for the replacement of Council assets, will be used to repay borrowings. In other words long life assets build up a surplus of funding in the early years (repay debt) and in the later years the Council draws the excess depreciation used to repay debt. Net nil over the life of the asset.

3 - Depreciation may also fund some asset improvement.

4 - Renewal of existing capital works and new capital expenditure will be funded from the annual depreciation and/or loans.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 24 | **Maintenance & Operations:** Can you foresee any significant extraordinary maintenance and operations costs relating to this activity in the next 30 years? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 | 2 |  |  |  |  |  |  | 3 |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - With more intense rainfall events there is a chance that the maintenance costs will increase.

2 - Greater emphasis on stormwater quality may necessitate an increase in programme for cleaning and maintenance of the stormwater treatment devices.

3 - Additional compliance and consenting costs as a consequence of the adoption of a new Regional Plan.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 30 | **Renewals:** Can you foresee any significant extraordinary renewals cost impacts relating to this activity in the next 30 years? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  | 2 |  |  |  |  |  |  |  |  |
|  | ‘No’ | 1 |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - See the answer to question 37.

2 - Within the next 20 years - Pipeline renewal profile to be underway from 2022.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 37 | **New Capital:** Can you foresee any significant extraordinary new capital costs in the next 30 years? |  |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 |  | 2 | 3 |  |  |  |  |  | 4 |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |  |

1 - Within the next 10 years - The preparation of Floodplain Management Plans for the Wairarapa rivers is likely to identify the need for significant

capital expenditure to provide the level of service expected by the community.

As mentioned earlier the Regional Council does not separately cost renewals for floodplain management.

Assets are generally maintained in perpetuity, however, there is a significant upgrade programme the Council is

undertaking to meet the communities’ expectations for levels of service for flood protection. Council is currently in year

13 of a 40 year programme to upgrade flood protection assets in the western part of the region and is now progressing

on a similar process to determine requirements for the eastern part of the region.

2 - Within the next 10/30 years - Funding to reduce flooding impacts will need to be considered.

3 - Within the next 10 years - CBD Stormwater upgrade stage 1.

Within the next 20 years - Further major upgrades.

Within the next 30 years - Quality/Treatment

4 - Within the next 20 years - A project has been identified for the Upper Plain cut-off drain at $3m. Further investigation is required to

determine if this project is necessary.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 41 | **Development Contributions:** Does the Council charge development contributions or financial contributions for this activity? |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |

Note: Does not apply to Wellington Regional Council.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional COuncil** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 43 | **Other Matters:** Are you aware of any other significant matters that may arise in the next 30 years relating to this activity that hasn’t been addressed by the above questions? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  | 1 | 2 | 3 |  | 4 | 5 |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1, 4 & 5 - The Wellington Regional Plan is currently under review. The final plan will likely have ramifications for 3-water activity delivery across the region. Central

Government has signalled further changes to the Local Government Act and Resource Management Act. If these changes occur, they will likely have as yet unknown ramifications for the 3-water activity delivery across the region.

2 - Regional governance and shared services.

3 - Uncertainty around climate change.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 46 | **Resource Consents:** Are there now, or do you foresee the Council having within the next 10 years, any major resource or other consenting issues relating to this activity? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 | 2 | 3 | 4 |  | 5 |  |  | 6 |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - The renewal of consents for all of the Council’s routine flood protection activities is currently being undertaken. The cost for gaining these consents

across the region is expected to be significant. Forecast at $300,000 per year for the 4 years (2 years for the western part of the region and 2 years for the Wairarapa).

In addition to the cost of gaining the consents the outcome from the consent process is likely to lead to significantly higher monitoring and compliance costs as well as additional costs to undertake maintenance in a way that has less impact on the environment. These increased costs have not been determined at this stage. As an indication, however, the maintenance of the drainage networks is estimated at a 30% increase in costs.

2 - The current comprehensive stormwater consents will expire in 2021: new consents will need to be applied for prior.

Greater Wellington Regional Council is likely to require consents for all freshwater storm water discharges within the next 10 years.

3 - Consents arising from capital works programmes, especially stormwater capacity upgrades. Stricter controls around discharge quality and greater

Mitigation measures.

4 - With the new fresh water policy statement the Regional Council will start imposing quality limits on discharges.

5 - The Wellington Regional Policy Statement is currently under review. The final RPS will likely have significant ramifications for the stormwater activity;

including GWRC likely pushing to have all storm water outfalls consented.

6 - Potentially Council will need a new Masterton-wide stormwater consent in the new regional plan.

MDC are currently waiting for a combined catchment management plan to be developed in conjunction with GWRC. MDC has been urging GWRC to commence this process.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional COuncil** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 49 | **The Asset Management Plan:** Is the current asset management plan for this activity completely in alignment with your Council’s current long-term plan? (I.e. No difference between the amounts identified in the asset management plan as being required for maintenance, renewals and new capital projects and what is forecasted in the long term plan). |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  | 1 |  |  |  |  |  |  | 2 |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - LTP process resulted in greater funding of the Stormwater capital programme.

2 - No Asset Management Plan for this activity.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 50 | Has the Asset Management Plan for this activity been independently reviewed? |  |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  | 1 | 2 |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |  |

1 - Components of the AMP are reviewed when new projects are investigated.

2 - No Asset Management Plan for this activity.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 52 | **Flooding:** Are any buildings in your district regularly (or periodically) affected by flooding? |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ | 1 | 2 | 3 | 4 |  |  |  |  |  |  |  |
|  | ‘No’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - • 5 buildings annually.

• 10 every 5 years

• 15 every 10 years

• 20 every 15 years

• 100 every 20 years

The majority of the flooding issues are addressed in the programmed upgrade works funded through the capital programme but not all of them.

2 - 49 buildings every twenty years.

3 - 7 classrooms and a shop every 30 years.

4 - • 3 buildings annually.

• 15 buildings every five years.

**Stormwater / Flood Control**

| **Ref** | **Question** | **Wellington Regional Council** |  | **Wellington** | **Porirua** | **Kapiti** |  | **Hutt** | **Upper Hutt** |  | **Masterton** | **South Wairarapa** | **Carterton** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 55 | **Catchment Management Planning:** Does your Council have **current, up to date**, comprehensive stormwater catchment management plans for all of the urban parts of its district? (or in the case of the Regional Council for any parks of the region) |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘Yes’ |  |  |  |  |  |  |  |  |  |  |  |
|  | ‘No’ | 1 | 2 | 3 |  |  | 4 | 5 |  | 6 | 7 | 8 |
|  | ‘Don’t Know’ |  |  |  |  |  |  |  |  |  |  |  |

1 - While not having a single plan, the Council organises and plans its works on the bases of the major catchments in the region that address erosion,

flooding, biodiversity and biosecurity matters.

2 - Integrated catchment management plans are currently being developed for the sections of the city that feed into the current stormwater discharge

consent areas. These ICMPs are required as a condition of the current consents.

3 - Stormwater activity managed through Asset Management Plans, the District Plan and the Regional Stormwater Action Plan.

4 - Council will consider funding hydraulic modelling to inform catchment management plans as part of next year’s LTP review.

5 - While UHCC does not have CMP’s, it does have a complete storm water model which is used for analysing system upgrade requirements and flood

protection studies. UHCC annual storm water renewal programme focuses on the required upgrades. UHCC is developing a storm water management policy.

6 - Currently waiting for a combined catchment management plan to be developed in conjunction with GWRC. MDC has been urging GWRC to commence

this process.

7 - Have for all except Featherton.

8 - Urban area relatively small and not seen as necessary to date.

SECTION 7

PUBLIC TRANSPORT

* 1. FINANCIAL SUMMARY – PUBLIC TRANSPORT

1. Public Transport Assets’ Replacement Value 2012/13 ($m) $687

2. Public Transport Assets’ Depreciated Replacement Value 2012/13 ($m) $308

3. Public Transport Assets’ Depreciated Replacement Value as a Percentage 45%

of their Replacement Value 9%)

4. Forecasted Maintenance and Operating Costs 2012-2022 ($m) $1,291

5. Renewals v Depreciation 2012-2022

|  |  |  |
| --- | --- | --- |
|  | Depreciation | Renewals |
| 2013 | 11088 | 41572 |
| 2014 | 14072 | 36977 |
| 2015 | 15738 | 54789 |
| 2016 | 18032 | 108888 |
| 2017 | 22884 | 17290 |
| 2018 | 25459 | 20594 |
| 2019 | 29127 | 18322 |
| 2020 | 31611 | 7716 |
| 2021 | 31799 | 15191 |
| 2022 | 33677 | 15905 |

6. Actual Renewals v Depreciation 2012/13 ($m)

Depreciation $20.157

Renewals $33.044

7. Forecasted New Capital Costs 2012-2022 ($m) $96.720

Growth $0

LOS $96.720

8. Gross Public Debt ($m)

2012/13 $116.299

2021/22 $267.816

9. Loan Funding for Renewals 2012/22 ($m) $254.036

7.2 ASSET CONFIDENCE – PUBLIC TRANSPORT

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **ASSET CONFIDENCE – PUBLIC TRANSPORT**  **Territorial Authorities** | | | | | |
| **(Assessed Reliability of Data Completeness and Accuracy)** | | | | | |
| **AUTHORITY** | **Data Attribute** | **Very Uncertain** | **Uncertain** | **Reliable** | **Highly Reliable** |
|
| Wellington | Asset Description |  |  |  |  |
| Regional | Asset Quantity |  |  |  |  |
| Council - | Asset Age |  |  |  |  |
| Rail | Condition |  |  |  |  |
|  | Performance |  |  |  |  |
| Wellington | Asset Description |  |  |  |  |
| Regional | Asset Quantity |  |  |  |  |
| Council - | Asset Age |  |  |  |  |
| Buses | Condition |  |  |  |  |
|  | Performance |  |  |  |  |

|  |  |
| --- | --- |
| **Confidence Grade** | **Description** |
| Highly reliable | Data based on sound records, procedure, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate + 2% |
| Reliable | Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate + 10% |
| Uncertain | Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated + 25% |
| Very uncertain | Data based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy + 40% |

* 1. FINANCIAL/FUNDING CHALLENGES – PUBLIC TRANSPORT

|  |  |
| --- | --- |
| **AUTHORITY** | **FINANCIAL/FUNDING CHALLENGES** |

|  |  |
| --- | --- |
| Wellington  Regional  Council | * In general terms the Wellington region’s public transport market is mature with projected low to medium growth in demand. The funding challenges for each mode are explained: |
|  | **Rail** |
| * + NZTA financial assistance rate (FAR) changes, reducing FAR of Rail from 60% in 2011/12 to 50% in 2022. In our last LTP we estimated that this would increase rates by $13 million by 2021/22.   + The Council has agreed funding arrangements in place with NZTA to fund the second tranche of 35 new two-car Matangi trains at a cost of $170 million. GWRC will take on $170 million of debt to fund the trains and NZTA will fund its share (50-58%) of the debt servicing costs (interest and principal repayment) over a term of 25 years. By 2021/22 this will increase rates by $6.5 million pa.   + **Following a number of years when insufficient renewals were completed on the rail network (track, signals, traction, structures), there have been significant improvements made and funding has been placed on a far more sustainable footing with a big increase in the contribution from GWRC, NZTA and MoT.** An 85 year access agreement was signed with Kiwirail earlier this year.   + **An identified $88 million rail network infrastructure deficit is being separately funded by MoT over an eight year period. However the amount provided is unlikely to be sufficient to complete the work and funding arrangements will need to be put in place to address any deficit**. Rail network infrastructure is not owned by GWRC.   + GWRC is updating its Regional Rail Plan document – a blueprint for the future of passenger rail services in Wellington to meet expected demand. Identified improvements in that plan involve additional expenditure upgrading the rail network to improve delivery of services. Funding arrangements for this work are uncertain and responsibility (GRWC/NZTA or MoT/Kiwirail) has yet to be determined. |
|  | **Bus** |
| * The Wellington spine study has outlined possible options to improve public transport in Wellington city. Options included enhanced status quo, bus rapid transport and light rail. If bus rapid transit is selected (currently the preferred option but subject to community feedback) with a commencement of around 2022, arrangements will have to be put in place to fund the difference between the cost of this option and the status quo. NZTA and WC are likely to take responsibility for the majority of the infrastructure costs. * Determining the future of trolley bus services after current contracts expire in 2017. **Significant work has been undertaken in recent years upgrading the aged trolley overhead network and rebuilding the trolley bus fleet. However if services are to continue after 2017 significant further investment and funding may be required**. If trolley services cease there will be a saving. * **GWRC is progressively taking more responsibility for the renewals** and maintenance **of bus shelter assets** in the region. Previously these were maintained by the Territorial Authorities and funded by GWRC. The challenge is to bring these assets to an appropriate consistent level of service. The funding implications of this are uncertain, but able to be managed. |

**Note:**  Red highlighting denotes comments re: renewals

* 1. RISK MANAGEMENT – PUBLIC TRANSPORT

The Council’s top five risks relating to this activity.

|  |  |
| --- | --- |
| **AUTHORITY** | **RISK** |

|  |  |
| --- | --- |
| Wellington  Regional  Council | * Contracted bus and ferry services fail to meet acceptable levels of service reliability and/or quality targets. * Failure of GWRL asset causing serious injury. * Rolling stock unable to meet passenger demand – multiple vehicles not operational. * The cost of contracted bus services significantly exceeds the budget due to un-forecast changes in the diesel bus contract index. * GW incurs unnecessary costs or delays as a result of poor Public Transport procurements decisions. |

* 1. SERVICE DELIVERY – PUBLIC TRANSPORT

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **AUTHORITY** | **‘In-house’** | **‘Out-sourced’** | **Partly ‘In-house and partly ‘Out-sourced’** | **As a Council Controlled Organisation** | **Other** |
|  |  |  |  |  |  |
| Wellington  Regional  Council |  |  |  |  |  |
| Rail | X |  |  |  |  |
| Buses | X |  |  |  |  |
| Trolleys | X |  |  |  |  |
| Asset Ownership |  |  |  | X |  |

7.6 RESPONSES TO OTHER QUESTIONS

Public Transport

| **Ref** | **Question** | **Wellington Regional Council** |
| --- | --- | --- |
| 2 | **Climate Change:** Does your Council Have A Climate Change Management Policy? |  |
|  | ‘Yes’ |  |
|  | ‘No’ | 1 |
|  | ‘Don’t Know’ |  |

1 - The Council does not have a single policy on climate change (being developed). Guidance is provided through the Regional Policy Statement, our

Corporate Sustainability Action Plan and strategies and operational policy within departments.

Public Transport

| **Ref** | **Question** | **Wellington Regional Council** |
| --- | --- | --- |
| 6 | **Future Demand:** Are there any identifiable extraordinary ‘future demand’ issues or changes within the next 30 years relating to this activity? |  |
|  | ‘Yes’ |  |
|  | ‘No’ | 1 |
|  | ‘Don’t Know’ |  |

1 - There may be growth in rail patronage arising from planned Regional Rail Plan (RRP) enhancements and there may be growth in bus patronage

arising from potential Wellington Spine Study enhancements - but have not categorised these as extraordinary.

Public Transport

| **Ref** | **Question** | **Wellington Regional Council** |
| --- | --- | --- |
| 10 | **Deferred Maintenance & Renewals:** Is there any deferred maintenance and/or deferred renewals (backlog) relating to this activity? |  |
|  | ‘Yes’ | 1 |
|  | ‘No’ |  |
|  | ‘Don’t Know’ |  |

1 - Rail: Rail Network (not owned) deferred maintenance. As the provider of rail services the majority user of the Wellington rail network the burden of any renewals and deferred renewals largely falls to GWRC. The deferred renewals burden has been temporarily relieved by

the Government’s $88 million of funding over 8 years, however indications from KiwiRail are that this won’t be enough.

Bus: Trolley bus infrastructure. Significant work may be required to keep the trolley bus network operational after the current contracts

expire in 2017. (Not owned by GWRC)

GWRC is progressively taking more responsibility for the renewals and maintenance of bus assets in the region. Previously these were maintained by the territorial authorities and funded by GWRC. The challenge is to bring these assets to an appropriate consistent level of service. The funding implications of this are uncertain, but able to be managed.

Public Transport

| **Ref** | **Question** | **Wellington Regional Council** |
| --- | --- | --- |
| 16 | Is all depreciation relating to this activity fully funded each year? |  |
|  | ‘Yes’ |  |
|  | ‘No’ | 1 |
|  | ‘Don’t Know’ |  |

1 - GWRC fully funds capital expenditure in accordance with the following policy:

GWRC primarily funds capital expenditure from borrowings, proceeds from asset sales and the use of reserves (sources other than operating revenue). However, operating revenue is used to fund interest on debt, as well as used to repay debt principal. GWRC has large infrastructure assets with long economic lives that yield long term benefits. The use of debt is seen as an appropriate and efficient mechanism for promoting inter-generational equity between current and future tax payers in relations to GWRC’s assets and investments and ensuring rates and charges are set at a level to pay for the underlying assets used in service delivery.

Public Transport

| **Ref** | **Question** | **Wellington Regional Council** |
| --- | --- | --- |
| 18 | Are depreciated funds used solely for funding renewals? |  |
|  | ‘Yes’ |  |
|  | ‘No’ | 1 |
|  | ‘Don’t Know’ |  |

1 - Not Applicable.

The NZTA share (generally 50-60%) comes by either a direct contribution at the time of expenditure or a share of the debt servicing costs over the life of the asset.

The Council’s share is funded by rates which are set at a level equivalent to the Council’s share of the debt servicing costs over the life of the asset.

No separate fund for depreciation is kept. Rates are levied to fund interest and principal payment on the GWRC share of any capital expenditure incurred.

Public Transport

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| **Ref** | **Question** | **Wellington Regional Council** |
| 24 | **Maintenance & Operations:** Can you foresee any significant extraordinary maintenance and operations costs relating to this activity in the next 30 years? |  |
|  | ‘Yes’ | 1 |
|  | ‘No’ |  |
|  | ‘Don’t Know’ |  |

1 - There are a number of unknowns risks – refer to the answer to question 8 about the financial/funding challenges the Council faces.

Public Transport

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| **Ref** | **Question** | **Wellington Regional Council** |
| 30 | **Renewals:** Can you foresee any significant extraordinary renewals cost impacts relating to this activity in the next 30 years? |  |
|  | ‘Yes’ | 1 |
|  | ‘No’ |  |
|  | ‘Don’t Know’ |  |

1 **-** Rail Network deferred maintenance – as Metro is the majority user of the Wellington rail network the burden of any renewals and deferred

renewals largely falls to GWRC. The deferred renewals burden has been temporarily relieved by Government’s $88 million of funding over 10 years however indications from KiwiRail is that this won’t be enough. (Not GWRC owned assets)

Trolley bus infrastructure. Significant work may be required to keep the trolley bus network operational after current contracts expire

in 2017. (Not GWRC owned assets).

Bus assets deferred maintenance. Previously these assets were maintained by the Territorial Authorities and funded by GWRC. GWRC now has more responsibility for the asset management of these assets. The challenge is to bring these assets to an appropriate consistent level of service.

Public Transport

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| **Ref** | **Question** | **Wellington Regional Council** |
| 37 | **New Capital:** Can you foresee any significant extraordinary new capital costs in the next 30 years? |  |
|  | ‘Yes’ | 1 |
|  | ‘No’ |  |
|  | ‘Don’t Know’ |  |

1 - New Projects:

* Regional Rail Plan (RRP) service level improvements (RS1) – 3rd platform Porirua, NIMT signalling, double track Trenham – Upper Hutt (Not GRWC owned assets).
* Integrated fares & ticketing across all Metlink bus, ferry & train services
* Wellington review interchange
* Real Time information – rail & project finalisation
* Bikes on buses
* New bus shelters

- Extraordinary Projects:

* ATP (automatic train protection) imposed by safety regulator (Not GRWC owned assets)
* Wellington Railway Station (WRS) seismic strengthening (Not GRWC owned assets)
* Ngauranga-Petone Seawall – (likely to be combined with upgrade of SH2/cycleway) (Not GRWC owned assets)

Public Transport

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| **Ref** | **Question** | **Wellington Regional Council** |
| 46 | **Resource Consents:** Are there now, or do you foresee the Council having within the next 10 years, any major resource or other consenting issues relating to this activity? Please explain if your answer is ‘Yes’. |  |
|  | ‘Yes’ | 1 |
|  | ‘No’ |  |
|  | ‘Don’t Know’ |  |

1 - Consents are likely to be required for some aspects of Bus Rapid Transit (should this be the confirmed option for future public transport in

Wellington City).

Consents will be required for the rail/SH2 corridor seawall.

In both cases responsibility is likely to be with NZTA and the relevant TAs, however GWRC may be requested to assist.

Public Transport

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| **Ref** | **Question** | **Wellington Regional Council** |
| 49 | Is the current asset management plan for this activity completely in alignment with your Council’s current long-term plan? (I.e. No difference between the amounts identified in the asset management plan as being required for maintenance, renewals and new capital projects and what is forecasted in the long term plan). |  |
|  | ‘Yes’ |  |
|  | ‘No’ | 1 |
|  | ‘Don’t Know’ |  |

1 - The Public Transport Asset Management Plan (AMP) was developed after the adoption of the current Long Term Plan. However, the AMP will be

used to inform the next LTP cycle, commencing early 2015.

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