

VOTE
2022
LOCAL ELECTIONS

He Pūrongo i mua i ngā pōti

Pre-Election report

14 July 2022



HUTT CITY
TE AWA KAIRANGI

Te take o tēnei pūrongo

Purpose of this report

This report has been prepared to meet the legislative requirement of the Local Government Act 2002; the Chief Executive of each council must prepare a pre-election report independently of elected members.

Beyond this legislative requirement, a pre-election report is also an opportunity to have a kōrero about the role of Council in our community, the challenges we're facing, and the key projects we've got planned for the next three years.

This report has been prepared with our community in mind. Whether you're thinking of standing for Council, are looking for information to inform your vote in 2022, or are interested in understanding local challenges better, this report is for you.



ENROL

Enrolment update packs sent from 30 June

Enrol before 12 August to receive voting papers in the mail

The last day to enrol to vote in the 2022 elections is 7 October



STAND

Nominations open: 15 July 2022

Nominations close: 12pm, 12 August 2022



VOTE

Postal voting opens: 16 September

Election day: 8 October (voting closes at midday)

For more information about this year's elections, see Part 7 of this report, check out our website, or get in touch with our electoral officer at elections2022@huttcity.govt.nz.

Audit of information

While this pre-election report has not been audited, most of the financial information in it has been reviewed by independent auditors either as part of previous Annual Reports or the 10-Year Plan 2021-2031 (which underlies the Annual Plan 2022-2023 forecasts). Information from the recent financial year (2021-22) will be audited and available when the Annual Report 2021-22 is published later this year.

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He mihi nā te Tumu Whakarae

Welcome from our Chief Executive

Later this year our community will have the opportunity to vote in the local body elections. Potential candidates will now be considering whether to put themselves forward to stand for election to represent the people of Te Awa Kairangi ki Tai Lower Hutt.

The information in this report profiles our city and tells you about the major projects we're leading. It aims to promote discussion about the key challenges we're facing to encourage informed debate in the lead up to the elections. This report also outlines our financial performance and provides financial projections for the next three years.

These local body elections are set against a backdrop of significant change in our growing city and as local government faces the government's accelerating reform programme covering three waters, the Resource Management Act and the future for local government.

This report focuses on the key issues that continue to require urgent action. They include investing in our ageing infrastructure; managing growth; implementing our plans to address our declared Climate Change Emergency, the work we're doing to address inequity and get the basics right by working with key partners to build more warm, dry and affordable homes.

Our council continues its record of strong financial management with international credit-rating agency Standard & Poor's reaffirming our AA long-term rating with a stable outlook. This rating demonstrates confidence in our investment plans and supporting financial strategy and policies that were reset through the recent development of our 10-year plan.

We have a financial strategy that focuses on long-term financial sustainability, including achieving a balanced budget over the next decade whilst taking into account rates affordability. Achieving our financial strategy will require careful decision-making and priority setting in the next triennium.

This triennium has seen investment by the Crown into Naenae Pool and Tupua Horo Nuku (Eastern Bays shared pathway). We are through to the final stage of the Government's Infrastructure Acceleration Fund (IAF) with our funding application for stormwater and wastewater upgrades which will support the RiverLink project to intensify the heart of the city and valley floor. The Hutt Valley Growth Study will help to inform the level of investment required across our city in key water infrastructure.

In this election, residents will also have the opportunity to vote for a new electoral system. First Past the Post is the current voting system. Voters will have the option to choose to stick with that or move to the Single Transferable Vote (STV) system. In the STV system, voters rank their candidates in order of preference and the candidates who receive a majority of votes win. The result of the poll is binding with the preferred electoral system to be used for the next two triennial elections and any by-elections during that time.

In the next triennium, as required by local government law, our council will undertake a representation review which will also consider whether to have dedicated Māori seats via Māori wards.

There are many distinct and diverse communities that make up our city, and we're committed to supporting all residents to live well and make the most of the opportunities, facilities and services.

I encourage potential candidates and eligible voters to make use of this report and further information sources to inform their participation in this year's local government elections.

Ngā mihi nui,

Jo Miller

Tumu Whakarae
Chief Executive



Wāhanga 1: Tō tātou taone a Te Awa Kairangi ki Tai

Part 1: The story of our city, Te Awa Kairangi ki Tai Lower Hutt

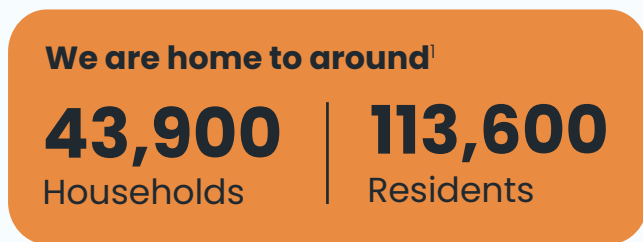
Our city, Te Awa Kairangi ki Tai Lower Hutt, is the seventh most populous city in New Zealand. We sit on the most densely populated floodplain in Australasia with rivers, streams and tributaries that flow from the Tararua and Remutaka mountain ranges.

Our council is part of the greater Wellington group of councils covering the region which has a total population of around 549,500.

We want Te Awa Kairangi ki Tai Lower Hutt to be a city where everyone thrives. We are committed to a pathway of partnership, collaboration, and support with and for our people, and community wellbeing is at the heart of everything we do.

Hangapori ā-Taupori Population demographics

Our city comprises a village of villages; we are one city, but each of our neighbourhoods has a distinct local flavour.

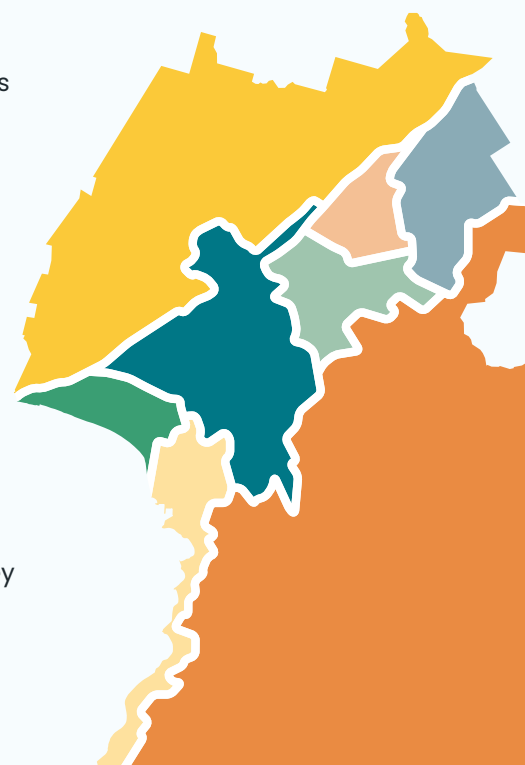
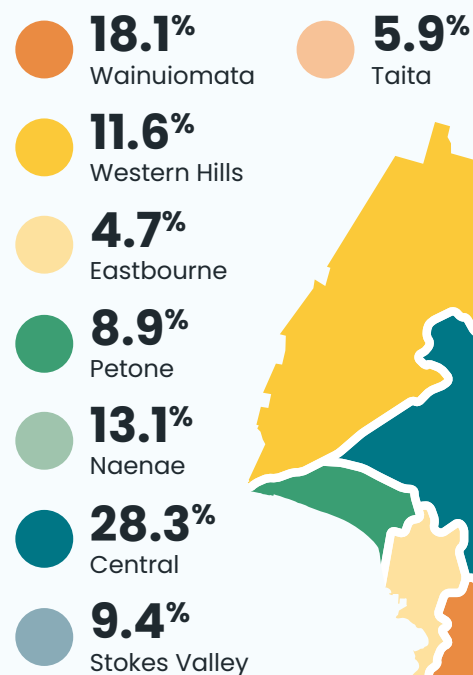


Our population has grown by 12,000 in less than 10 years, and is expected to reach

150,000
by 2049



This is where people live in our city¹

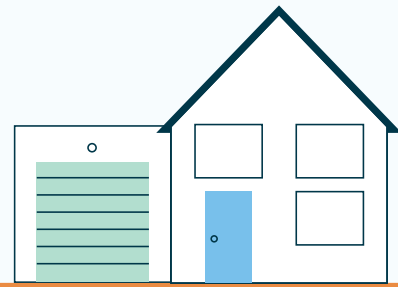


1. Sense Partners, 2022

Our population²

Lower Hutt's population is ageing, but not as quickly as anticipated – many of those moving to our area are younger and those moving away are older. Over the last 10 years, the proportion of our population aged 0-14, 15-65, and 65+ has stayed roughly the same.

- 7%** **Babies & Pre-schoolers**
0-4
- 9%** **Primary Schoolers**
5-11
- 8%** **Secondary Schoolers**
12-17
- 8%** **Tertiary Education**
18-24
- 15%** **Young workforce**
25-34
- 21%** **Parents & homebuilders**
35-49
- 13%** **Mature workers**
50-59
- 10%** **Empty nesters & retirees**
60-69
- 8%** **Seniors**
70-84
- 1%** **Elderly aged**
85+



1 in 5

of our residents live in areas rated among the most deprived in Aotearoa, New Zealand.³

1 in 4

live in areas rated among the least deprived.³

Top 5 languages³

Hello
English

Kia ora
Māori

Talofa
Samoan

Namaste
Hindi

Ni Hao
Northern Chinese



23%

Speak two languages



Our population is becoming increasingly diverse³

74%

Born in NZ

26%

Born overseas



68%

European

70%
National
Average

18%

Māori

17%
National
Average

15%

Asian

15%
National
Average

12%

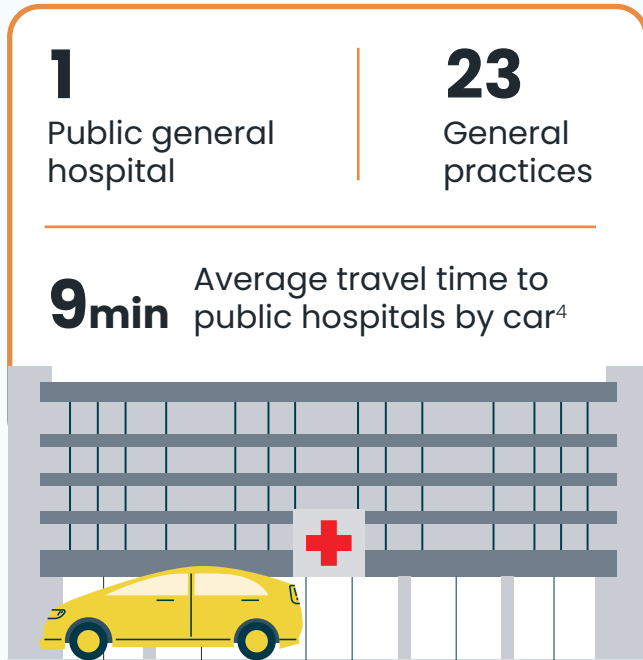
Pasifika

8%
National
Average

Total % is more than 100% as people can identify as more than one ethnicity.

Hauora Health

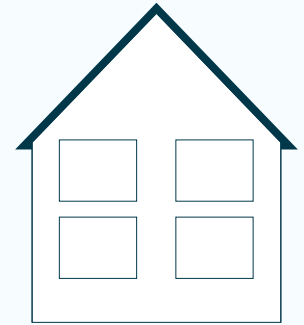
The Heretaunga Block at Hutt Hospital is a priority building and has been declared earthquake prone. By 30 December 2029, work will be required to ensure the building is no longer earthquake prone or it will need to be demolished.



Deprivation

Over 1/2

our tamariki live in areas with a deprivation index of 7 or higher.⁵

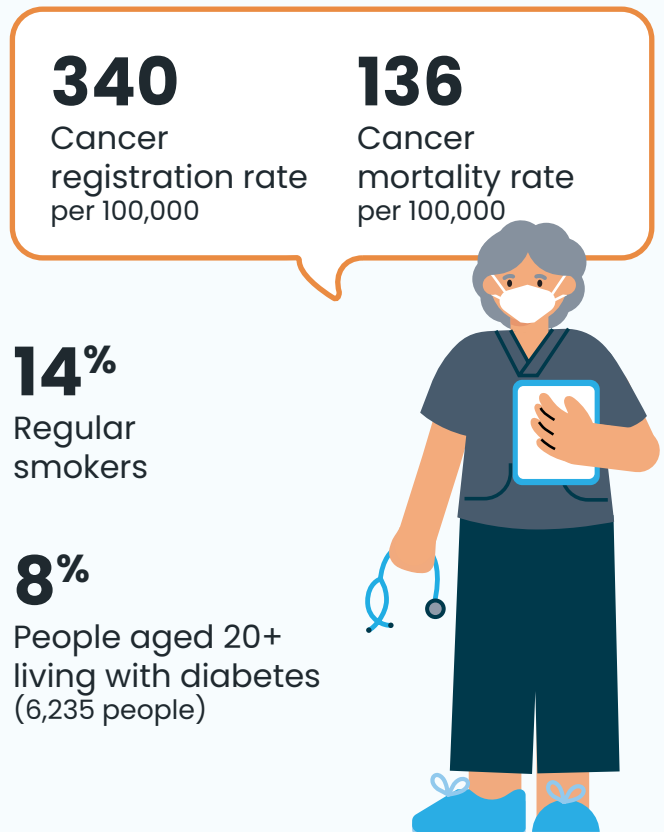
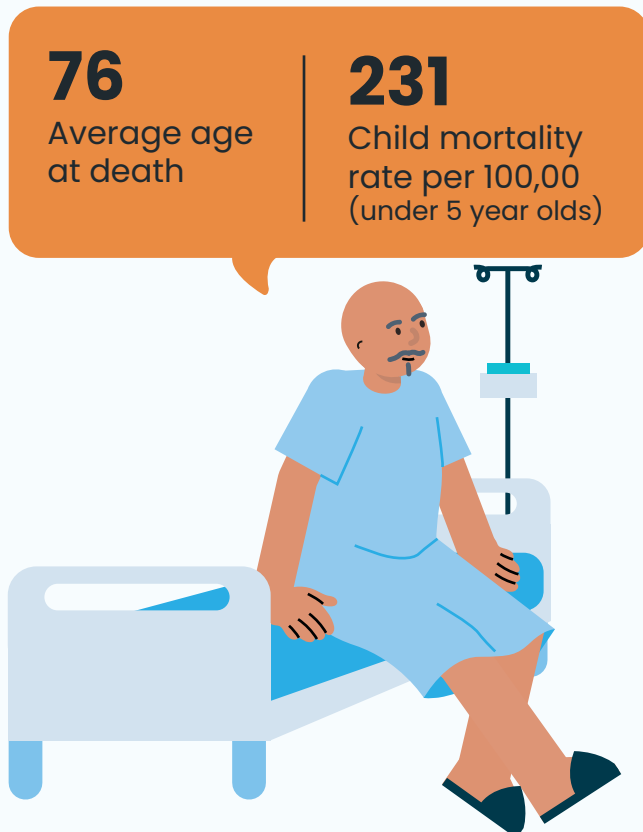


Tamariki living in areas with the highest deprivation scores are

Twice

as likely to end up in hospital compared with those from areas of lowest deprivation scores.⁴

Health⁴



4. Ministry of Health 5. Census 2018

Wharenoho

Housing

As of last year, the city had already met its 2030 growth prediction and development across the city continues to be significant. Last year we received a record number of resource consent applications. There are many urban development projects underway and more planned for the future. We are seeing more and new types of development across our city.

Building consents⁶

1067

new residential dwellings were consented in 2021. These included:



12%

of residents live in overcrowded households⁷

30.6%

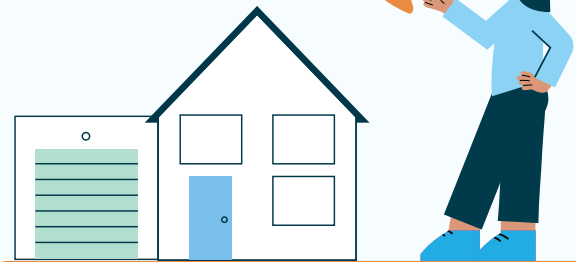
of these are severely overcrowded⁷

1 in 4

households suffer damp⁷

1 in 5

households have mould⁷



Renting



\$525

Median rent per week

This is less affordable than in the Wellington region, up 9% from the same time a year earlier.⁹



21.1%

Rental affordability (Average rent to average household income)⁸

22%

of residents rent privately⁷

9%

live in social housing⁷

Housing



\$955,401

Average house value

That's an increase of 12.1% compared to the same time a year earlier; this is lower than the New Zealand average.⁸



7.4%

Housing affordability (Average house value to average household income)⁸

61%

of residents own their own home⁷

Of these:⁷

61%

have a mortgage

39%

own it freehold

6. Stats NZ 7. Census, 2018 8. Quarterly economic monitor, 2022 Infometrics 9. Dot Loves Data, May 2022

Mātauranga Education

The country's first Kōhanga Reo were in Lower Hutt, 40 years ago. As of 2021, we now have 12 Kōhanga Reo in our city, with 343 children enrolled.¹⁰ Also in 2021, 608 students (3.5% of the total school population) were enrolled in Māori medium education, compared to 2.8% nationally.

Qualifications¹⁰

13%
No qualification

7%
Level 1

17%
Level 3

23%
Level 2

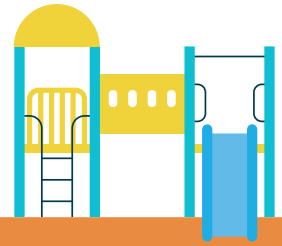
39%
University Entrance

65%
of students regularly (90+%) attend school



Early childhood¹⁰

Lower Hutt has 105 licensed early childhood education providers (ECE), with nearly 5,000 children enrolled.



98%
of children have participated in a form of ECE prior to starting school

Hours enrolled in an ECE provider

Age 3:

Age 4:

63%
10+ Hours/
Week

80%
10+ Hours/
Week

28%
20+ Hours/
Week

30%
20+ Hours/
Week

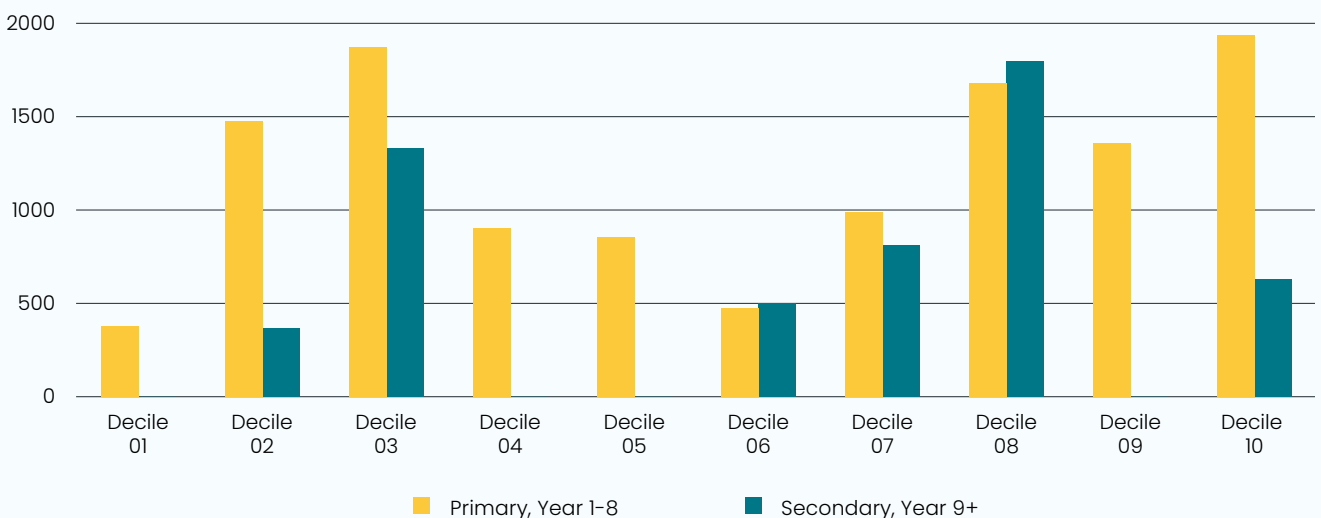
NEET Rate¹¹

Youth not in education, employment or training. (Wellington Region)

8.6%
15-19 year olds
(2,900)

10.4%
20-25 year olds
(4,200)

Enrolled students¹⁰



10. Education Counts 11. Stats NZ

Ōhanga Economy

Manufacturing and high-tech industry is the backbone of our economy. We work closely with businesses and the Chamber of Commerce to ensure Council can support local procurement and help young people into work.

\$62,450
Average annual household income¹³

This compares to \$65,910 nationally¹³



6.5% ▲
Gross domestic product (GDP)¹²



2.9% ▼
Unemployment (March 2022)¹²



-7.7% ▲
Consumer spending¹²

20.4% ▲
Tourism spending¹²

Top industries by jobs¹³

- | | |
|---|---|
| 1
6,718
Construction | 2
6,311
Health care and social assistance |
| 3
5,232
Retail trade | 4
4,888
Professional, scientific and Technical services |
| 5
4,839
Manufacturing | 6
4,305
Education and training |
| 7
3,564
Administrative and support services | 8
3,158
Accommodation and food services |

Top industries by GDP¹³

- | | |
|--|--|
| 1
\$743M
Manufacturing | 2
\$644M
Professional, scientific and technical services |
| 3
\$551M
Health care and social assistance | 4
\$546M
Construction |
| 5
\$445M
Rental, hiring and real estate services | 6
\$401M
Wholesale trade |
| 7
\$363M
Public administration and safety | 8
\$362M
Retail trade |

12. Infometrics QEM, March 2022 13. Infometrics Lower Hutt city annual economic profile, 2021

Wāhanga 2: He aha ngā mahi o te kaunihera? Me pēhea ā mātou mahi i te mahi?

Part 2: What does Council do and how do we do it?

Hutt City Council, like all councils in New Zealand, is responsible for democratic decision-making.

Council's work involves looking after community facilities and providing public services. We manage libraries and neighbourhood hubs, parks and sports grounds, swimming pools, and other reserves. We also collect rubbish and recycling, treat wastewater, prepare for emergency management, and keep our streets safe and in good condition – among many other things. To learn more about our work, check out our website at huttcity.govt.nz.

In 2021, Hutt City Council undertook some organisational design work. This was essential to ensure we have both the capability and capacity to deliver on council's priorities. Our staff range from animal control officers and engineers to librarians and pool lifeguards, with lots in-between. Hutt City is a Living Wage accredited employer, which means our directly employed staff and contractors are guaranteed a living wage.

5

Pools

2 Pool and Fitness Centres
3 Summer Pools

349

Reserves

2,781

Hectares

These include parks, reserves, sports grounds, playgrounds, gardens, and cemeteries.

8

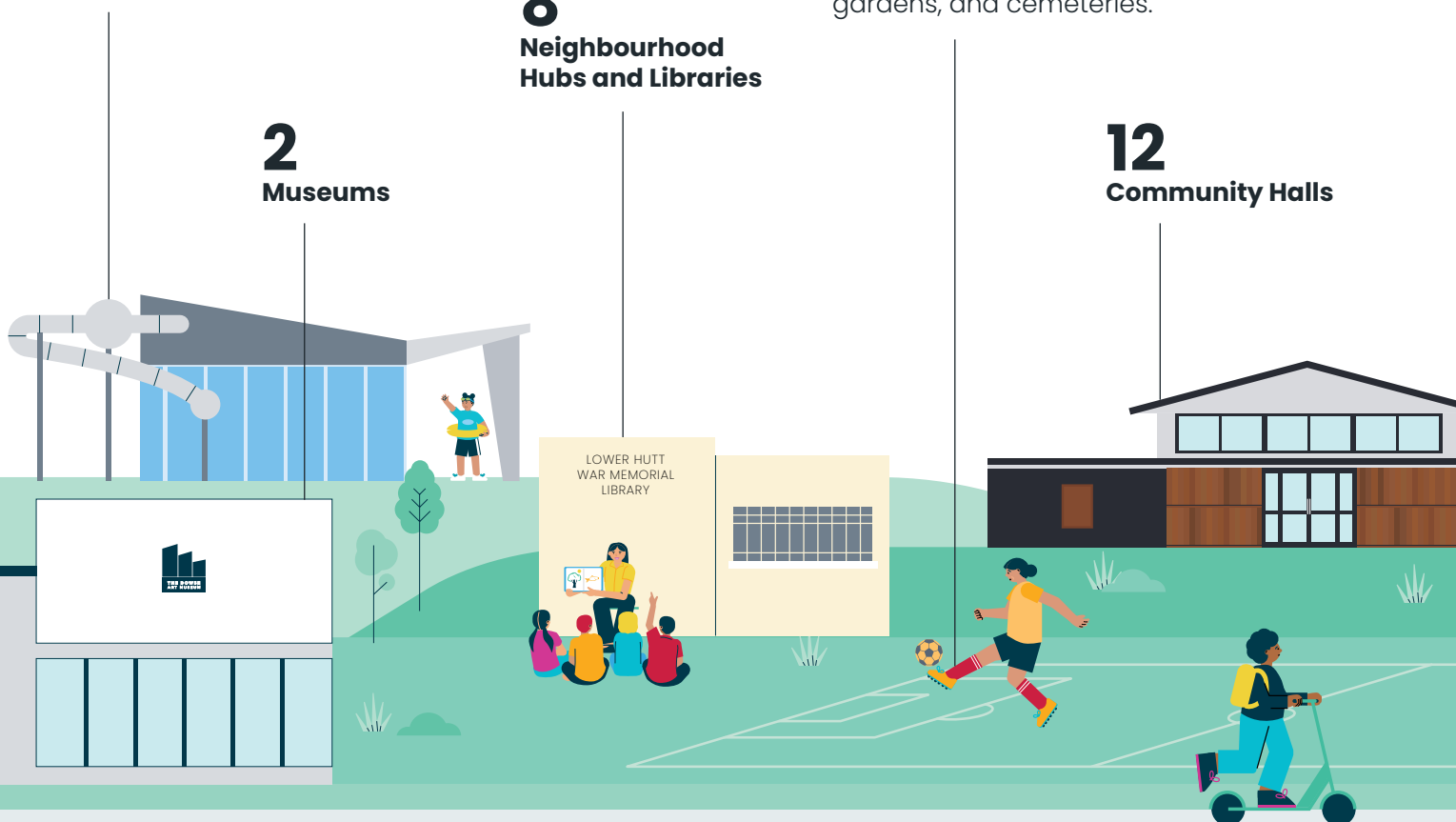
Neighbourhood Hubs and Libraries

2

Museums

12

Community Halls



How does Hutt City Council work?

Hutt City Council is made up of two parts: governance (Mayor and 12 Councillors) and organisation (Chief Executive and staff).

As employers, both the Council and the Executive team have legal obligations to ensure safety, health and welfare at work.

Governance

The Mayor and Councillors make decisions on the direction of Council and employ the Chief Executive.

Mayor

12 councillors

4 Standing committees

- Infrastructure & regulatory
- Climate change & sustainability
- Policy, finance & strategy
- Communities

Other committees

- Emergency
- Wellington Water
- Hutt Valley services
- District Licensing

Council controlled organisations

- Urban Plus Limited Group (UPL)
- Seaview Marina (SML)
- Wellington Water Limited (WWL)

Council staff provide advice to elected members, implement Council decisions, and look after the city's day-to-day operations.

Organisation

The Chief Executive employs all Council staff, leads the organisation, and works with the Corporate Leadership Team to implement the Council's decisions.

Chief Executive

Corporate Leadership Team

- Director of Economy & Development
- Director of Environment & Sustainability
- Director of Neighbourhoods & Communities
- Director of Strategy & Engagement
- Group Chief Financial Officer
- Chief Legal Officer
- Kaitātari Tumuaki Māori

Community funding panels (appointed)

- Eastern
- Central
- Northern
- Western

Community boards (elected)

- Petone
- Eastbourne
- Wainuiomata

Staff also work alongside our communities through funding panels and boards, and by directly engaging with residents and community groups.

Hutt City Council’s system of governance generally works well – informed decision-making follows healthy debate, and any issues are largely resolved informally. We have strong mechanisms in place, including important checks and balances like our independently chaired Audit and Risk Subcommittee, and the oversight of the Council’s external auditors to support good governance.

The Ombudsman receives and investigates complaints about the administrative conduct of public sector agencies, including local government. There were no adverse findings during this triennium relating to Hutt City Council. In a change this triennium, we proactively release official information requests on our website. We have published 388 responses since 2020.

During the last triennium, one matter was not resolved informally. As a result, an independent investigation ensued. That investigation found “material and serious” breaches of the Council’s Code of Conduct by one Councillor. The independent investigation findings have never been accepted by that Councillor. Their failure to accept the findings of the independent investigator has caused unnecessary risk to governance and operations together with wasted time and ratepayers’ money.

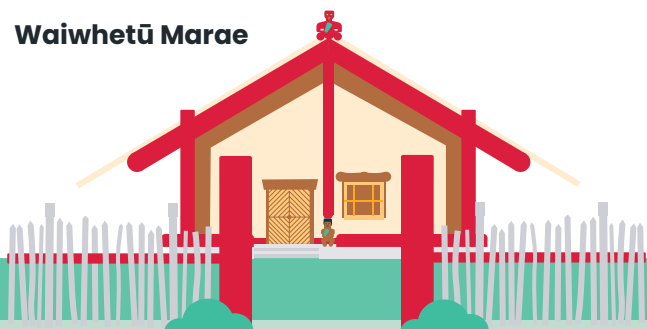
Our relationship with Mana Whenua is one of partnership

Taranaki Whānui ki Te Upoko o Te Ika and Ngāti Toa Rangatira have historic and territorial rights in Te Awa Kairangi ki Tai Lower Hutt. Mana Whenua interests are represented by two marae and five iwi organisations:

Te Tatau o Te Pō



Waiwhetū Marae



Iwi organisations

- Taranaki Whānui ki Te Upoko o Te Ika (Port Nicholson Block Settlement) Trust
- Te Rūnanga o Toa Rangatira
- Palmerston North Māori Reserve Trust
- Wellington Tenths Trust
- Te Rūnanganui o Te Āti Awa ki Te Upoko o Te Ika a Māui.

We have a number of other partnerships that help us deliver on our purpose:

- Te Whatu Ora Health New Zealand – Capital, Coast and Hutt Valley
- Greater Wellington Regional Council
- Pan Pacific fono
- Hutt Valley Chamber of Commerce
- WelTec and Whitireia, and Open Polytechnic
- Callaghan Innovation
- Institute of Environmental Science and Research
- Institute of Geological and Nuclear Sciences (GNS)
- Healthy Families
- Te Awa Kairangi Kai Collective

Wāhanga 3: Tātaringa mō tō tātou taone me te kaunihera

Part 3: How our city and Council are performing



Infrastructure

In 2019, Wellington Water Ltd advised us that years of underinvestment have had a serious impact on the quality of our three waters infrastructure. As a result, we refocused our work programme and strategies to prioritise getting the basics right.

Our core infrastructure needs to be fit for purpose, able to meet the needs of a growing population, and resilient against climate change and seismic events. Our three waters and transport infrastructure are the most critical pieces of the puzzle.



District Plan updates

We are required to have a District Plan which needs to reflect how we can best manage our resources. District Plan Change 43 enables more housing supply. Another change is required to support intensification in places with access to services, transport and infrastructure. The full review of the District Plan has been put on hold whilst we work on the government required changes to the current district plan.



Progress on capital programmes

In our 10-year plan Council decided to double its investment in infrastructure to \$1.5 billion. As part of our focus on getting the basics right, we initiated an ambitious capital investment programme. A large proportion of this funding goes toward our three waters and transport infrastructure, and there are a number of other key projects underway across the city.

These projects are key to our community wellbeing, whether that be social, cultural, economic, or environmental. We've completed the Days Bay Wharf refurbishment, built the Les Dalton dog park, and finished construction on the first phase of the Beltway Cycleway (which will run from Waterloo to Taitā).

We recently started construction on the Naenae Pool and Fitness Centre after close engagement with the community during the planning and design phase. RiverLink is continuing to make good progress, and we've started work on the Wainuiomata Town Centre and streetscape to create a space that is vibrant, safe, and attractive.



Working and engaging with the community

We've increased our engagement with communities, working to find solutions. The work on Naenae Pool and the town centre revitalisation is a great example of local people providing local advice. The views of Naenae people has led the way in the design and ultimately the rebuild of the Naenae Pool and Fitness Centre. A Community Advisory Group continues to guide this work through the construction phase.

We are developing stronger relationships between Council and communities of interest, including Pasifika and people with disabilities.



Living Wage employer

Staff directly employed by Hutt City Council receive the Living Wage. In 2021 Council became Living Wage-accredited, which means all Council contractors now receive the Living Wage.

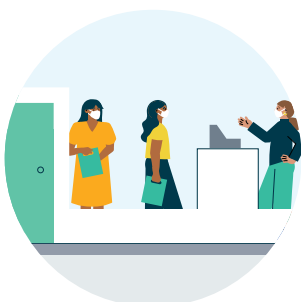
Hutt City Council is just the third council in New Zealand to gain Living Wage accreditation status.



Partnership with Mana Whenua

We have focused on strengthening our partnership with Mana Whenua.

Council has developed Tākai Here (memoranda of partnership) with the five iwi organisations representing Mana Whenua and iwi Māori in Te Awa Kairangi ki Tai Lower Hutt. These take a covenant approach, reflect iwi plans and align with Council and iwi aspirations.



COVID-19

COVID-19 has had a far-reaching impact since it first emerged globally in early 2020. Council has been no exception, and we continue to adapt to the changing environment two years later.

During the first 2020 nationwide lockdown, we continued to provide essential services and made supporting our people and the business community our number one priority. We supported community efforts to deliver 600 heaters, 10,500 food parcels, and 1,800 sanitation packs across the city. We removed parking charges and library fines, and 81,000 people took part in online activities run by our libraries and museums. Our staff stepped up to help, too, with 32 staff supporting the Hutt Emergency Operations Centre, and 100 joining Team Manaakitanga to make deliveries and support the community.

In March 2020, we created the Community Resilience Fund to provide \$100,000 to community groups in our city, and a further \$30,000 to help sport and recreation groups get up and running again. We adopted a new rates policy to support ratepayers, and extended this to businesses for the first time in Council's history.



Climate change and sustainability

In 2021, the current Council established a new Climate Change and Sustainability Committee, and adopted an internal Carbon Reduction Plan. This Plan sets out actions to reduce Hutt City Council’s emissions to net zero by 2050.

We’re decarbonising our facilities, electrifying our vehicle fleet, installing EV charging stations, changing how we do things at the landfill and registering forestry land we own to earn carbon credits.

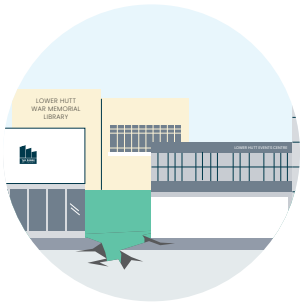
Te Ara Whakamua o Te Awa Kairangi ki Tai Lower Hutt Climate Action Pathway, has been developed by our community and stakeholders and sets out the way we will tackle climate change together and achieve zero emissions. Key target areas are transport, energy and buildings, consumption and waste, Te Taiao, future city design and adaptation, with community actions.



Rubbish and recycling

In 2021 we upgraded the city’s kerbside rubbish and recycling following community consultation – the biggest change to this service in over 20 years.

The new service is cheaper for the majority of our residents and improves access to quality waste collection for everyone in our city. Households can now recycle more, which means less waste to landfill. With five new electric rubbish and recycling trucks on the road and a fully electric fleet by 2024, this will help reduce carbon emissions.



Building seismic register

As the owner of buildings and assets, it’s important we know their seismic strength.

This triennium we’ve completed engineering assessments of all of our buildings. We then published a seismic register of our facilities for the first time, and planned an improvement programme.



How satisfied are our residents with our services?

83%

Reliable water supply

77%

Parks and reserves

83%

Neighbourhood Hubs and Libraries

75%

Rubbish and recycling

71%

Playgrounds

81%

Pools

75%

Sports grounds

80%

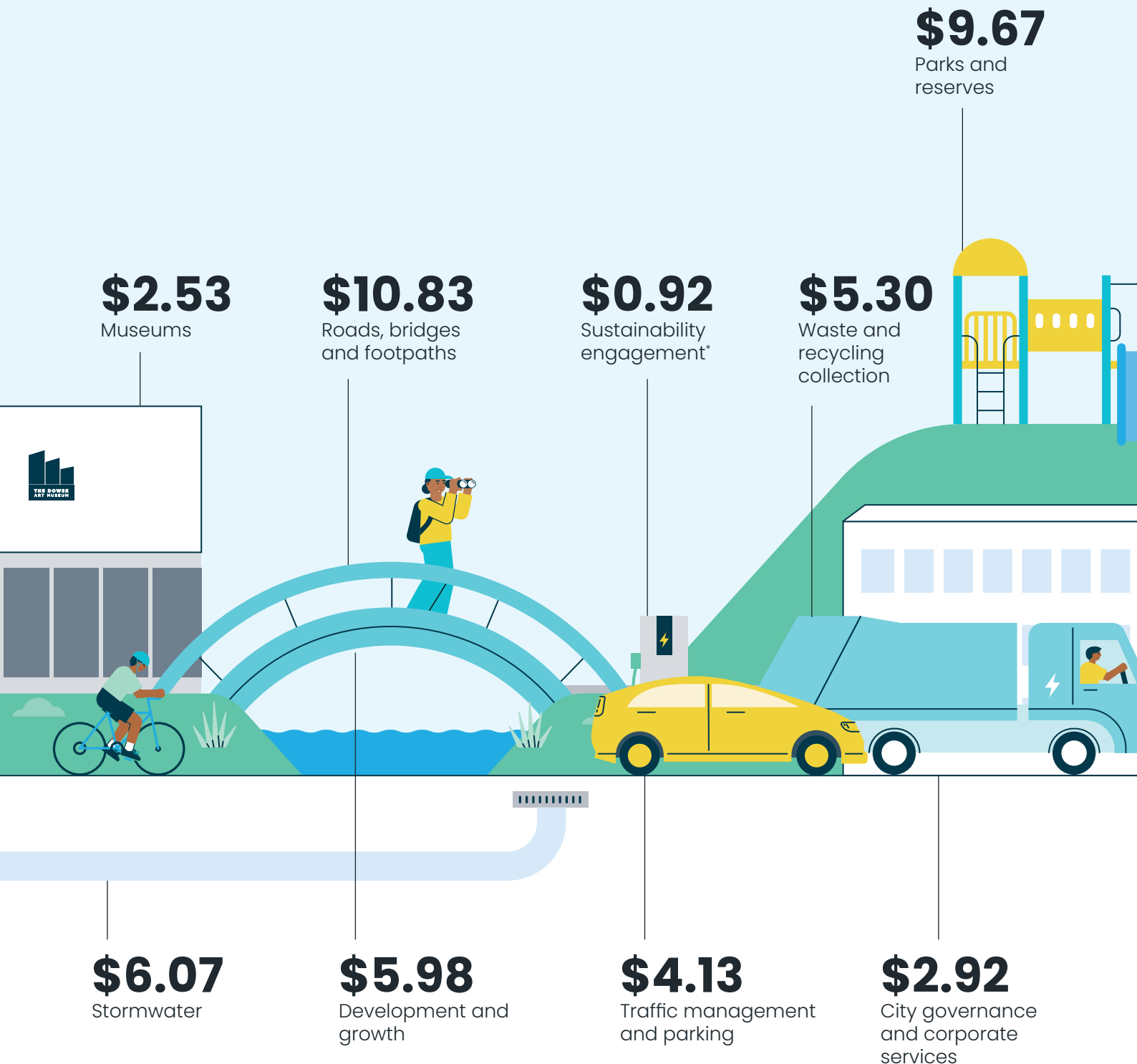
Museums

Source: Resident Satisfaction Survey

Kei hea haku tāke kaunihera e whakapau ana?

Where are my rates spent?

For every \$100 you pay in rates, we spend:



* Sustainability engagement represents spending on community activities along with facilitation of projects across council activities, including investment in:

- decarbonisation of council facilities
- cycleways
- RiverLink
- healthy urban waterways

\$5.88

Pools

\$0.19

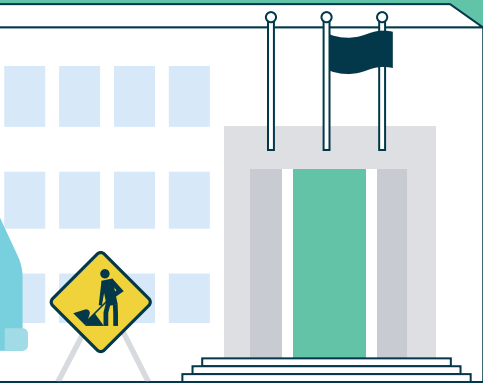
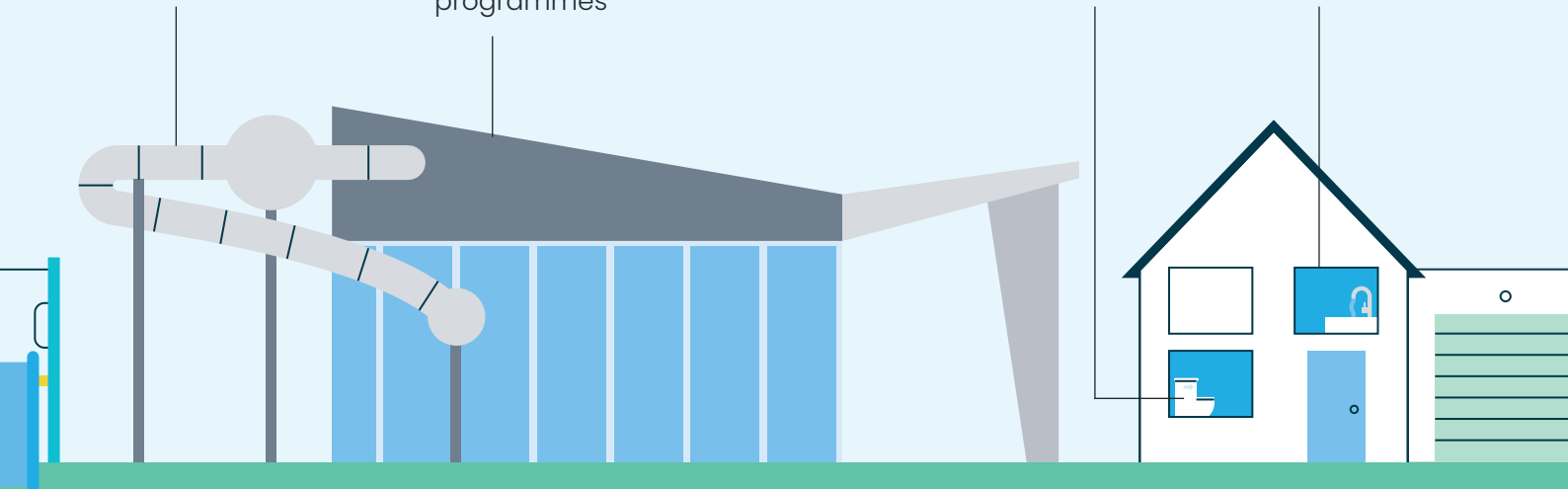
Recreation programmes

\$19.05

Wastewater

\$16.03

Water supply



\$3.21

Road maintenance and street cleaning

\$2.28

Consents and regulatory

\$0.05

Promotion and events

\$1.90

Halls and venues

\$4.66

Community partnering

\$4.28

Libraries

We expect to receive \$5.88 of credit from the landfill. This will help to offset costs and is reflected in the figures for all these other services shown on this page.

Wāhanga 4: Ngā Wero me Ngā Aronui

Part 4: Key challenges and opportunities

While we've made good progress over the last few years, challenges remain. Many of these are interconnected, and will need to be addressed over the next three years.



Central government reform programmes

There are some significant ongoing reform programmes being driven by central government that have varying degrees of impact on local government.

Three Waters

The Government is proposing to reform how three waters services are managed and delivered across Aotearoa New Zealand. Currently, these services – drinking water, waste water, and storm water – are delivered by 67 councils, and the Government is proposing to consolidate these services under four publicly-owned entities instead. In Lower Hutt, these services are delivered by Wellington Water (with the exception of bulk water supply, which is delivered by Greater Wellington Regional Council).

In April 2022, we engaged with our community on the proposed reforms, and will be using the results of this survey to inform our submission to select committee. The first piece of reform legislation was introduced to Parliament in June 2022, which will establish the four new entities.

For more information and updates on reform progress, keep an eye on the DIA website.

Resource Management

In February 2021 the Government announced it would repeal the Resource Management Act (RMA) and instead enact three new pieces of legislation to replace it. These are:

- Natural and Built Environments Act (the main replacement for the RMA), which will focus on protecting and restoring the environment, whilst enabling development.
- Strategic Planning Act, requiring the development of long-term regional spatial strategies,
- Climate Adaptation Act, which will address managed retreat.

The current RMA covers a lot of what we do at Council, particularly in the sustainable management of our environment and land uses in our city. Repealing this legislation and replacing it will impact our work in a number of ways, which we are working through as information is released by the government. The replacement bills are expected to be introduced to Parliament in 2022; for updates, see the Ministry for the Environment website.

The Government is also releasing a suite of National Policy Statements on a range of topics; these are directions from government to councils on how to address nation-wide issues. One example is the National Policy Statement for Indigenous Biodiversity which will require changes to our District Plan.

The Future for Local Government

On 23 April 2021, the Minister of Local Government established a review in the Future for Local Government. This review recognises that there are a suite of reform programmes impacting on local government – including three waters and resource management, as discussed above. The review is looking at ways to modernise local democracy to ensure a system that is fit-for-purpose and is focusing on what local government does, how it does it, and how it pays for it. A draft report is expected in November 2022. For more information and updates on the review, check out futureforlocalgovernment.govt.nz

Things the new Council will need to consider

Housing intensification

National planning rules as applied in the District Plan set out what can be developed and where, but it is infrastructure capacity that ultimately limits development. We need a greater understanding of this and to prioritise accordingly.

Climate change

We need to focus on reducing our emissions in order to reach our goal of carbon zero by 2050. This requires us to look boldly beyond the next triennium and take a long-term approach when it comes to our climate responsibilities.

Good governance standards matter

Council will need to adopt a code of conduct for elected members, which sets out the standards of behaviour. This enhances the credibility of Council, and helps to develop a culture of mutual trust and respect between members, staff and community.

Council's work programme

We want to deliver on our capital projects and achieve a balanced budget in the near future. How do we prioritise our work programme to make sure this happens at a scale and pace that our community expects?

Asset management planning

We need to get better at understanding the condition of our assets so that we know what investment they require over the coming years and plan accordingly.

Looking at levels of service

How do we balance community expectations around increasing levels of service, rates affordability, and the cost of living?

Food waste

Consider including food waste in our kerbside rubbish and recycling collection.



Population growth

Population growth creates enormous potential for people and businesses, but is also a significant challenge in terms of service demands and needs, including investing in key infrastructure.

The population of Te Awa Kairangi ki Tai Lower Hutt has grown quickly since 2015, and this growth is predicted to continue. Current information shows that future population growth will be concentrated in some areas of the central valley, Western Hills and Wainuiomata. Our city currently doesn't have enough development capacity to keep up with housing demand, and to ensure equitable access to services and transport connections for residents.



Infrastructure

Historic underinvestment in basic infrastructure combined with population growth, climate change, and the need for additional housing supply requires a major programme of investment to service existing and future residents. Ageing infrastructure is a significant challenge: as of September 2021, 55%¹ of our water infrastructure needs to be replaced over the next three decades, and we need better transport connections – including active transport networks – to ensure our city is easy to move around and environmentally sustainable.

Rapidly evolving technology may provide new solutions. While some technological changes can be anticipated, others – particularly those that take place over longer timeframes – are more difficult to predict. Renewal and replacement programmes need to be flexible, to take possible future scenarios and solutions into account.

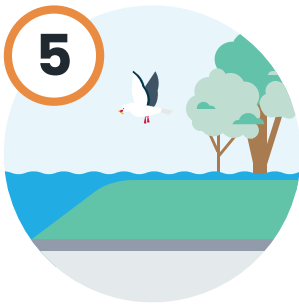


Housing

Increasing housing supply and improving housing quality are major challenges. Over the past five years, the lack of supply and increasing demand has driven up house prices and rent increases, leading to homelessness and housing hardship.

Too many individuals and families live in emergency and temporary accommodation, or live in insecure housing situations with whānau and friends. The number of households on the Social Housing Register increased by over 1,000% – from 52 households to 612 – between 2015 and 2020. As of March 2022, there are 645 families on the list, of which 591 are listed as a priority. Providing safe, warm and affordable homes is essential if we want whānau and Te Awa Kairangi ki Tai Lower Hutt as a whole to thrive, and our free independent Eco Design Advisor service focuses on this for our residents. We are also a part of the Regional Healthy Housing Group which has several workstreams across the region to help to raise the bar on safe, warm, dry homes for all. Our city is growing, but we need to do more.

1. Source: Wellington Water Strategic Asset Management Plan in the Regional Service Plan, September 2021.



Climate change

Te Awa Kairangi ki Tai Lower Hutt faces numerous environmental challenges, including sea level rise, storm surge, coastal erosion and flooding, loss of biodiversity, decreasing water quality and waste issues. Higher temperatures and an increase in the severity and frequency of rainfall and flooding will affect key services including transport and infrastructure, the functioning of the city and the wellbeing of our people.

The potential effects for individuals and communities in relation to housing and living environments, business costs and threats to our infrastructure and assets are significant. We all need to play our part to keep the global temperature rise below 1.5 degrees to avoid the worst impacts of global warming and to take decisive and quick action.



COVID-19 and the global economy

This year has already seen a shift in how we approach COVID-19 as a country. We're now living and working with COVID-19 across New Zealand, and it's changing the way we do things. Council has had a consistent approach to COVID-19: a commitment to prioritising the wellbeing of our communities, including people and local businesses.

However, it's not business as usual. We can't predict the impacts of COVID-19 but we can prepare for possible and likely outcomes. Council has contingency plans in place to help us continue making progress on our key projects, despite the challenges posed by the ongoing pandemic.

One of the ongoing impacts of COVID-19 (and the wider economic environment) is the global impact on the economy through supply-chain pressures and inflation. While this is an international issue, it has an impact on our community, and ultimately on Council's bottom line. In the financial year 2022-23, we've worked hard to meet the rising costs of inflation from finding savings or reprioritisation of existing budgets, but significant decisions will be required in future years as this period of higher inflation is expected to continue.



Technology and systems: the tools to serve our community

COVID-19 has demonstrated the need to be agile and responsive. In some ways we do this well – particularly when it comes to emergency management – but there are areas of our business-as-usual that need to be modernised. We need better tools to serve our community in a timely way, with the right information at hand. We also need to build tools that allow our community to serve themselves – for example, by finding information we hold online, at any time of day or night. Technology holds many of the solutions to these needs, but it requires investment. Our Go Digital programme is underway to address the most pressing needs, and has already delivered our refreshed website – allowing people to find what they need faster – and in-house connectivity upgrades.

Whakaarotau Priorities

Our purpose is to create a city where everyone thrives.

Given the challenges we're facing, and the shifting environment created by COVID-19 and central government's various reform programmes, we have set six priorities that underpin our work programme until 2031. There will be an opportunity for the new Council to confirm or reprioritise these objectives during their term.



Whakangao i ngā poupuu hapori

Investing in infrastructure

Investing in high-quality infrastructure that supports our people to move around, receive basic services (like water) and enjoy our community facilities.

Hei Āhuru Mōwai mō te Katoa

Increasing housing supply

Effectively planning for growth in our city, ensuring an increase in housing supply and working with organisations to ensure our people have warm, safe, dry homes to live in.

Tiaki Taiao

Caring for and protecting our environment

Working with our communities to meet the challenges of climate change and our goal to become carbon zero by 2050.



Taunaki Ōhanga Auaha, Tāone Whakapoapoa

Supporting an innovative, agile economy and attractive city

Investing to drive economic growth, and harnessing the talents of business, education, research and science communities to make our city an attractive place to work and invest.

Tūhono Hapori

Connecting communities

Investing to connect and empower neighbourhoods and communities so they can thrive and remain safe, connected, healthy, inclusive and resilient.

Whakauka Ahumoni

Financial sustainability

Investing in a financially sustainable and prudent way that ensures we are carefully managing our finances to deliver on our community's expectations.

Wāhanga 5: Ngā hinonga whakamua

Part 5: Projects we're progressing

Tūnuku Transport



Project

What's next?

Why?

Improving basic infrastructure

Over the decade until 2031, Council will invest \$406 million in transport infrastructure. This includes increased investment in maintenance: footpath renewals, resurfacing of our roads and cycleways, safety improvements, and cycling and micromobility improvements.

As our city population grows, congestion on our road networks is growing too. Everyone deserves to be able to move around our city in a way that works for them, while unlocking social, environmental, economic, and recreational benefits.

Cross Valley Transport Connections

The Cross Valley Transport Connections will divert through-traffic away from the Petone foreshore with a better connection between SH2, the Eastern Bays, Seaview and Gracefield, and Wainuiomata. We're spending \$19 million in the next three years, as part of a \$199 million package over a decade. The programme business case has been approved, and we're working on the single-stage business case and detailed planning.

Petone Esplanade provides an essential link between Lower Hutt's southern areas and the rest of our city for more than 25,000 motorists daily. However, travel times along the Esplanade are unpredictable, with low average speed and lots of starts and stops during peak times. This project will improve travel times, make us better prepared for climate change and large earthquakes, as well as protect our foreshore area.

Tupua Horo Nuku (Eastern Bays Shared Path)

Tupua Horo Nuku is a shared path between Ngau Matau (Point Howard) and Eastbourne, with work due to kick off in August 2022. The project is currently budgeted for a total of \$30 million, with \$16.8 million allocated for the first two bays. Detailed design is underway to confirm the cost for the remaining four bays.

Tupua Horo Nuku will not only provide a safe and integrated shared path on Marine Drive to connect Eastern Bays communities, but will also create links to other parts of our city's walking and cycling networks for commuting, recreation, and tourism. It also includes new seawalls for improved protection from storms and waves.

RiverLink

Council has committed \$138 million over 10 years to this project (with projected revenue of \$43 million, leaving a net cost of \$95 million), which will enable delivery of key components. Geotechnical investigations are underway, and we're expecting a decision from the Environment Court in August on a number of resource consents. Key features of RiverLink include a pedestrian cycle bridge, Riverbank Park, promenade and streetscape development, and improvements to the traffic intersections in the vicinity of the project.

The RiverLink project is a big part of the transformation needed to create a more resilient, connected and vibrant city, and promote the advantages of the river as a focal point for the city centre. RiverLink will enable greater economic growth and development, more housing, and will revitalise and renew our central business district.

Ngā wai e toru Three Waters



Project

What's next?

Why?

Improving basic infrastructure

We have committed a significant investment of \$587 million over 10 years to tackle our ageing infrastructure. This investment will ensure we are able to deliver fit-for-purpose infrastructure and reduce the risk of asset failure and service disruption. This will enable us to improve the health of our urban waterways and reduce carbon emissions and water consumption, and will also relieve stress on existing systems while providing capacity for growth.

We are facing significant challenges with our three waters assets which require investment in the short and medium term. The major challenges are the condition and age of the water network – and the fact that much of the infrastructure is reaching or will soon reach the end of its life.

Wharenoho

Housing



Project

What's next?

Why?

Urban Plus Limited (UPL)

UPL is taking a leadership role in delivering medium-density housing in Lower Hutt, aligning with the objectives of District Plan Change 43. Climate change commitments are also now a priority, and UPL is incorporating features into dwelling design and site layouts to help Council reach our carbon zero objectives. This means lower carbon emissions onsite, and future housing developments must achieve at least six stars in the HomeStar rating assessment.

Increasing our city's housing supply and improving housing quality are major challenges. Everybody in our city deserves a warm, dry house to call home, but increasing house prices and population growth mean many people are missing out on this basic necessity.

Te Rūnanganui o Te Āti Awa, Kahungunu Whānau Services (Poua ki Raro) partnership and Urban Plus Limited

Council is also partnering with Te Rūnanganui o Te Āti Awa, Kahungunu Whānau Services (Poua ki Raro), and UPL for the benefit of Mana Whenua and all people in our city. This is a sustainable and effective strategic partnership, allowing us to adopt new pathways and practices to enable us to build healthy, thriving, secure and affordable homes across Te Awa Kairangi ki Tai Lower Hutt.

Infrastructure Acceleration Fund (IAF) application

In May 2022 we learned that our application to the government's IAF is through to the final round, taking us a step closer to addressing major infrastructure challenges in the city centre. Our application focuses on stormwater and wastewater upgrades for the valley floor which will support intensification in the city centre and surrounding areas. According to Kāinga Ora, Ministers will make final funding decisions by October 2022.

These projects were not included in the 10-Year Plan and Council will be required to undertake a 10-Year Plan amendment early in the new triennium to confirm the inclusion of these projects to be able to utilise any funding we receive. Options will be dependent on the level of funding available from the IAF.

Tūhono hapori

Connected communities



Project

What's next?

Why?

Naenae Pool and Fitness Centre

We've committed \$68 million to the Naenae Pool and Fitness Centre project; this investment includes the return of the 50m pool along with a combined children's and programmes pool, and a design which will achieve environmental Green Star 5 – plus two "zoom" tubes, a local favourite. Green loan funding has been approved by the Local Government Funding Agency for this project, recognising the sustainability benefits in the new pools design.

The closure of Naenae Pool in April 2019 had a big impact on the local community. They lost a place where local tamariki and rangatahi could gather and recreate together and with their whānau. Learn-to-swim classes, water safety education, and aquatic sports programmes were no longer able to operate in the community. Many Naenae businesses lost regular customers and the vibrancy of the town centre was impacted.

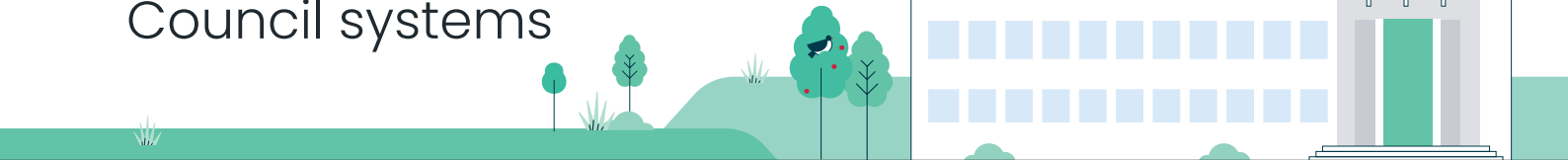
Petone Wharf

We've committed \$21 million to complete the proposed refurbishment of Petone Wharf. We brought forward the planned investment to reduce the risk of structural failure and, over the long term, reduce maintenance requirements.

Petone Wharf is a popular community asset with high heritage value. Two earthquakes in summer 2020-21 contributed to severe slumping in the wharf deck making it unsafe for public use. It was closed on 18 January 2021.

Ngā pūnaha kaunihera

Council systems



Project

What's next?

Why?

Go digital

Go Digital is a programme made up of 41 projects, scheduled to run from 2020-2024 with an initial budget of \$16.6 million. This programme is our investment in our operating systems, the way we work, and how our city's residents engage with us.

We're focusing on new ways for you to communicate with us, simplified online forms, open data and information practices, and a place where you can view all council services and interactions.

Wāhanga 6: Hō mātou pūtea

Part 6: Our finances

Mahere Pūtea

Financial strategy

We have total assets worth \$1.7 billion which include infrastructure, land and buildings. Our total liabilities are lower, at \$0.3 billion, and include borrowings and payables to suppliers. Annual income of around \$200 million is largely used to fund operating costs for Council services and to maintain assets.

Good financial management and long-term sustainability underpin our plans – we're focused on carefully managing our city's finances to ensure we're able to fund infrastructure and services for our community now and in the future. As a growing city, there is a need for additional infrastructure, and we need to ensure that the associated costs are spread fairly.

As part of our 10-Year Plan, we reviewed our financial strategy to ensure that it enabled a long-term sustainable direction. The strategy is based on important principles that provide the foundation for prudent sustainable financial management:

- Affordability of rates
- Achieving intergenerational equity by spreading the costs between both present and future ratepayers
- Maintaining prudent borrowing levels
- Achieving a balanced budget and ensuring that everyday costs are paid for by everyday income
- Delivering services effectively and efficiently
- Strengthening council's financial position

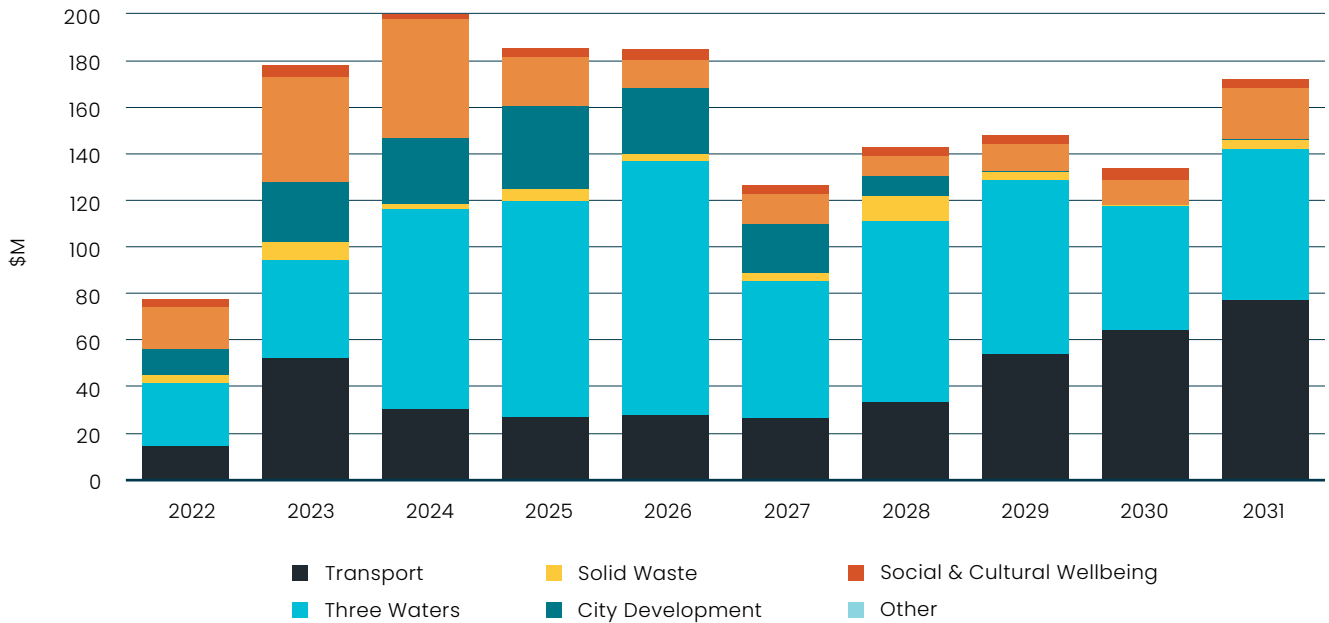
The financial strategy focuses on strong fiscal management while addressing growing demands for increased capital investment in core infrastructure assets. We are facing some big financial challenges as we focus our work.

- We are not expected to achieve a balanced budget until the 2028-29 financial year. It is important that we continue to progress towards this timeframe to achieve long-term financial sustainability for the Council.
- We have a significant capital programme planned over the next ten years to address population growth and ageing infrastructure. Our debt levels are expected to increase from \$0.2 billion to \$0.6 billion to help fund this programme. This is within our debt limits.
- The ongoing impacts of COVID-19 continue to affect us. Supply chain challenges for us and our suppliers slow down our ability to carry out our planned work programme. Some of our revenue streams through fees and charges have been reduced.
- We are operating in a high inflation environment. We take inflation into consideration when we set our budgets, but current inflation rates are higher than the levels we have planned for. The incoming Council will need to consider prioritisation decisions on levels of services, planned spending and funding required to ensure our financial position remains sustainable.
- Alongside the current inflation environment, we are seeing the Reserve Bank's moves to combat this through increases in the Official Cash Rate; this then affects our interest costs. Further increases in excess of what is currently expected will add further pressure on our operating costs.

Capital expenditure

We have planned capital investment spend of \$1.5 billion for the 10 years of the Long-term Plan 2021-2031, 40% for three waters and 28% for transport. This will be funded by borrowings, development contributions, central government subsidies, and rates.

Figure 1: Planned capital expenditure by activity



Borrowings are a key component of recognising the intergenerational equity principle, whereby the cost of long-term assets should be met by ratepayers over the life of those assets. We project that the growth of debt over the next 10 years will increase from \$0.2 billion to \$0.6 billion to fund the planned capital investment.

Return on investments

Council has investments in CCOs Urban Plus Ltd and Group and Seaview Marina, as well as Civic Financial Services Ltd, the Local Government Funding Agency, property and cash.

Aside from a one-off distribution of \$402,000 from Civic Financial Services Ltd, we have not received any material return from investments in the past three years. Our projections assume that there will be no material return on investments from the CCOs in the near future, but rather that profits generated will be applied to reinvestment in the business or to repayment of borrowings to the Council. A small dividend of \$200,000 per year is expected from Seaview Marina Limited beginning from the 2023-24 financial year.

Financial strategy key metrics

The financial strategy includes a range of measures to ensure the amount of borrowings is responsibly managed whilst enabling continued investment in infrastructure and community assets. Two of these measures are presented below: limits on debt as a proportion of revenue, and interest costs as a proportion of revenue.

Our prudent and sustainable financial management is reflected in our strong credit rating from Standards & Poor's – an AA credit rating with a stable outlook.

Figure 2: Planned borrowings compared to financial strategy limit of 250% of revenue

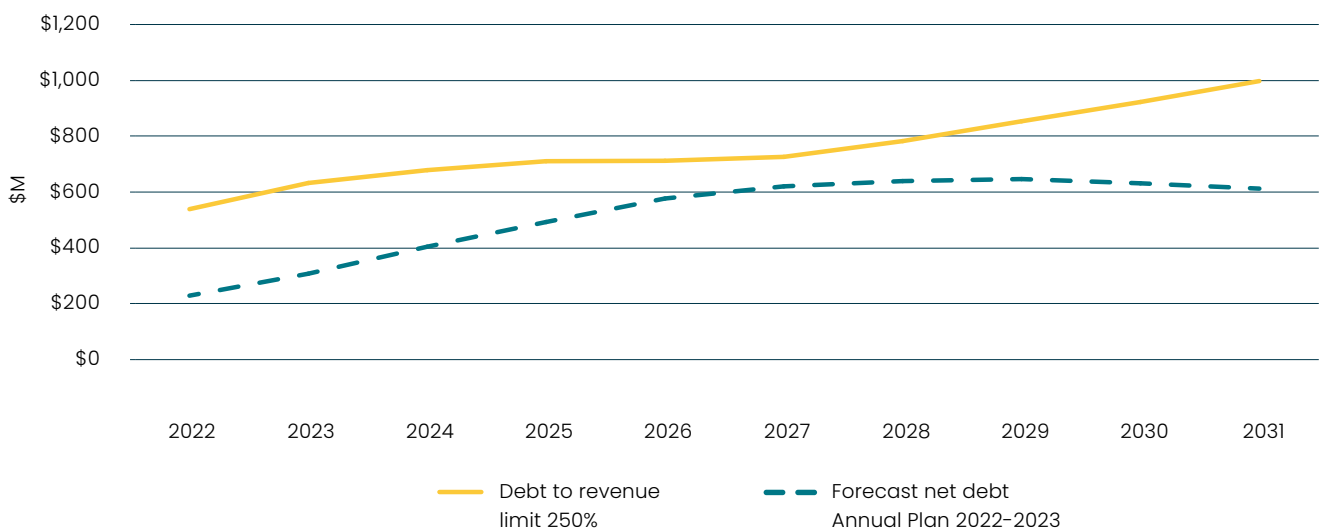
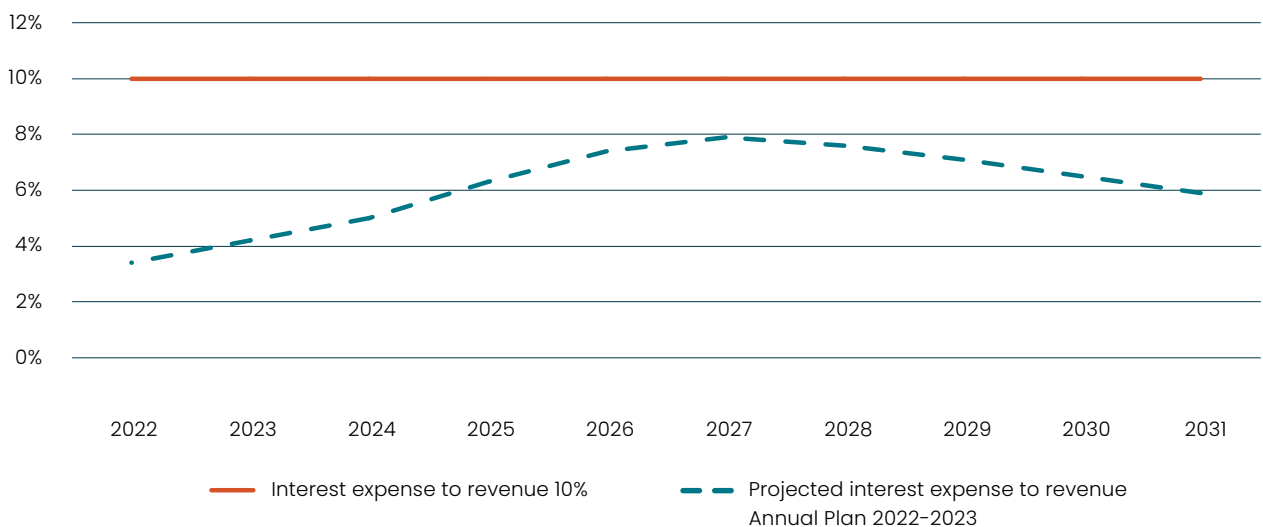


Figure 3: Projected interest to revenue ratio compared to limit of 10%

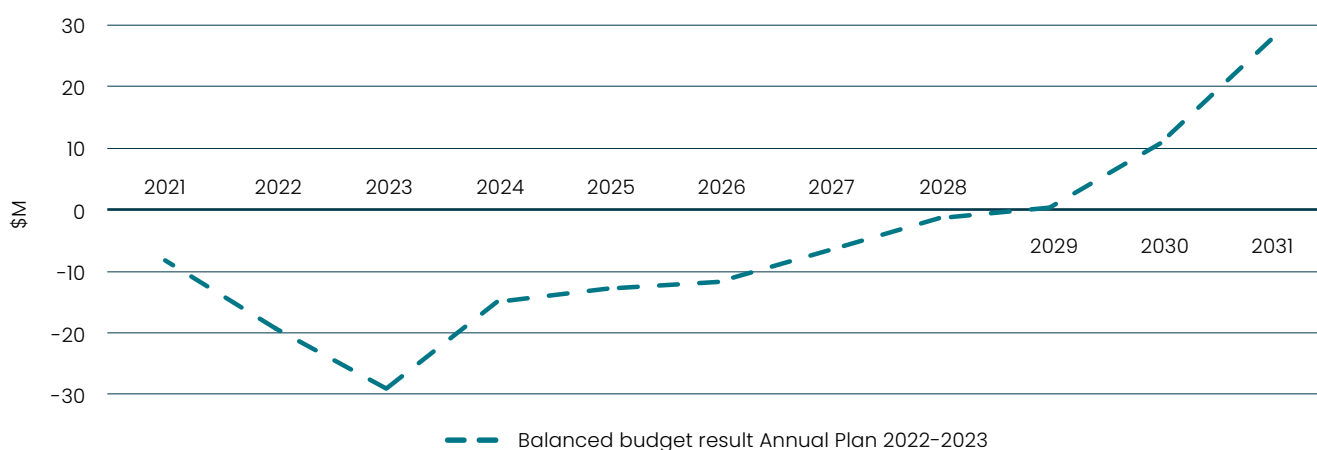


A guiding principle of our financial strategy is the importance of a balanced budget. This means that operating revenue is set to meet operating expenses, and that current ratepayers are contributing an appropriate amount towards the cost of the services they receive or can access, i.e. everyday costs are paid for from everyday income.

We calculate whether we are achieving a balanced budget by adjusting the surplus/deficit for noncash fluctuations (such as gains or losses on the valuation of financial assets) and for revenue received for capital improvements, such as subsidies and grants or development contributions. We do this as they do not contribute to operating costs and can result in fluctuations in the surplus/deficit that do not reflect our underlying ability to balance our budget in the long term.

We currently project that we will not achieve the balanced budget target for several years, until 2028-29. We run deficits from a balanced budget perspective mainly because revenues do not currently cover the full cost of depreciation. Depreciation reflects the use or consumption of the service potential of an asset. Rating for the cost of depreciation ensures that today's ratepayers pay their fair share of the use of the assets.

Figure 4: Projected balanced budget position²



We have a high dependency on rates as a principal revenue source, and there are few options available to offset cost pressures without reducing service levels. Over the next three years the projected rates revenue increases for ratepayers range between 5.9% and 7.2% (before the impact of growth).

2. The Hutt City Council balanced budget target is defined as the Local Government (Financial Reporting and Prudence) Regulations 2014 definition, modified to exclude from the definition of revenue Waka Kotahi NZ Transport Agency's Capital improvement subsidies, Infrastructure Acceleration Fund grants and central government COVID-19 Response and Recovery co-funding for Naenae Pool and Tupua Horo Nuku.

Achievement against strategy

The table below shows Council's actual performance for 2019-20 and 2020-21 and forecast performance for 2021-22 against the key financial limits outlined in Council's Financial Strategy and the annual targets for these established in the Long Term and Annual Plans.

Key		Actual	Actual	Forecast	Budget	Budget	Budget	Budget
		2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Exceeded limit							
	Within limit							
Rates	Limit (\$000)	108,067	113,254	N/A	N/A	N/A	N/A	N/A
	Actual(\$000) ⁴	108,422	114,004	N/A	N/A	N/A	N/A	N/A
Rate increases	Rates increase	1.8%	3.8%	5.9%	5.9%	5.9%	7.2%	7.2%
	Assumed growth ³	1%	1%	1.1%	1.1%	1.1%	1.1%	1.1%
	New waste services ⁴			7.3%				
	Total Limit	2.8%	4.8%	14.3%	7%	7%	8.3%	8.3%
	Actual ⁵	3.1%	5.5%	14.4%	7%	7%	8.3%	8.3%
Borrowings								
Net debt to revenue ratio	Limit	150%	150%	250%	250%	250%	250%	250%
	Actual	104%	102%	106%	122%	149%	173%	203%
	Limit (\$000)	253,641	284,538	530,285	631,210	679,650	710,488	711,965
	Actual(\$000)	175,825	194,111	228,960	307,660	404,287	492,735	576,919
Interest expense to total revenue	Limit	10%	10%	10%	10%	10%	10%	10%
	Actual	4.2%	3.8%	3.4%	4.2%	5.0%	6.3%	7.4%
Interest expense to rates revenue	Limit	N/A ⁶	N/A	20%	20%	20%	20%	20%
	Actual	N/A	N/A	5.7%	7.6%	9.0%	11.1%	12.0%

3. Rates increases include the impact of growth. This is assumed to be 1% in years 2019-20 and 2020-21 and 1.1% from years 2021-22 to 2024-25.

4. Changes to rubbish and recycling services were consulted on in 2020, and the final 10-Year Plan amendment approved on 27 October 2020. The new waste services were implemented from 1 July 2021. Offsetting cost savings for homeowners were expected, as they will no longer need to purchase rubbish bags or pay for private rubbish collection service.

5. Additional rates revenue above the limit is due to a range of reasons, including greater than expected growth in the rating base and the impacts of remissions compared to budget. Rates were struck each year based on the limit in place, using the rates database information available at the time.

6. Measures marked as N/A are not measures in the financial strategy in place relevant to those years.

Whakarāpopoto Tauākī Pūtea

Summary financial statements

The following pages summarise some key financial information for Hutt City Council.

This includes the key financial numbers for the council over the last three years and the projections for the next three years as per the Council's 10-Year Plan (updated for changes made in the Annual Plan 2022-23). Information has been drawn from the relevant audited Annual Reports, audited Long Term Plan 2021-2031, and the Annual Plan 2022-2023.

A range of assumptions have been made in the preparation of the budgeted financial information. The eventuation of these assumptions reflects risk factors that will influence actual amounts compared to the projections. Full assumption details can be found in the Annual Plan 2022-2023.

The Annual Plan financial statements have the potential to be significantly impacted by the progression of three waters reform. For an initial analysis of the financial impacts of three waters reform on Council, you can refer to information used to support our community consultation on our website.

Summary statement of comprehensive revenue and expense

	Actual	Actual	Forecast	Annual Plan	Annual Plan	Annual Plan	Annual Plan
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue							
Rates	108,423	114,004	130,459	139,591	149,363	161,760	175,186
Other revenue	61,316	77,858	86,657	113,778	123,400	123,360	110,551
Gains on revaluation of financial instruments	-	13,698	-	-	-	-	-
Total Revenue	169,739	205,560	217,116	253,369	272,763	285,120	285,737
Expenses							
Employee and operating expenses	132,873	140,050	163,131	175,993	171,537	175,388	178,698
Finance costs	7,406	7,432	7,442	10,613	13,470	17,942	21,033
Depreciation	40,807	41,528	48,268	50,876	53,835	60,437	71,265
Losses on revaluation of financial instruments	10,147	-	-	-	-	-	-
Total Expenses	191,233	189,010	218,841	237,482	238,842	253,767	270,996
Surplus/deficit after tax	(21,494)	16,550	(1,725)	15,887	33,921	31,353	14,741
Gains/Losses on revaluation	68,961	-	129,631	-	-	98,463	-
Total comprehensive revenue and expense	47,467	16,550	127,906	15,887	33,921	129,816	14,741

Note: the increase in rates revenue and expenses in 2021/22 is primarily due to the introduction of our new rubbish recycling and green waste service.

Summary balance sheet

	Actual	Actual	Forecast	Annual Plan	Annual Plan	Annual Plan	Annual Plan
	2019-20 \$000	2020-21 \$000	2021-22 \$000	2022-23 \$000	2023-24 \$000	2024-25 \$000	2025-26 \$000
Assets							
Current assets							
Financial assets	58,709	21,414	21,414	21,414	22,604	23,685	25,292
Other current assets	3,791	10,409	11,424	11,893	11,686	11,248	16,504
Total current assets	62,500	31,823	32,838	33,307	34,290	35,144	41,796
Non-current assets							
Property, plant and equipment & intangibles	1,542,317	1,605,471	1,767,211	1,863,229	1,996,328	2,217,305	2,313,249
Other non-current assets	38,595	35,307	35,307	35,307	35,307	35,307	35,307
Total non-current assets	1,580,912	1,640,778	1,802,518	1,898,536	2,031,635	2,252,612	2,348,556
Total assets	1,643,412	1,672,601	1,835,356	1,931,843	2,066,925	2,287,756	2,390,352
Liabilities							
Current liabilities							
Borrowings - current	30,000	30,000	65,787	102,265	122,761	152,598	178,844
Other current liabilities	45,618	45,248	45,248	45,248	46,289	47,420	48,642
Total current liabilities	75,618	75,248	111,035	147,513	169,050	200,018	227,486
Non-current liabilities							
Borrowings	185,700	185,700	184,762	228,884	307,359	368,245	428,458
Other non-current liabilities	24,948	24,913	24,913	24,913	25,062	25,223	25,397
Total non-current liabilities	210,648	210,613	209,675	253,797	332,421	393,468	453,855
Total liabilities	286,266	285,861	320,710	401,310	501,471	593,486	681,341
Net assets (assets minus liabilities)	1,386,336	1,386,740	1,514,646	1,530,533	1,564,454	1,694,270	1,709,011

Funding impact statement

	Actual	Actual	Forecast	Annual Plan	Annual Plan	Annual Plan	Annual Plan
	2019-20 \$000	2020-21 \$000	2021-22 \$000	2022-23 \$000	2023-24 \$000	2024-25 \$000	2025-26 \$000
Sources of operating funding							
General rates, uniform annual general charges, rates penalties	72,699	75,160	80,061	85,628	91,983	92,328	98,129
Targeted rates	35,724	38,844	50,400	53,963	57,379	69,433	77,057
Subsidies and grants for operating purposes	7,148	10,272	13,445	7,884	7,862	8,023	8,231
Fees, charges	39,670	47,802	44,994	47,824	55,611	59,324	62,764
Interest and dividends from investments	1,413	988	853	1,416	1,141	1,161	1,292
Local authorities fuel tax, fines, infringement fees, and other receipts	7,861	20,508	6,712	6,309	6,168	6,217	6,639
Total operating funding (A)	164,515	193,574	196,465	203,024	220,144	236,486	254,112
Applications of operating funding							
Payments to staff and suppliers	132,873	140,020	163,129	175,995	171,538	175,388	178,699
Finance costs	7,406	7,432	7,446	10,611	13,468	17,943	21,032
Other operating funding applications	10,147	-	-	-	-	-	-
Total applications of operating funding (B)	150,426	147,451	170,575	186,606	185,006	193,331	199,731
Surplus (deficit) of operating funding (A-B)	14,089	46,123	25,890	16,418	35,138	43,155	54,381
Sources of capital funding							
Subsidies and grants for capital expenditure	5,441	13,034	16,466	52,533	56,289	50,477	39,446
Development and financial contributions	829	1,378	7,502	2,793	3,117	3,805	4,532
Increase (decrease) in debt	36,147	4,533	27,610	104,718	103,607	86,091	85,475
Gross proceeds from sale of assets	2,238	-	-	1,015	1,484	1,277	839
Lump sum contributions	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-
Total sources of capital funding (C)	44,655	18,945	51,578	161,059	164,497	141,650	130,292
Application of capital funding							
Capital expenditure							
- to meet additional demand	3,064	5,948	1,212	6,639	28,315	45,592	21,460
- to improve level of service	21,632	35,846	42,936	116,460	96,163	83,459	90,994
- to replace existing assets	14,048	23,274	33,320	54,378	75,157	55,754	72,219
Increase (decrease) in reserves	-	-	-	-	-	-	-
Increase (decrease) of investments	20,000	-	-	-	-	-	-
Total applications of capital funding (D)	58,744	65,068	77,468	177,477	199,635	184,805	184,673
Surplus (deficit) of capital funding (C-D)	(14,089)	(46,123)	(25,890)	(16,418)	(35,138)	(43,155)	(54,381)
Funding balance ((A-B) + (C-D))	-	-	-	-	-	-	-

Te pūtake whakaritenga (me te pūmāramarama pūtea)

Basis of preparation (including assumptions)

Financials for 2019-20 and 2020-21 are taken from the audited financial statements included in the Hutt City Council's annual reports. The full annual reports can be found online.

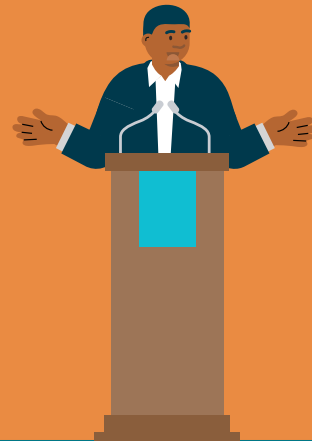
- Audited financial statements for the 2021-22 year were not available at the time of preparing this report as year-end processes were still underway. Officers have therefore prepared forecast figures based on the third quarter results to 31 March 2022.
- Financial information for the next financial year (2022-23) and the three years following election are taken from the adopted Annual Plan 2022-23. The Annual Plan updates the 10-Year Plan 2021-2031 for the latest project information and Council decisions.

The audited Long Term Plan 2021-2031 and Annual Plan 2022-2023 including the underlying assumptions applied in their preparation can be found online.

Note: Central government has decided to proceed with its three waters reform programme to change the governance and management of water activity across New Zealand. This includes water supply, wastewater management and disposal, and stormwater management. This will result in significant changes to the council group's revenues, assets, liabilities and the services we provide. However, there is not yet enough certainty about the specific impacts to incorporate into our forward budget projections.

Wāhanga 7: Pōtitanga 2022 – Me mohiotia

Part 7: 2022 elections – what you need to know



ENROL

You're eligible to enrol & vote in Hutt City Council's election if you:

- are 18 years old or older on election day (8 October)
- are a NZ citizen or permanent resident
- have lived in NZ for at least one year continuously, at some point in your life
- live in or own property within the Hutt City Council boundaries

To enrol to vote or update your details, go to vote.nz or call 0800 36 76 56. After 12 August 2022, you'll need to complete a special vote.

If you own property but live outside the Hutt City Council boundaries, you can apply to go on the ratepayer roll so you can vote where you live as well as where you own property. To apply, get in touch with our electoral officer.

STAND

Our community deserves to have an elected Council that represents them and cares about their wellbeing. All types of people can be Councillors, and Te Awa Kairangi ki Tai is a diverse place – so it makes sense that we have a diverse range of candidates standing for election.

You can stand for Hutt City Council if you're:

- a NZ citizen
- enrolled to vote
- nominated by two people who are also enrolled to vote in the Hutt City Council elections

To stand for election, you need to submit a completed nomination form and provide a \$200 deposit. Nomination forms will be available on our website from early July 2022.



You'll receive your voting papers from **16 September**, and you need to make sure we receive your vote by **midday on 8 October 2022**.



12 August

Candidate nominations close

Enrolment closes for the printed electoral roll. Voters need to enrol by this date to receive voting papers in the mail; if you enrol after 12 August, you can request special voting papers from Council's electoral officer.

16-21 September

Voting documents sent to all enrolled voters

7 October

Last day to enrol to vote in the 2022 local elections

8 October

Election day (voting closes at midday)

VOTE

Now you're enrolled, the important part is still to come – voting. Having your say is important, and this particular opportunity usually rolls around just once every three years. Voting in local elections is done on paper, via the postal system, which means you'll need to know where your nearest post box is. In the lead up to voting we'll be sharing lots of helpful information and reminders, but here are the basics:

- You'll vote for Mayor, Councillors, Community Boards, the Hutt Mana Charitable Trust, and Greater Wellington Regional Council.
- Lower Hutt is divided into six wards for the election: Central, Eastern, Harbour, Northern, Wainuiomata, and Western. You will be asked to vote for a Ward Councillor and up to six City-wide Councillors. If your area is covered by a Community Board, you will also be asked to vote for Community Board representatives.
- In 2022, you'll also be voting on our electoral system – there is a poll to ask voters to choose between the First Past the Post (FPP) and Single Transferable Vote (STV) systems for our 2025 and 2028 elections.

We'll continue to update the 2022 local government elections page on our website with more information as we get closer to election day.

Wards:



Why are we holding a poll on our electoral system?

We currently use the First Past the Post (FPP) system, which means the candidate(s) with the most votes wins. In the Single Transferable Vote (STV) system, voters rank candidates in their order of preference and the candidate(s) who receive a majority of votes win. We want to know which system our voters prefer, to ensure democratic representation in a process that most people are happy with and understand.

We'll be sending out more information about these systems and our poll as we get closer to the election, and the Department of Internal Affairs has some useful information on their website too.

Elected Member Induction Programme

A comprehensive elected members induction programme will commence in mid-October 2022 and will run over three months. Ongoing training will occur over the triennium. The goal of the induction programme is that elected members will be informed, effective and confident in their role as governors and a key strategic partner in developing the city. The programme objectives include constructive culture, evidence-based decision-making, supporting governance role, and governance tools.

The key dates for the induction programme follows:



The Democratic Services team is here to help, email: democraticservicesteam@huttcity.govt.nz.

Electoral officers are responsible for conducting local elections, issuing and counting votes, and declaring election results (among other things). If you need to request special voting papers or get in touch, you can reach our electoral officer at elections2022@huttcity.govt.nz or call us on 0800 488 824.

Wāhanga 8: Pānui atu

Part 8: Further reading

Annual Plan 2022-23

Our most recent Annual Plan, which outlines key projects, budgets, and service levels for the year ahead.

Long Term Plan 2021-31

Our current Long Term Plan (also known as our 10-Year Plan), which sets out our vision for the city over the decade.

Annual Report 2020-21

Our most recent Annual Report, which reports back on how we did against the Annual Plan for that year. Our next Annual Report for the year ended 30 June 2022 will be available later in the year.

Integrated Transport Strategy

The Integrated Transport Strategy outlines our vision and strategic direction for responding to Lower Hutt's growing transport challenges. It lays out an integrated approach to delivering land use planning, transport planning, investment, and encouraging behaviour change within Lower Hutt.

Lower Hutt Climate Action Pathway

This pathway provides direction on where we need to target our future effort to reduce our transport, energy, and waste emissions as a city. It also focuses on wairuatanga: connecting with our natural world and preparing for the adverse effects of climate change.

LGNZ Information for Candidates

Local Government New Zealand's guide outlines important information about standing for local government, how councils work, nomination requirements, and common questions.

Hutt City Council Candidate Handbook

This Handbook outlines information for potential candidates (and anyone interested), including almost everything you need to know about the Hutt City Council 2022 elections.

OAG integrity framework

This guide from the Office of the Auditor General outlines what integrity means in the public sector and why it matters, how it contributes to public trust, and aims to support leaders to deliver on their stewardship responsibilities.

All about STV and FPP - Department of Internal Affairs

This page provides an explanation of First Past the Post (FPP) and Single Transferable Vote (STV) voting methods, including how they work and what a voting form might look like under each system.

