

19 May 2021

[REDACTED]
[REDACTED]

Tēnā koe [REDACTED]

Request for Information – Local Government Official Information and Meetings Act 1987

We refer to your official information request dated 23 April 2021 for:

Documents including emails confirming that the 5.9% rates increase (or such other number) includes the new targeted rubbish collection rates take. OR

Documents including emails confirming that the 5.9% rates increase (or such other number) does not include the new targeted rubbish collection rates take. If so, why not. If not, the legal justification for keeping the total figure from the ratepayers.

Council is introducing a service charge in 2021/22 for the new residential kerbside rubbish and recycling service. This does not impact all ratepayers – commercial property owners for example will not receive this service and will not pay for it.

Consultation on these changes to rubbish, recycling and green waste was completed in 2020 through a comprehensive Long Term Plan 2018-2028 amendment process with decisions made by Council in October 2020. These new waste services are being funded from a specific targeted rate charged to residential and rural ratepayers receiving the service. This will offset costs for home owners as they no longer need to purchase rubbish bags or pay for a private rubbish collection service. The cost of the new service has been separated out so that ratepayers can see what they're paying for in terms of rubbish (cost varies with size of bin), green waste etc.

Decisions on Draft Long Term Plan 2021-2031 rating policy including the level of rates increases were progressed by Council through a series of meetings from September 2020 through to the adoption of the Draft Long Term Plan Consultation document on 31 March 2021. Links to meetings agendas and minutes of these meetings are copied below; this includes page numbers of specific references.

The Draft Long Term Plan 2021-2031 Consultation Document and detailed draft LTP document is reviewed and signed off by auditors so it goes through a thorough externally reviewed process. These documents state that the projected rates revenue increase for all ratepayers of 5.9% does not include the waste service changes (rubbish and recycling).

We communicated to our community on the options as part of the formal consultation process on the draft LTP and that included a "rates calculator" that has been set up so that each property owner can look at what their indicative rates are for the year. We've also

provided information to rate payers ahead of the rollout of the new rubbish and recycling service on what the costs of the service will be for their individual property.

Relevant documents:

- 15 September Hutt City Council Agenda (Hutt City Council's Future Recycling and Rubbish Collection Services report):
http://infocouncil.huttcity.govt.nz/Open/2020/09/HCC_15092020_AGN_2852_AT.PDF
- 15 September Hutt City Council Minutes:
http://infocouncil.huttcity.govt.nz/Open/2020/09/HCC_15092020_MIN_2852_AT.PDF
- 24 September LTP Subcommittee agenda (refer financial aspects – see page 30 for impacts on rates including the new rubbish and recycling service. Other Rating policy relevant reports are: revenue and financing policy review, and rating policy review reports): http://infocouncil.huttcity.govt.nz/Open/2020/09/LTPAP_24092020_AGN_2855_AT.PDF
- 24 September LTP Subcommittee minutes:
http://infocouncil.huttcity.govt.nz/Open/2020/09/LTPAP_24092020_MIN_2855_AT.PDF
- 27 October LTP subcommittee agenda (refer financial aspects, and Rating Policy Review update report #2):
http://infocouncil.huttcity.govt.nz/Open/2020/10/LTPAP_27102020_AGN_2856_AT.PDF
- 27 October LTP subcommittee minutes:
http://infocouncil.huttcity.govt.nz/Open/2020/10/LTPAP_27102020_MIN_2856_AT.PDF
- 30 November LTP subcommittee agenda (refer Revenue and Financing Policy update report #3):
http://infocouncil.huttcity.govt.nz/Open/2020/11/LTPAP_30112020_AGN_2857_AT.PDF
- 30 November LTP subcommittee minutes:
http://infocouncil.huttcity.govt.nz/Open/2020/11/LTPAP_30112020_MIN_2857_AT.PDF
- 21 December LTP subcommittee agenda (refer financial aspects report page 94 included in executive summary and page 117 for full options presented, noting exclusion of rubbish and recycling):
http://infocouncil.huttcity.govt.nz/Open/2020/12/LTPAP_21122020_AGN_2864_AT.PDF
- 21 December LTP subcommittee minutes:
http://infocouncil.huttcity.govt.nz/Open/2020/12/LTPAP_21122020_MIN_2864_AT.PDF
- LTP 202021 v6 - final presentation used for LTP subcommittee meeting (attached)

- 10 February LTP subcommittee agenda (refer Draft Long Term Plan 2021-2031 report, see page 68 for proposed rates increases noting exclusion of rubbish and recycling): http://infocouncil.huttcity.govt.nz/Open/2021/02/LTPAP_10022021_AGN_2879_AT.PDF
- 10 February LTP subcommittee minutes: http://infocouncil.huttcity.govt.nz/Open/2021/02/LTPAP_10022021_MIN_2879_AT.PDF
- LTP 202021 - presentation for LTP subcommittee meeting 10 February v1 (attached in appendix 1)
- 31 March LTP Subcommittee agenda (Consultation Document and Draft Long Term Plan 2021-2031 report, see page 8 for proposed rates increases noting exclusion of rubbish and recycling): http://infocouncil.huttcity.govt.nz/Open/2021/03/LTPAP_31032021_AGN_2972_AT.PDF
- 31 March LTP Subcommittee minutes: not yet published
- Consultation document: <http://iportal.huttcity.govt.nz/Record/ReadOnly?Tab=31&Uri=5869018>
- Draft Long Term Plan: <http://iportal.huttcity.govt.nz/Record/ReadOnly?Tab=31&Uri=5869016>

Please also find attached the following:

Appendix 1) LTP Toolkit & LTP Toolkit key messages

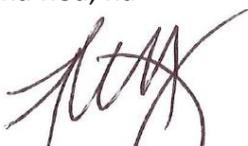
Appendix 2) Emails. Please note a cellphone number has been withheld under section 7(2)(a) of the LGOIMA to protect the privacy of an individual.

If you would like to discuss this further, please contact Jenny Livschitz on 027 238 5980.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that this letter (with your personal details removed) may be published on the Council's website.

Nāku noa, nā



Jenny Livschitz
Group Chief Financial Officer

LTP Subcommittee 21 December 2020

- Draft LTP 2021-2031



Released under

Official Information and Meetings Act 1987

Sustainable financial management

Community Outcomes

Investment priorities

Growth pressure
Historical underinvestment
Demand for improved services
Maintaining assets and service levels

Acceptable costs

Rates increases
Fee levels
Intergenerational equity
Sustainable borrowings
Balanced budget
Value for money



Released under the Local Government Official Information and Meetings Act 1987

Legislative requirement: Prudent financial management

Overview of the process

Dates	Activity
21 Sept 2020	Councillors Hui – LTP planning and strategic direction setting
24 Sept 2020	Agreed high level plans, key assumptions, strategic direction
27 Oct to 30 Nov	Progress policy decisions and key decisions to inform DLTP
2 Dec to 18 Jan	Early engagement survey seeking feedback on key priorities
21 Dec 2020	Council key decisions for DLTP
10 Feb 2021	Draft CD and DLTP approved by Council ahead of audit
22 March 2021	Council adopt CD and DLTP for public engagement
29 March to 3 May 2021	Public consultation
12 May 2021	Hearings of submissions and related advice
9 June 2021	Council meets to make final decisions
30 June 2021	Council adopts the LTP and sets the rates



Unite against COVID-19

Over the last 12 months

- Drafted LTP amendment to progress major projects such as Naenae Pool
- Annual Plan 2020/21 emergency Covid-19 budget, with \$3M savings
- Covid Response and Recovery Fund
 - Naenae Pool \$27M, Eastern Bays Shared Path \$15M
- Three Waters Reform funding \$12M
- LTP amendment to implement new waste and recycling services
- Base budget review process, with further savings of \$2.2M

Pre-engagement underway on draft priority areas

Getting the basics right

E whakatika ana i ngā mea matua

- Investing in infrastructure
- Increasing housing supply
- Caring for and protecting our environment
- Supporting an innovative, agile economy and attractive city
- Connecting communities
- Being financially sustainable



Decisions for 21 December

- Budget decisions
- Associated funding decisions
- Any other direction to officers ahead of next stage of public consultation



Capital investment \$1.3B

Proposed doubling of investment compared to previous LTP

Three Waters \$578M, Transport \$369M, Solid Waste \$43M, City Development \$83M, Social & Cultural wellbeing \$190M



Three Waters \$578M



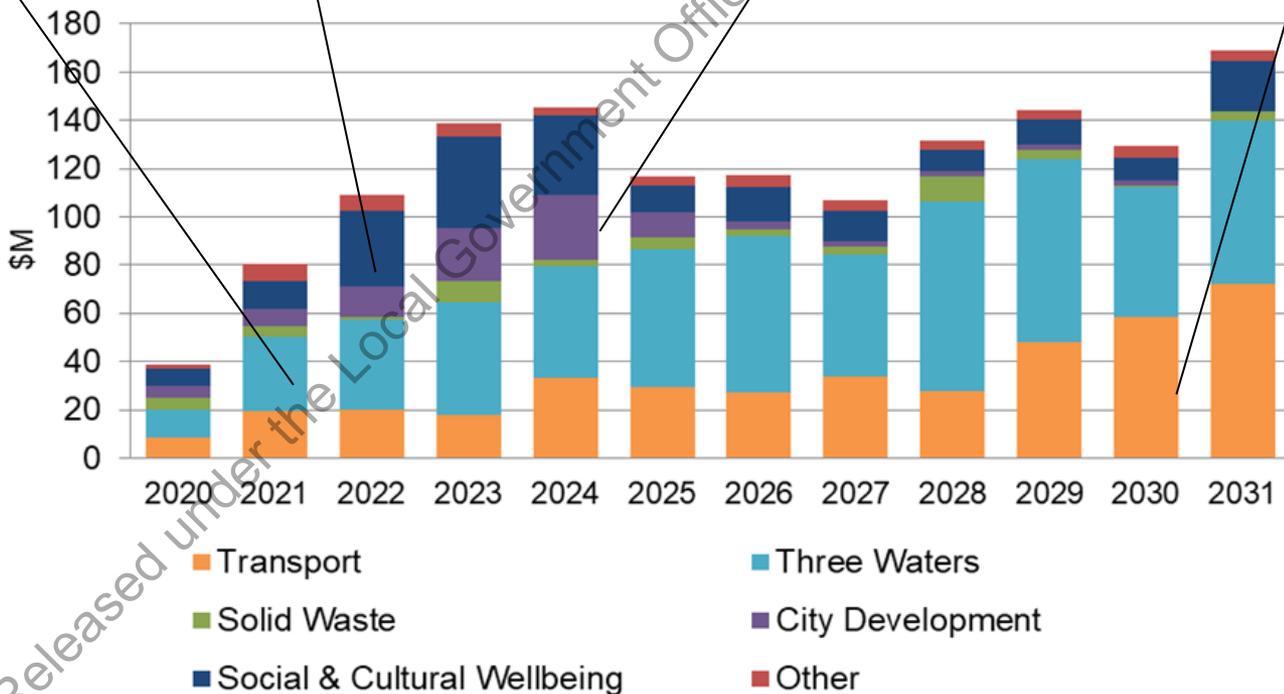
Naenae pool \$54M



Riverlink & Melling \$93M



Cross Valley Transport Connections Programme \$160M



Released under the Local Government Official Information and Meetings Act 1987

Three Waters infrastructure investment

Priority area due to ageing infrastructure, historic under investment and a growing city

Proposed investment over next 10 years

- Managing existing infrastructure - \$331M renewal capex
- Growth - \$40M capex, \$3M opex
- Sustainable Water Supply - \$30M capex
- Healthy Urban waterways - \$26M capex, \$7M opex
- Reducing carbon emissions - \$44M capex, \$3M opex
- Other (resilience) - \$20M capex, opex \$8M



Targeted rates changes:

Water supply **7%**

- Increase of \$32 to \$520.00

Wastewater **8%**

- Increase of \$40 to \$559.00

Further decisions progressed so far & 10 year budget impact

- Homelessness Prevention \$5.6M
- Spatial planning \$1.63M
- Love Wainuiomata \$1M
- Business incubator funding/start up hub \$1M
- Wellington Regional Growth Framework \$0.6M
- Transport – road resurfacing \$16.3M, before NZTA subs
- Footpath renewals \$2M, before NZTA subs
- Traffic safety \$5.4M.....and more

Further decisions for 21 December

- Decarbonisation of pools and Dowse, capex \$2.4M
- EV charging stations \$0.74M
- District Plan \$5.1M
- Petone 2040 \$2.5M
- City safety \$0.45M
- Cyclingand more



Comparison of three scenarios - refer Section E and table 8 in the report

	Option 1	Option 2	Option 3
Overall rates revenue increase for 2021/22 (year 1) ¹	4.9%	5.9%	6.9%
Projected net debt peak	\$686M in 2032/33	\$630M in 2031/32	\$610M in 2031/32
Debt to revenue ratio peak	222% in 2026/27	215% in 2026/27	211% in 2025/26
Projected balanced budget ²	Achieved in 2030/31	Achieved in 2029/30	Achieved in 2028/29
Three Waters mid- investment option	Yes	Yes	Yes
Naenae pool rebuild and Eastern Bays shared path	Yes	Yes	Yes
No reduction in service levels (apart from minor)	Yes	Yes	Yes
Asset renewals funding to ensure service levels maintained (note risks)	Yes	Yes	Yes
Debt funds shortfall in revenue, reducing the impact on ratepayers	Yes	Yes	Yes
Likely to meet financial prudence test	No	Yes	Yes
Meets balanced budget requirement ³	No	No	No
Likely Standard and Poors AA credit rating retained	No Downgrade likely	Yes	Yes
Recommended by officers	No	Yes in Covid context	Yes

Note 1 - excludes revenue from growth in the rating base and also excludes impact of service changes for waste services.

Note 2 - Balanced budget definition as per graph 10.

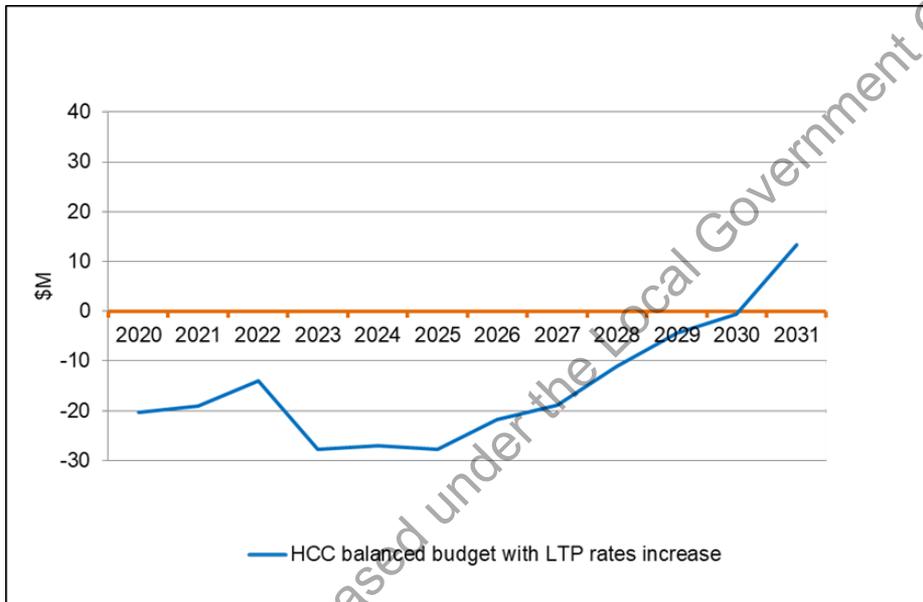
Note 3 - As per legal definition S100 (1) but before considering S100 (2) requirements.

Option 2 - 5.9% in year 1

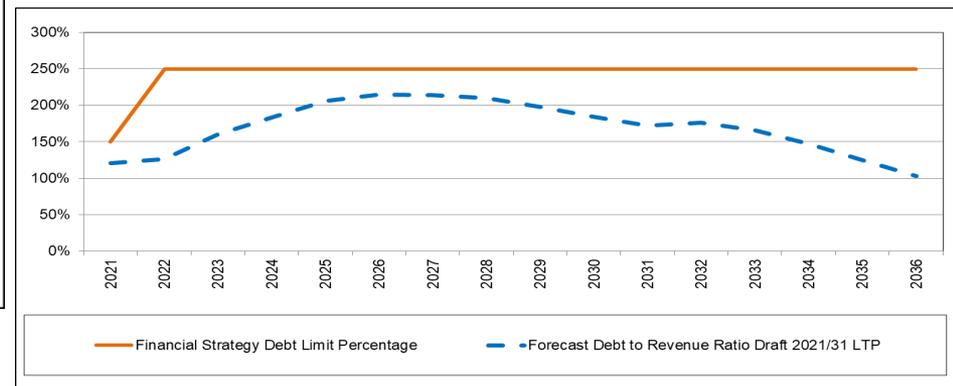
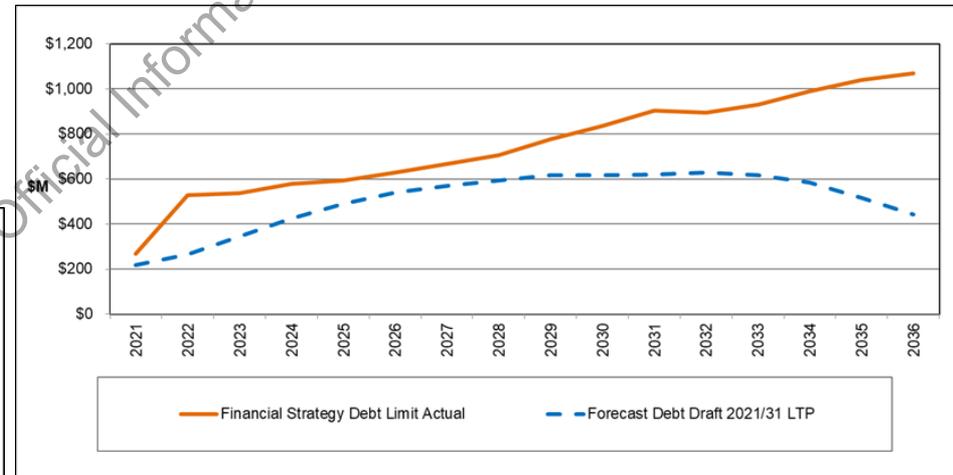
	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026-2031</u>
Total overall rates revenue increase*	5.9%	4.9%	4.9%	7%	7%	7%

*Excludes revenue from growth in the rating base
Excludes impact of service changes for waste services

Projected balanced budget

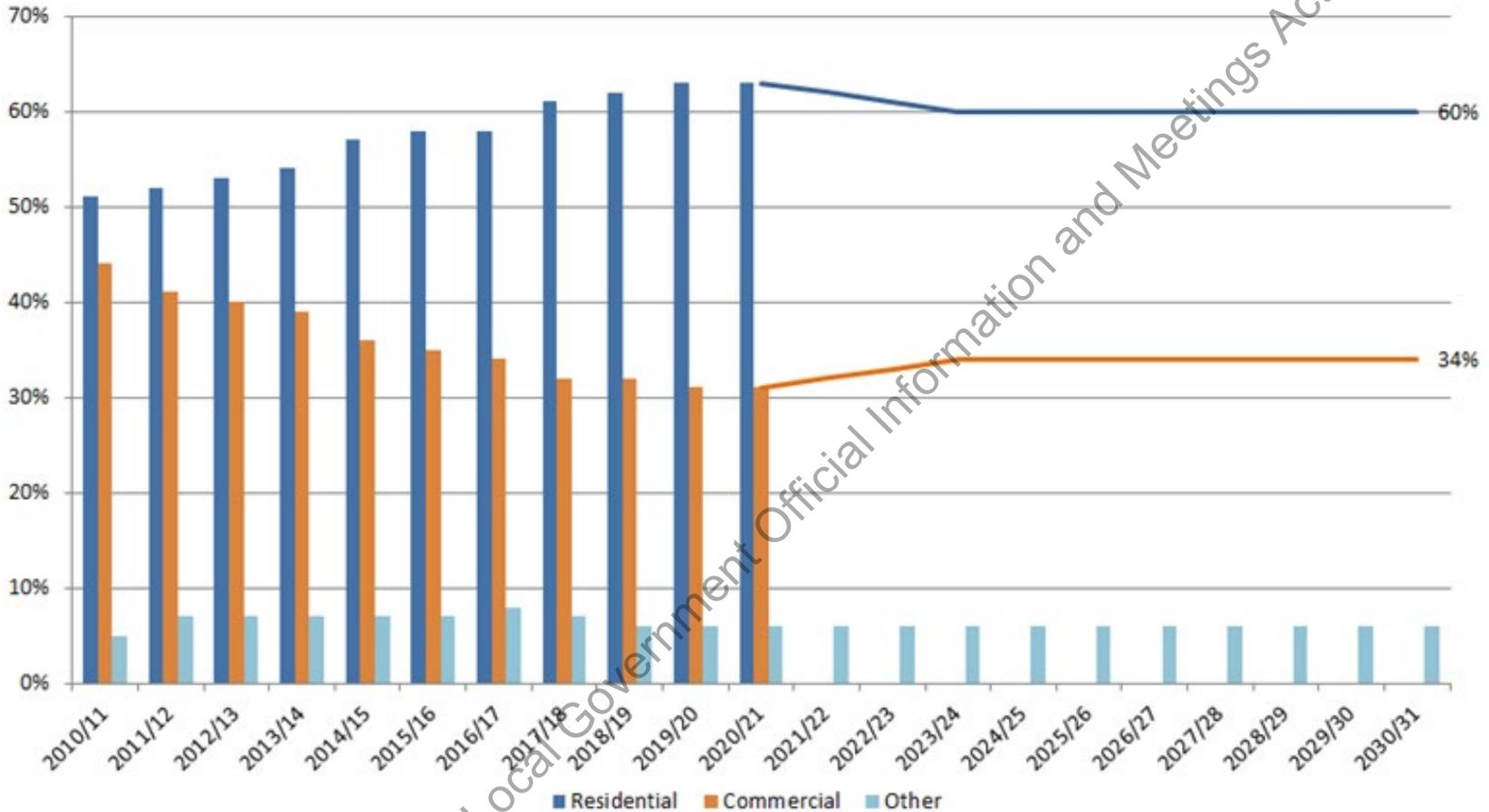


Projected net debt , and debt to revenue ratio



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Proposed changes to rating policy



- Residential share reduces by 1% in 2021/22 (63% 2020/21 to 62%), then 1% per year to 60%
- Combine Queensgate into Commercial Central
- Combine Accommodation properties into Commercial Central or Commercial Suburban depending on location
- Rural definition aligned to District Plan

Indicative rating impact on options by property category

	Option 1: 4.9%		Option 2: 5.9%		Option 3: 6.9%	
	Change per annum	Change per week	Change per annum	Change per week	Change per annum	Change per week
Average residential	\$108	\$2.08	\$130	\$2.50	\$155	\$2.97
Average commercial central	\$1,425	\$27.40	\$1,619	\$31.13	\$1,812	\$34.85
Average commercial suburban	\$999	\$19.21	\$1,158	\$22.28	\$1,321	\$25.41
Commercial Queensgate	\$52,355	\$1,006.93	\$79,038	\$1,519.97	\$105,775	\$2,034.13
Average Rural (no services)	\$38	\$0.73	\$61	\$1.16	\$83	\$1.60
Utilities	\$552	\$10.62	\$812	\$15.61	\$1,072	\$20.61

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Impact on average residential ratepayer - 62% option

Average residential property value November 2020 \$628,500

Average residential rates increase
of \$130 p.a.

or \$2.50 per week

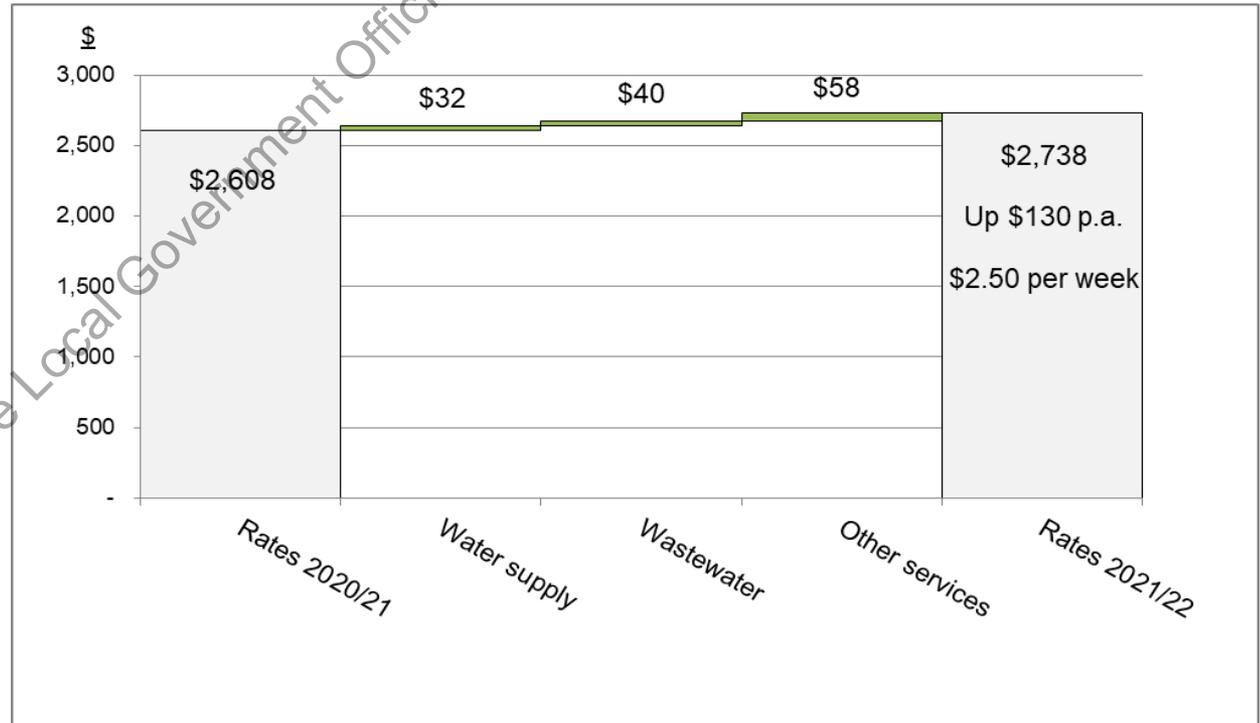
Note excludes GWRC rates, rubbish and recycling changes

Service changes \$209

- Rubbish \$144

- Recycling \$65 (increase from \$40)

Investment in Three
Waters
infrastructure makes
up over half (\$72) of
the average \$130
p.a.



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Indicative impact for suburbs –5.9% rates increase 62% option

Per annum \$109 to \$161; Weekly \$2.10 to \$3.09 Lowest Haywards and Highest Woburn

Residential Suburbs Average CV	Capital Value November 2020	2020-2021 Rates	2021 - 2022 Rates	\$ Change Annual	\$ Change Weekly	2021 - 2022 Refuse & Recycling	2021 - 2022 Total Revised Rates
ALICETOWN	\$661,500	\$2,689	\$2,823	\$133	\$2.56	\$209	\$3,032
AVALON	\$605,500	\$2,550	\$2,678	\$128	\$2.46	\$209	\$2,887
BELMONT	\$711,000	\$2,812	\$2,950	\$138	\$2.65	\$209	\$3,159
BOULCOTT	\$736,500	\$2,876	\$3,016	\$140	\$2.70	\$209	\$3,225
EASTBOURNE	\$930,000	\$3,356	\$3,514	\$158	\$3.05	\$209	\$3,723
EPUNI	\$651,500	\$2,665	\$2,797	\$132	\$2.54	\$209	\$3,006
FAIRFIELD	\$617,000	\$2,579	\$2,708	\$129	\$2.48	\$209	\$2,917
HARBOUR VIEW	\$687,000	\$2,753	\$2,888	\$136	\$2.61	\$209	\$3,097
HAYWARDS	\$405,000	\$2,053	\$2,162	\$109	\$2.10	\$209	\$2,371
HUTT CENTRAL	\$858,500	\$3,178	\$3,330	\$152	\$2.92	\$209	\$3,539
KOROKORO	\$786,000	\$2,998	\$3,143	\$145	\$2.79	\$209	\$3,352
MAUNGARAKI	\$688,000	\$2,755	\$2,891	\$136	\$2.61	\$209	\$3,100
MELLING	\$539,000	\$2,385	\$2,507	\$122	\$2.34	\$209	\$2,716
MOERA	\$506,000	\$2,304	\$2,422	\$119	\$2.28	\$209	\$2,631
NAENAE	\$493,500	\$2,273	\$2,390	\$117	\$2.26	\$209	\$2,599
NORMANDALE	\$661,000	\$2,688	\$2,821	\$133	\$2.56	\$209	\$3,030
PETONE	\$754,000	\$2,919	\$3,061	\$142	\$2.73	\$209	\$3,270
STOKES VALLEY	\$486,000	\$2,254	\$2,371	\$117	\$2.24	\$209	\$2,580
TAITA	\$488,000	\$2,259	\$2,376	\$117	\$2.25	\$209	\$2,585
WAINUIOMATA	\$461,000	\$2,192	\$2,306	\$114	\$2.20	\$209	\$2,515
WAIWHETU	\$621,500	\$2,590	\$2,720	\$129	\$2.49	\$209	\$2,929
WATERLOO	\$696,000	\$2,775	\$2,912	\$136	\$2.62	\$209	\$3,121
WOBURN	\$953,000	\$3,413	\$3,573	\$161	\$3.09	\$209	\$3,782

Impact on non-residential ratepayers - 62% option

Average central commercial property value November 2020 \$1,740,915

Average rates increase of \$1,619 p.a.

or \$31.13 per week

Note excludes GWRC rates

Property Category	Capital Value November 2020	2020-2021 Rates	2021 - 2022 Rates	\$ Change Amount annual	\$ Change Amount Weekly
Average Commercial Central	\$1,740,915	\$13,994	\$15,612	\$1,619	\$31.13
Average Commercial Suburban	\$1,642,500	\$11,922	\$13,080	\$1,158	\$22.28
Commercial Queensgate	\$240,000,000	\$1,906,376	\$1,985,414	\$79,038	\$1,519.97
* Average Rural (no services)	\$872,000	\$1,617	\$1,678	\$61	\$1.16
Utilities	\$2,630,700	\$18,294	\$19,106	\$812	\$15.61

LTP Subcommittee 10 February 2021 - Draft LTP 2021-2031



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Official Government Information Act 1987

Sustainable financial management

Community Outcomes

Investment priorities

Growth pressure
Historical underinvestment
Demand for improved services
Maintaining assets and service levels

Acceptable costs

Rates increases
Fee levels
Intergenerational equity
Sustainable borrowings
Balanced budget
Value for money



Released under the Local Government Official Information and Meetings Act 1987

Legislative requirement: Prudent financial management

Overview of the process

Dates	Activity
21 Sept 2020	Councillors Hui – LTP planning and strategic direction setting
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22 March 2021	Council adopt CD and DLTP for public engagement
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Key decisions for 10 February 2021

Budgets

- Cycling and micromobility
- Naenae pool
- Petone wharf
- Point Howard wharf
- Petone Recreation Grandstand
- Council facilities transition from natural gas

Feedback draft Consultation Document

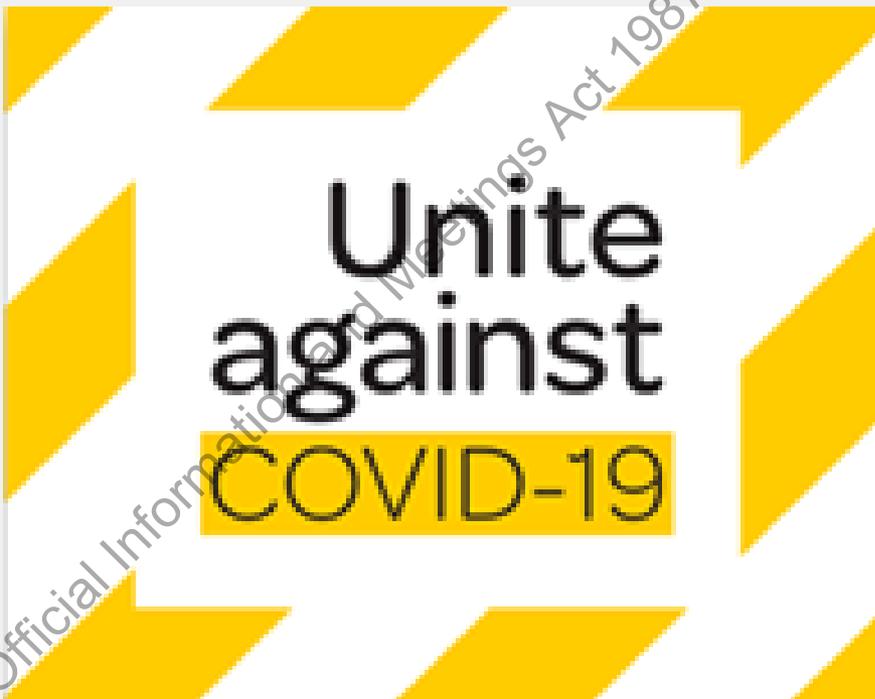
Any other direction to officers
ahead of finalising CD and audit

Funding matters

- Rates revenue
- Queensgate value
- Financial Strategy



Over the last 12 months



Unite
against
COVID-19

- Drafted LTP amendment to progress major investment decisions, including Three Waters, Transport and Naenae Pool
- Annual Plan 2020/21 emergency Covid-19 budget, with \$3M savings
- Covid Response and Recovery Fund confirmed co-funding for Naenae Pool \$27M, Eastern Bays Shared Path \$15M
- Three Waters Reform funding confirmed \$12M
- LTP amendment to implement new rubbish and recycling services
- Base budget review process, with further savings of \$2.2M

Key priority areas, early engagement

Getting the basics right

E whakatika ana i ngā mea matua

- Investing in infrastructure
- Increasing housing supply
- Caring for and protecting our environment
- Supporting an innovative, agile economy and attractive city
- Connecting communities
- Being financially sustainable



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Capital investment \$1.3B

Proposed doubling of investment compared to previous LTP

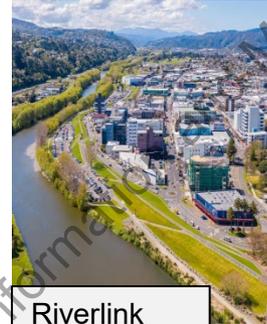
Three Waters \$578M, Transport \$355M, Solid Waste \$43M, City Development \$122M, Social & Cultural wellbeing \$199M



Three Waters



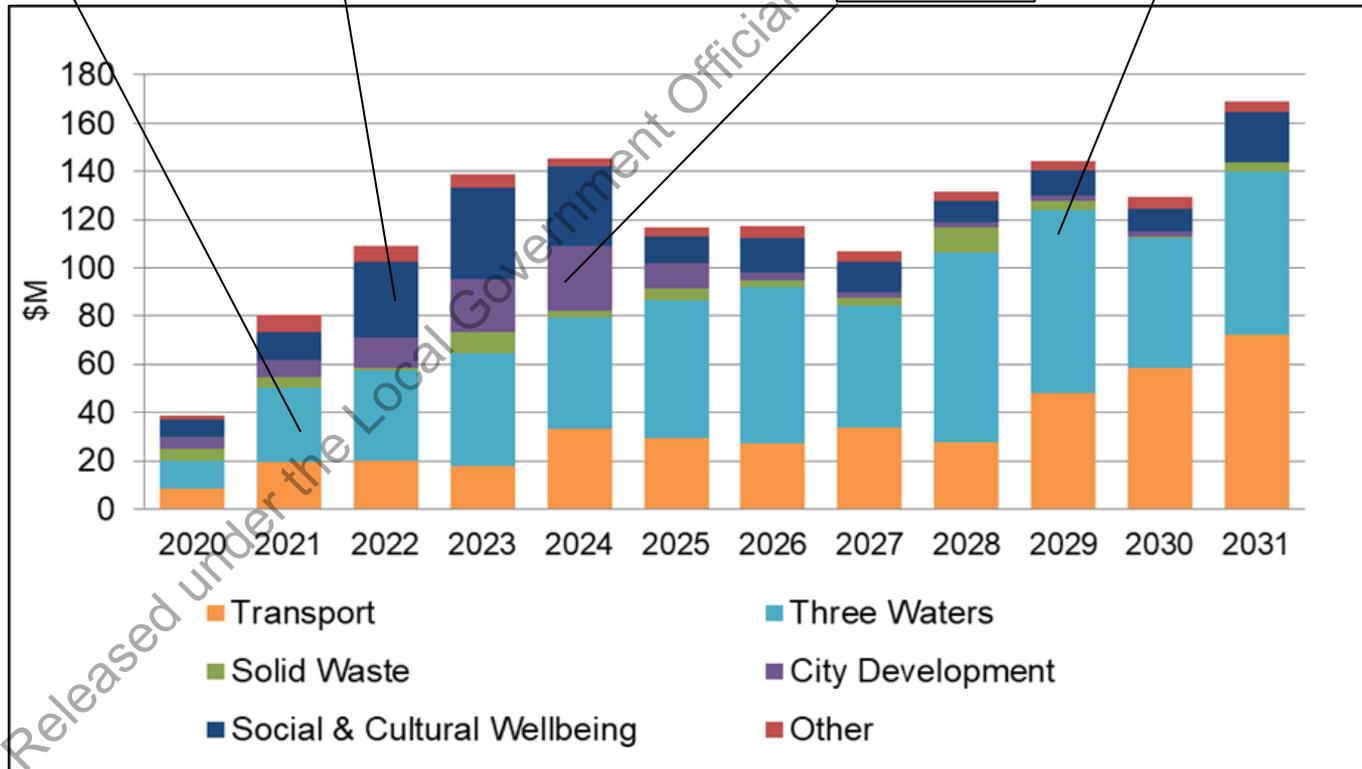
Naenae pool



Riverlink



Cross Valley Transport Connections Programme



Three Waters infrastructure investment

Ageing infrastructure, historic under investment and a growing city



Proposed investment of \$578M over 10 years

- Managing existing infrastructure, increase of \$331M asset renewals
- Sustainable Water Supply, increase of \$36M capex & \$11M opex
- Healthy urban waterways, increase of \$29M capex & \$9M opex
- Reducing carbon emissions, increase of \$53M capex & \$3M opex

Targeted rates 2021/22

Water supply **7%**

- Increase of \$32, \$489 to \$520

Wastewater **8%**

- Increase of \$40, \$519 to \$559

Released under the Local Government Information Officer

Wide range of decisions informing the draft plan

A selection of these decisions and the 10 year budget impact

- Homelessness Prevention \$5.6M
- Spatial planning \$1.63M
- Love Wainuiomata \$1M
- Business incubator funding/start up hub \$1M
- Wellington Regional Growth Framework \$0.6M
- Transport – road resurfacing \$16.3M, before NZTA subs
- Footpath renewals \$2M, before NZTA subs
- Decarb. pools & Dowse, capex \$2.4M
- Traffic safety \$5.4M
- District plan \$5.1M
- Petone 2040 \$2.5M
- City safety.....



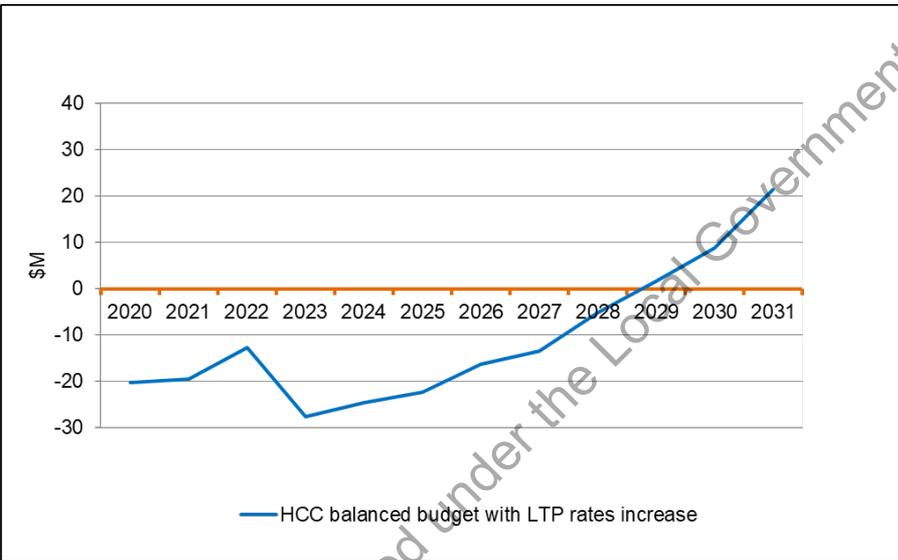
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Financial projections includes assumed budget decisions 10 February

	2021/22	2022/23	2023/24	2024/25	2025/26	2026-2031
Total overall proposed rates revenue increase*	5.9%	4.9%	4.9%	6.8%	6.8%	6.8%

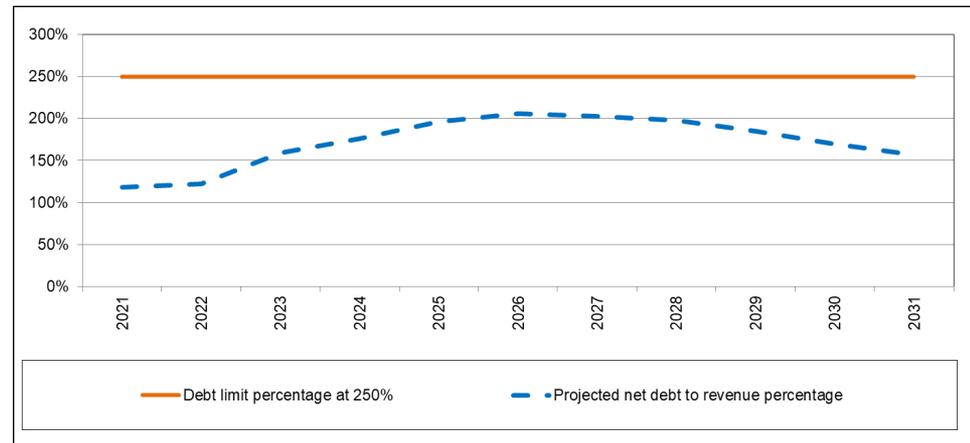
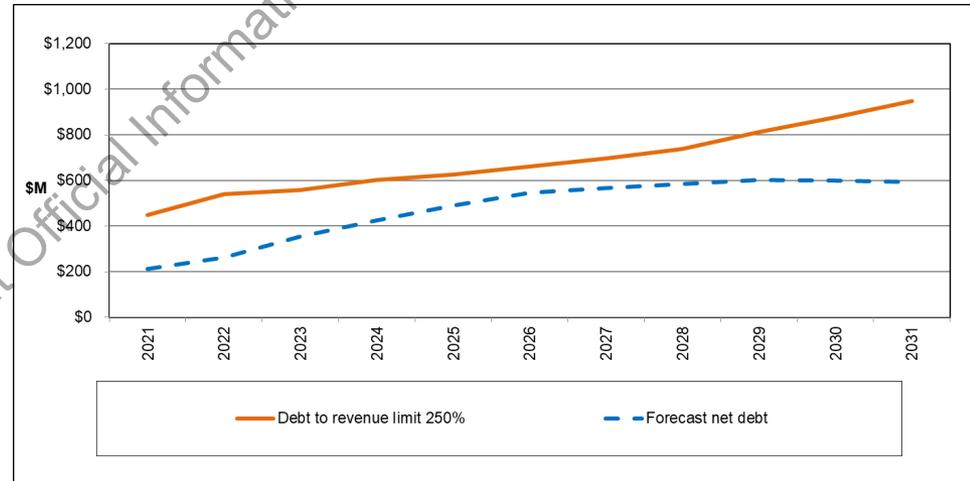
*Excludes revenue from growth in the rating base
 Excludes impact of service changes for waste services (rubbish and recycling)

Projected balanced budget delayed to 2028/29



Projected net debt and debt to revenue ratio

Debt to revenue ratio peaks in 2025/26 206% Net debt peak \$602M in 2028/29



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Key considerations in reviewing rates increase

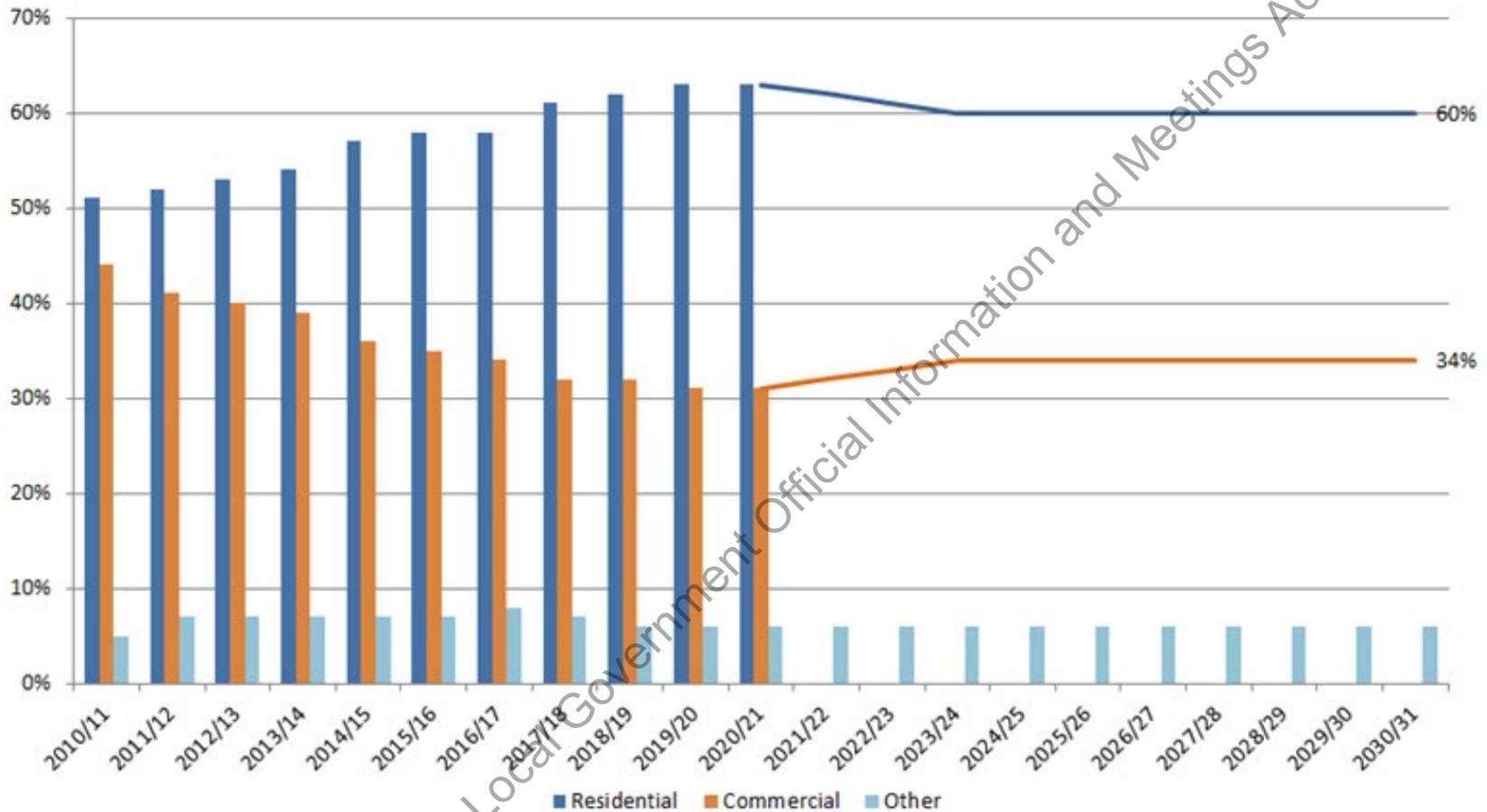
Overall rates revenue increase for 2021/22 (year 1) ¹	5.9%
Projected net debt peak	\$602M in 2028/29
Debt to revenue ratio peak	206% in 2025/26
Projected balanced budget ²	Achieved in 2028/29
Three Waters mid- investment option included in plan	Yes
Naenae pool rebuild and Eastern Bays shared path included in plan	Yes
No reduction in service levels (apart from minor)	Yes
Asset renewals funding to ensure service levels maintained (note risks)	Yes
Debt funds shortfall in revenue, reducing the impact on ratepayers	Yes
Likely to meet financial prudence test	Yes
Meets balanced budget requirement ³	No
Likely Standard and Poors AA credit rating retained	Yes
Recommended by officers	Yes in Covid context

Note 1 - excludes revenue from growth in the rating base and also excludes impact of service changes for waste services (rubbish & recycling).

Note 2 - Balanced budget definition as per graph 1.

Note 3 – As per legal definition S100 (1) but before considering S100 (2) requirements.

Proposed changes to rating policy



- Residential share reduces by 1% in 2021/22 (63% 2020/21 to 62%), then 1% per year to 60%
- Combine Queensgate into Commercial Central
- Combine Accommodation properties into Commercial Central or Commercial Suburban depending on location
- Rural definition aligned to District Plan

Impact on average residential ratepayer

Property value \$628,500

Increase of \$130 p.a.

\$2.50 per week

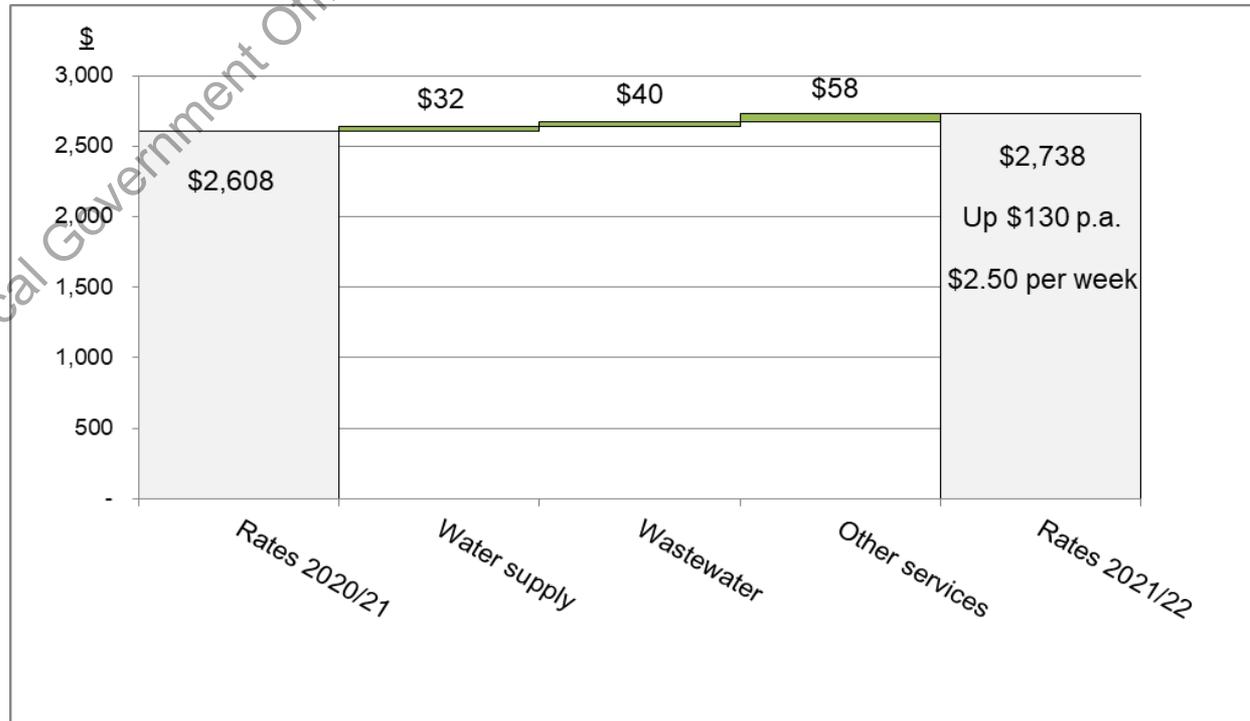
Note excludes GWRC rates, rubbish and recycling changes

Service changes \$209

- Rubbish \$144

- Recycling \$65 (increase from \$40)

Investment in Three Waters infrastructure makes up over half (\$72) of the average \$130 p.a.



Released under the Local Government Official Information and Meetings Act 1987

Indicative impact for suburbs –5.9% rates increase

Per annum \$109 to \$161; Weekly \$2.10 to \$3.09 Lowest Haywards and Highest Woburn

Residential Suburbs Average CV	Capital Value November 2020	2020-2021 Rates	2021 - 2022 Rates	\$ Change Annual	\$ Change Weekly	2021 - 2022 Refuse & Recycling	2021 - 2022 Total Revised Rates
ALICETOWN	\$661,500	\$2,689	\$2,823	\$133	\$2.56	\$209	\$3,032
AVALON	\$605,500	\$2,550	\$2,678	\$128	\$2.46	\$209	\$2,887
BELMONT	\$711,000	\$2,812	\$2,950	\$138	\$2.65	\$209	\$3,159
BOULCOTT	\$736,500	\$2,876	\$3,016	\$140	\$2.70	\$209	\$3,225
EASTBOURNE	\$930,000	\$3,356	\$3,514	\$158	\$3.05	\$209	\$3,723
EPUNI	\$651,500	\$2,665	\$2,797	\$132	\$2.54	\$209	\$3,006
FAIRFIELD	\$617,000	\$2,579	\$2,708	\$129	\$2.48	\$209	\$2,917
HARBOUR VIEW	\$687,000	\$2,753	\$2,888	\$136	\$2.61	\$209	\$3,097
HAYWARDS	\$405,000	\$2,053	\$2,162	\$109	\$2.10	\$209	\$2,371
HUTT CENTRAL	\$858,500	\$3,178	\$3,330	\$152	\$2.92	\$209	\$3,539
KOROKORO	\$786,000	\$2,998	\$3,143	\$145	\$2.79	\$209	\$3,352
MAUNGARAKI	\$688,000	\$2,755	\$2,891	\$136	\$2.61	\$209	\$3,100
MELLING	\$539,000	\$2,385	\$2,507	\$122	\$2.34	\$209	\$2,716
MOERA	\$506,000	\$2,304	\$2,422	\$119	\$2.28	\$209	\$2,631
NAENAE	\$493,500	\$2,273	\$2,390	\$117	\$2.26	\$209	\$2,599
NORMANDALE	\$661,000	\$2,688	\$2,821	\$133	\$2.56	\$209	\$3,030
PETONE	\$754,000	\$2,919	\$3,061	\$142	\$2.73	\$209	\$3,270
STOKES VALLEY	\$486,000	\$2,254	\$2,371	\$117	\$2.24	\$209	\$2,580
TAITA	\$488,000	\$2,259	\$2,376	\$117	\$2.25	\$209	\$2,585
WAINUIOMATA	\$461,000	\$2,192	\$2,306	\$114	\$2.20	\$209	\$2,515
WAIWHETU	\$621,500	\$2,590	\$2,720	\$129	\$2.49	\$209	\$2,929
WATERLOO	\$696,000	\$2,775	\$2,912	\$136	\$2.62	\$209	\$3,121
WOBURN	\$953,000	\$3,413	\$3,573	\$161	\$3.09	\$209	\$3,782

Queensgate redevelopment



- September 2019, revaluation **\$240M**
- January 2021, Review of value to account for progress made in cinema and carpark rebuild **\$295M**
- Rating policy: Queensgate included in the same rating category as Central Commercial properties
- Indicative impact on rating differential – reduces from 3.175 to approx. 2.988

	Queensgate value \$240M		Queensgate value \$295M	
	Change per annum	Change per week	Change per annum	Change per week
Average commercial central CV \$1.74M	\$1,619	\$31.13	\$780	\$15.00
Queensgate	\$79,038	\$1,519.97	\$386,717	\$7,436.87

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Key risks

- Capex do-ability, credible plans vs optimism bias
- Project cost estimates, awaiting QS/engineer assessments Riverlink & Petone wharf
- External audit delays
- Ensuring Consultation Document is fit for purpose and meets compliance requirements

Key messages for the 10 year plan 2021-2031

For more detailed information read the Consultation Document and the Draft Long Term Plan

In this document:

- 1: Short version of key messages
- 2: Key messages – high level
- 3: The 10 year plan's six priorities
- 4: Challenges addressed by the 10 year plan
- 5: Rates messages
- 6: Development Contribution
- 7: Consultation process and timeframes, and where to next

1: Short version of key messages

Hutt City Council is consulting on its proposed 10 year plan which outlines priorities over the next decade and how these will be funded.

The 10 year plan is about E whakatika ana i ngāmea matua Getting the basics right and putting in place strong foundations for the future – that is why there is a focus on increased investment in our infrastructure and services that support all of our people and city to thrive.

The 10 year plan proposes a doubling of our investment in infrastructure and capital projects to \$1.4B over the next decade.

Consultation on the proposed 10 year plan is open between 6 April and 6 May 2021. Following consideration of community feedback, the Mayor and Councillors will confirm the final plan in June 2021.

2: Key messages – high level

- Hutt City Council's proposed 10 year plan 2021 – 2031 is about E whakatika ana i ngāmea matua Getting the basics right and putting in place strong foundations for the future.
- The 10 year plan is bold and ambitious, and sets out how we will address the big challenges over the next decade such as population growth, ageing infrastructure and assets, climate change, a housing crisis and the effects of the Covid-19 pandemic – while also maintaining our financial sustainability.
- The 10 year plan sets out six priorities, how much they may all cost and how things can be funded.
- The six priorities are: Whanake i ngā Pou Tarāwaho o te Hapori Investing in Infrastructure, Tiaki Taiao Caring for and protecting our environment, Hei Āhuru Mōwai mō te Katoa Increasing housing supply, Taunaki Ōhanga Auaha, Tāone Whakapoapoa Supporting an innovative, agile

economy and attractive city, Tūhono Hapori Connected communities, Whakauka Ahumoni
Financial sustainability.

- The 10 year plan proposes a doubling of our investment in infrastructure and capital projects to \$1.4B over the next decade.
- Most of the proposed investment will be spent on core infrastructure – \$582M on our Three Waters network (43% of the proposed \$1.4B investment) and \$353M (26% of the proposed \$1.4B investment) on transport projects; and there are plans for significant investment in important community infrastructure.
- As well as addressing infrastructure challenges in Lower Hutt city, the 10 year plan recognises the impact the Covid-19 pandemic is having on our communities.
- As affordability for local ratepayers is front of mind, the proposed 10 year plan focuses on a combination of rates and borrowing to pay for services and developments and ensuring everyday costs are paid for from everyday income.
- To achieve the necessary investment, the 10 year plan proposes an overall 5.9% increase in rates revenue for 2021/22 with over half of this invested directly back into our Three Waters infrastructure . On average this will be an increase of \$2.50 per week per residential household and for an average commercial central property an increase of \$15 per week.
- Hutt City Council has made savings of \$5.2M which has helped to avoid larger rate increases - \$1M equates to about 1% of rates.
- A new city-wide rubbish and recycling service will be provided to residents from 1 July 2021. Service charges for this are not included in the proposed rates increase. Under the new system homeowners will no longer need to purchase rubbish bags or pay for private rubbish collection service.
- Community consultation is between Tuesday 6 April and Thursday 6 May 2021.
- The community has a variety of ways in which to provide feedback on the proposed 10 year plan including online at hutt.city/10yearplan – which can also be accessed at local libraries and community hubs, posting feedback to The Council or meetings with councillors at community events.
- Following consideration of community feedback, the Mayor and Councillors will confirm the final plan in June 2021.

3: The 10 year plan's six priorities

The 10 year plan has six priorities:

- 1: Whanake i ngā Pou Tarāwaho o te Hapori Investing in infrastructure
- 2: Tiaki Taiao Caring for and protecting our environment
- 3: Hei Āhuru Mōwai mō te Katoa Increasing housing supply
- 4: Taunaki Ōhanga Auaha, Tāone Whakapoapoa Supporting an innovative, agile economy and attractive city
- 5: Tūhono Hapori Connected communities
- 6: Whakauka Ahumoni Financial sustainability

1: Whanake i ngā Pou Tarāwaho o te Hapori Investing in Infrastructure

- The 10 year plan proposes investing in high quality infrastructure that supports people to move around, receive basic services – like water, and enjoy community facilities.
- The proposed investment addresses challenges coming from significant population growth, ageing infrastructure, impacts of climate change and natural hazards; and ensuring we continue to maintain and create high quality community infrastructure.
- Hutt City Council has a proposed Infrastructure Strategy 2021-2051 which outlines a long-term approach and vision and goals for the city's infrastructure.
- The two goals of the Infrastructure Strategy are: strong, reliable, efficient and effective Three Waters and multi-modal infrastructure networks; and the provision of current and new infrastructure in a sustainable way, focusing on guardianship of our environment and communities.
- The 10 year plan proposes investing \$582M in Three Waters infrastructure, \$353M in transport infrastructure, up to \$68M to rebuild Naenae Pool and \$15M to \$20M in the Petone Wharf (with further cost information being prepared ahead of final decisions in June 2021).
- The preferred option for Three Waters is significantly increased investment in infrastructure, improving the conservation of water, exploring metering to manage the network and minimise leakages, improving the health of urban waterways and supporting reductions in carbon emissions.
- A second option for Three Waters is a lower level of investment with the impact likely to be more service disruption, less sustainable water supply, less healthy urban waterways and little change in carbon emissions.
- The preferred option for transport is to invest in transformative projects like Cross Valley Transport Connections, and the Eastern Bays Shared Path; encouraging people to use micro-mobility modes of transport such as electric scooters, electric bikes or skateboards to get around

the city as easily as vehicle users currently do; and increased investment in footpath and road renewals and resurfacing, traffic safety improvements and seismic strengthening of the Cuba Street Bridge.

- A second option for transport is deferring work on transformative projects, a reactive approach to network renewals and deferring traffic safety work.
- The preferred option for the Naenae Pool is to build a similar facility and services as the existing pool and include sustainable technology to reduce future operating costs and its impact on the environment.
- A second option for the Naenae Pool is to build with a lower level of facility and services.
- The preferred option for the Petone Wharf is to bring forward investment from 2032 to 2021-2023 years for a full refurbishment in the 2021-2023 financial years (with further cost information being prepared ahead of final decisions in June 2021).
- A second option for the Petone Wharf is to undertake required maintenance and delay a full refurbishment of the wharf until 2032.

2: Tiaki Taiao Caring for and protecting our environment

- The 10 year plan proposes working with our communities to meet climate change challenges and our goal to be carbon zero by 2050.
- A range of initiatives are proposed including exploring Council land eligible for carbon credits, less Council vehicles with more of them being electric, more electric charging stations around the city, ensuring new commercial buildings adhere to green building ratings, investing in ongoing development at the Silverstream Landfill and reducing its emissions; and reducing Council's own emissions with most savings likely to come from changing how our pools are heated.

3: Hei Āhuru Mōwai mō te Katoa Increasing housing supply

- The 10 year plan proposes planning for growth in our city, ensuring an increase in housing supply and working with organisations and partners such as Te Rūnanganui o Te Āti Awa and Kahungunu Whānau Services to ensure our people have warm, safe, dry homes to live in.
- The Hutt City Council's housing company Urban Plus Limited (UPL) now has a broader mandate from delivering social housing to providing affordable rental and home ownership options to a wider range of the community.

4: Taunaki Ōhanga Auaha, Tāone Whakapoapoa Supporting an innovative, agile economy and attractive city

- The 10 year plan focuses on investing to drive economic growth, and harnessing the talents of our business, education, research and science communities to make our city an attractive place to work and invest.

- Increased funding over the next decade is proposed for the RiverLink project.
- The preferred option for RiverLink is to increase investment to ensure delivery of key aspects of the project and realise the city transformation objectives which will foster economic growth in Te Awa Kairangi Lower Hutt.
- A second option is to maintain current funding levels in RiverLink, which means some key elements like transport upgrades, the pedestrian overbridge and river edge enhancements may not be possible.

5: Tūhono Hapori Connected communities

- The 10 year plan outlines priorities for investing to connect and empower neighbourhoods and communities so they can thrive and remain safe, connected, healthy, inclusive and resilient.
- The 10 year plan proposes continuing to invest in collaborating with mana whenua to enable neighbourhoods and communities to shape their futures; and activating shared spaces to support wellbeing with a focus on physical and mental health, literacy, arts, culture and heritage, digital technology and civic participation.

6: Whakauka Ahumoni Financial sustainability

- The 10 year plan proposes investing in a financially sustainable and prudent way that ensures we are carefully managing our finances to deliver on our community's expectations.
- Over the next decade, proposed rates revenue increases range between 4.9% and 6.8% – which do not include waste service changes.
- For the 2021/22 financial year, the proposal is an overall 5.9% increase in rates charges for ratepayers – an average increase of \$2.50 per week per household, or \$130 per annum; and for an average commercial central property an increase of \$15 per week.
- A new city-wide rubbish and recycling service will be provided to residents from 1 July 2021. Service charges for this are not included in the proposed rates increase. Under the new system homeowners will no longer need to purchase rubbish bags or pay for private rubbish collection service.
- The allocation of general rates between rating categories (residential and commercial ratepayers) is proposed to change to a percentage allocation approach for sharing the total general rate and reduce the residential rating category share of general rates from 63% to 62% in 2021/22.
- The alternative to adopting a percentage allocation approach is all ratepayers would pay proportionally the same percentage of rates (63%) as in 2020/21.
- The 10 year plan proposes changes to rating category definitions such as the rural differential rating category with the definition of 'rural' in the District Plan granting a remission to phase in the change for those properties that change to residential.

- The alternative option to changing rating category definitions is to maintain the current definition which defines rural properties based on size.
- The 10 year plan proposes removing the commercial accommodation rating category and merging these properties either into commercial suburban or commercial central differential rating categories depending on location; or alternatively retaining the current commercial accommodation differential rating category.
- The 10 year plan proposes combining commercial central and Queensgate business differential rating categories which means an increase in rates of \$15 per week.
- The Council is consulting on the 2021 Development and Financial Contributions Policy and is proposing in the 10 year plan that it retains a policy of meeting 100% of the Council's planned growth costs from new developments from development and financial contributions.

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4: Challenges addressed by the 10 year plan

High level messages:

- Hutt City Council is facing big challenges that we must begin to address as part of the proposed 10 year plan.
- Challenges include demand and pressure on infrastructure, housing supply and affordability, climate change and sustainability, effects of the Covid-19 pandemic and achieving Hutt City Council's programme in a financially sustainable way.

Demand and pressure on infrastructure

- Sixty per cent of our water infrastructure needs to be replaced over the next 30 years and we need better transport connections, including active transport networks, to ensure our city is easy to move around and environmentally sustainable.

Housing supply and affordability

- Over the past four years, the lack of supply and increasing demand has driven house price and rent increases and led to homelessness and housing hardship.
- We are seeing growing numbers of individuals and families in emergency and temporary accommodation, living in insecure housing situations with whānau and friends, or rough sleeping, and the number of households on the Social Housing Register increasing by over 1,000% – from 53 households to 611 – between 2015 and 2020.
- The crisis is having a significant effect on health and wellbeing. Providing safe, warm and affordable homes is essential if we want our city to thrive.

Climate change and sustainability

- Te Awa Kairangi Lower Hutt faces numerous environmental challenges, including sea level rise, coastal erosion and flooding, loss of biodiversity, decreasing water quality and waste issues.
- The Hutt City Council's Climate Change Emergency Declaration formalises our commitment to enhance our environment and achieve our climate change goals. It underpins all the work we are proposing to ensure the wellbeing and success of our city.
- We are currently working in both the mitigation and adaptation spaces, and this includes aiming to reduce our own carbon emissions to net zero by 2050, engaging with communities on climate change and ensuring that our infrastructure investment and housing developments take account of climate change impacts.

COVID-19 pandemic

- Given the uncertainty the COVID-19 pandemic represents for our community, our proposed 10 year plan needs to be affordable; and we are ensuring everyday costs are paid for from everyday income.
- The effects of COVID-19 continue to weaken the Te Awa Kairangi Lower Hutt City economy. Provisional estimates from Infometrics show that the city's economic activity fell 0.4% per annum in the September 2020 quarter, contributing to an annual decline of 1.4% in the September 2020 year. This compares to a 3.3% decline nationally and a 3.2% decline across the Wellington region.
- While Te Awa Kairangi Lower Hutt economy has recovered better than the overall New Zealand economy from the impacts of COVID-19 lockdowns, there are some people and businesses within our community who have been and continue to be adversely affected.

Achieving our programme in a financially sustainable way

- The challenges require considerable financial investment over the next 10 years and the longer term.
- Our proposed 10 year plan needs to be affordable; and we are ensuring everyday costs are paid for from everyday income.
- Our financial strategy uses a combination of rates and borrowing to ensure we are achieving a balanced approach to paying for services and developments.

5: Rates messages

What's proposed for rates?

- The proposed 10 year plan is about E whakatika ana i ngāmea matua Getting the basics right. To do that, we're proposing to double our investment in infrastructure and capital projects to \$1.4B over the next decade.
- The 10 year plan proposes a combination of rates and borrowing to ensure a balanced approach to paying for services and developments and ensuring everyday costs are paid for from everyday income.
- To achieve the necessary investment the 10 year plan proposes an overall 5.9% increase in rates revenue for 2021/22 - \$2.50 per week per residential household, with over half of this invested directly back into our Three Waters infrastructure – and for an average commercial central property an increase of \$15 per week.
- Most of the proposed investment will be spent on core infrastructure – \$582M on our Three Waters network (43% of the proposed \$1.4B investment) and \$353M (26% of the proposed \$1.4B investment) on transport projects; and there are plans for significant investment in important community infrastructure.
- Hutt City Council has made savings of \$5.2M which has helped to avoid larger rate increases - \$1M equates to about one per cent of rates.
- Some ratepayers may be eligible for a rates rebate which can be calculated by using the rates calculator on the Hutt City Council website or contacting Council directly.

Changes to rates policy

- For the first time in ten years the rating policy has been reviewed and we are proposing some changes to the way we rate properties in Lower Hutt as part of our general rates.
- General rates fund services that benefit the city such as roads, footpaths, cycleways, library services, and parks and sportsfields maintenance.
- We're proposing to slightly reduce the share of general rates for our residential ratepayers and increase it for commercial ratepayers.
- Residential ratepayers currently pay 63% of the total general rate. This is an increase from around 50% over the past ten years – the last time the rates policy changed.
- We are proposing to reduce the share our residential ratepayers have to pay by 1% to 62% in 2021/22, and increase it by 1% for our commercial ratepayers.
- For an average residential property worth \$629,000 the impact would be an increase in rates for 2021/22 of \$2.50 per week for the 62% option. If we kept the policy the same as it is at 63%, rates would be around \$3 per week.
- Our goal is a reduction of the general rate to 60% by 2024.

- Hutt City Council has a rates calculator on its website where you can see the impact on your property of the proposed rates increase and the proposed reduction of the general rate to 62%.

6: Development Contribution

- The Council is consulting on the 2021 Development and Financial Contributions Policy.
- The purpose of the policy is to ensure that a fair, equitable and proportionate share of the cost of infrastructure is funded by development.
- The 10 year plan proposes that The Council retains a policy of meeting 100% of The Council's planned growth costs from new developments from development and financial contributions.
- The Council estimates an increase in revenue from development contributions of approximately \$27.5M over the period of the 10 year plan, resulting in an increase in budget from \$10M to approximately \$37.5M.
- The increase in revenue will result in lower borrowing and rates requirements. This reflects the significant increased investment we are proposing in our infrastructure to keep pace with our growing population.
- This growth is forecast to continue; a new home will be available nearly every day for the next 10 years. We must provide for this growth to meet our obligations under the National Policy Statement on Urban Development. More importantly, we must provide for this growth so that all our people have a place to call home.
- Growth creates the need for new subdivisions and developments, and these place increasing demands on the assets and services we provide. As a result, we need significant investment in new or upgraded assets and services.
- We have proposed the following projects to help cater for growth: Cross Valley Transport Connections – 8% of \$198M funded by development contributions; Naenae Reservoir – 50% of \$28M funded by development contributions; Wainuiomata Reservoir Number 3 – 25% of \$25M funded by development contributions, Seaview Wastewater Treatment Plant Storage – 25% of \$20M from development contributions.

7: Consultation process and timeframes, and where to next

- Community consultation on the 10 year plan is between Tuesday 6 April and Thursday 6 May 2021.
- The community has a variety of ways in which to provide feedback:
 - online at hutt.city/10yearplan
 - fill out the feedback form that appears in the Consultation Document and return to The Council by Thursday 6 May 2021
 - visit a local library to provide online feedback where computers are free to use and Council people can help you get online
 - kōrero face-to-face with your Councillors. Your elected representatives will be out and about in your community and at events across the city
 - have a Council representative come to speak with your club, group or association. Call us on 04 570 6666 to arrange a time for us to come to you.
 - write to The Council at Draft Long Term Plan, Freepost 100039, Private Bag 31912, Lower Hutt 5040.
- Following consideration of community feedback the Mayor and Councillors will confirm the final plan in June 2021.

End of document

Released under the Local Government Official Information and Meetings Act 1987

TOOLKIT OF INFORMATION FOR CONSULTATION ON THE 10 YEAR PLAN 2021-2031

E whakatika ana I ngā mea matua – Getting the basics right

1. EXECUTIVE SUMMARY

This toolkit supports engagement with the community on the proposed 10 year plan 2021-2031.

It contains messaging and FAQs which can be used as background information for use when talking to people and answering questions.

For more detailed information on the 10 year plan people should be referred to the Consultation Document and the Draft Long Term Plan at hutt.city/10yearplan. These documents will be live when the dedicated website created for the consultation is live on Tuesday 6 April 2021. The purpose of the consultation website is to encourage feedback and for people to have their say on each of the six priorities.

Throughout the consultation period, which runs from Tuesday 6 April to Thursday 6 May 2021, there is a comprehensive programme of engagement utilising social media posts, newspaper and radio advertising, media releases, posters at Council venues, street and digital signs and flyers. Community meetings are also scheduled where the Mayor, Councillors and Council officers will be available to chat with the community. A Powerpoint has been developed to support people wanting to do more formal presentations.

The following sections are covered in this toolkit:

- Key messages and FAQs
- Powerpoint
- Collateral
- Website
- Community meetings
- Social media
- Media releases

1.1 KEY MESSAGES AND FREQUENTLY ASKED QUESTIONS (FAQS)

Key messages

You were sent via a Kiteworks email the key messages document as an attachment.

The key messages document contains the following:

- Short version of key messages – see below
- Key messages – high level – see below
- The 10 year plan's six priorities
- Challenges addressed by the 10 year plan
- Rates messages
- Development Contribution
- Consultation process and timeframes, and where to next.

Short version of key messages

- Hutt City Council is consulting on its proposed 10 year plan which outlines priorities over the next decade and how these will be funded.
- The 10 year plan is about E whakatika ana i ngāmea matua Getting the basics right and putting in place strong foundations for the future – that is why there is a focus on increased investment in our infrastructure and services that support all of our people and city to thrive.
- The 10 year plan proposes a doubling of our investment in infrastructure and capital projects to \$1.4B over the next decade.
- Consultation on the proposed 10 year plan is open between 6 April and 6 May 2021. Following consideration of community feedback, the Mayor and Councillors will confirm the final plan in June 2021.

Key messages – high level

- Hutt City Council's proposed 10 year plan 2021 – 2031 is about E whakatika ana i ngāmea matua Getting the basics right and putting in place strong foundations for the future.
- The 10 year plan is bold and ambitious, and sets out how we will address the big challenges over the next decade such as population growth, ageing infrastructure and assets, climate change, a housing crisis and the effects of the Covid-19 pandemic– while also maintaining our financial sustainability.
- The 10 year plan sets out six priorities, how much they may all cost and how things can be funded.
- The six priorities are: Whanake i ngā Pou Tarāwaho o te Hapori Investing in Infrastructure, Tiaki Taiao Caring for and protecting our environment, Hei Āhuru Mōwai mō te Katoa Increasing housing supply, Taunaki Ōhanga Auaha, Tāone Whakapoapoa Supporting an

innovative, agile economy and attractive city, Tūhono Hapori Connected communities, Whakauka Ahumoni Financial sustainability.

- The 10 year plan proposes a doubling of our investment in infrastructure and capital projects to \$1.4B over the next decade.
- Most of the proposed investment will be spent on core infrastructure – \$582M on our Three Waters network (43% of the proposed \$1.4B investment) and \$353M (26% of the proposed \$1.4B investment) on transport projects; and there are plans for significant investment in important community infrastructure.
- As well as addressing infrastructure challenges in Lower Hutt city, the 10 year plan recognises the impact the Covid-19 pandemic is having on our communities.
- As affordability for local ratepayers is front of mind, the proposed 10 year plan focuses on a combination of rates and borrowing to pay for services and developments and ensuring everyday costs are paid for from everyday income.
- To achieve the necessary investment, the 10 year plan proposes an overall 5.9% increase in rates revenue for the 2021/22 financial year with over half of this invested directly back into our Three Waters infrastructure. On average this will be an increase of \$2.50 per week per residential household and for an average commercial central property an increase of \$15 per week.
- Hutt City Council has made savings of \$5.2M which has helped to avoid larger rate increases - \$1M equates to about 1% of rates.
- A new city-wide rubbish and recycling service will be provided to residents from 1 July 2021. Service charges for this are not included in the proposed rates increase. Under the new system homeowners will no longer need to purchase rubbish bags or pay for private rubbish collection service.
- Community consultation is between Tuesday 6 April and Thursday 6 May 2021.
- The community has a variety of ways in which to provide feedback on the proposed 10 year plan including online at hutt.city/10yearplan – which can also be accessed at local libraries and community hubs, posting feedback to The Council or meetings with councillors at community events.
- Following consideration of community feedback, the Mayor and Councillors will confirm the final plan in June 2021.

FAQs

You were sent via a Kiteworks email the FAQs as an attachment.

The FAQs are also in shortened form on the dedicated consultation website, which goes live Tuesday 6 April 2021 – hutt.city/10yearplan

1.2 POWERPOINT

You were sent via a Kiteworks email the Powerpoint as an attachment.

The Powerpoint has been developed for formal presentations. To see the notes section go to top taskbar and select view, then notes.

1.3 COLLATERAL

A variety of collateral has been developed to support engagement on the Consultation Document.

Posters and pull-up banners

Posters will be at Council venues and neighbourhood meetings. Pull-up banners will be at community meetings and Mayoral events.

Signs

A digital sign will be on display at Council venues. Street signs will be on prominent sites throughout the city from Monday 12 April to Sunday 25 April. The locations are: Kennedy Good Bridge Avalon; Waione Bridge Seaview; Ewen Bridge on the corner of Victoria and Railway Avenue Intersection; and Cambridge Terrace Naenae.

Flyers

Flyers have been distributed in ratepayer notices and were received the week of Monday 22 March 2021. Flyers will also be at community meetings.

Email signature graphic for those with a Council email address

A graphic will be displayed on email signatures during the period of consultation.

1.4 WEBSITE

A dedicated website has been created with its own URL – hutt.city/10yearplan. It is the 'go to' source for information on the consultation. People are encouraged to visit the website to provide feedback on the Consultation Document. The Draft Long Term Plan is also linked to on the website.

The website goes live on Tuesday 6 April 2021.

1.5 COMMUNITY MEETINGS

Councillors are being supported by the Mayor's office in their attendance at community of interest meetings.

Community meetings are supported by Council officials and the schedule for those is on the [Hutt City website](#).

1.6 SOCIAL MEDIA

A comprehensive programme of engagement is being conducted through social media on Facebook and Twitter. Posting started Tuesday 30 March 2021 encouraging the local community to check out their local community meetings and to korero about the 10 year plan.

Graphic elements for use in Twitter posts and Facebook posts by Councillors were sent via the Kiteworks email as an attachment. Councillors can either post their own, or share/like Hutt City Council's posts.

The images 1200x675 are for Twitter posts. The images 1920 x 1080 are for Facebook posts – note these include images about the priorities where you could say something along the lines of: "It was good to talk to [insert who you engaged with the previous day/night] – we discussed the priority of financial sustainability – what do you think? Note, your comments will count towards our consultation".

1.7 MEDIA

Media releases are posted on the Hutt City website. A media release was distributed following the Council meeting held Wednesday 31 March 2021 and a further release will be issued when consultation opens on 6 April 2021.

End of document.

From: [Jenny Livschitz](#)
To: [Campbell Barry](#); [Jo Miller](#); [Caryn Ellis](#); [Jarred Griffiths](#)
Cc: [Daniel Koenders](#)
Subject: RE: LTP Subcommittee - Financial aspects report, updated on final report
Date: Friday, 11 December 2020 5:48:18 PM
Attachments: [LTP 202021 v5 short.PPTX](#)

Hi
Here is the summary presentation.

I suggest this is published in Diligent ahead of the meeting for elected members.

Cheers

Jenny

From: Jenny Livschitz
Sent: Thursday, 10 December 2020 4:11 PM
To: Campbell Barry; Jo Miller; Caryn Ellis; Jarred Griffiths
Cc: Daniel Koenders
Subject: LTP Subcommittee - Financial aspects report, updated on final report

Hi
Attached is a copy of the LTP Subcommittee report which has been updated following feedback yesterday at the agenda meeting.

Note the consolidated financial projections have been updated to reflect all the budget requests. The DC revenue has been updated but it is not as high as originally anticipated due to the DC fee adjustments.

With the proposed option 2 – 5.9% rates revenue increase in 2021/22, the balanced budget position has been pushed out by one year to 2029/30. Projected debt to revenue ratio has also increased to maximum of 215% from previous 200%.

Whilst the report is recommending option 2 due to Covid context, we really need to be very clear that we should really be looking to delay/trim back some projects and look for further savings.

The report is lengthy so I'm preparing a summary presentation which I will be available tomorrow.

Table 8: Summary of rating revenue options

	Option 1	Option 2	Option 3
Overall rates revenue increase for 2021/22 (year 1) ¹	4.9%	5.9%	6.9%
Overall rates revenue increases for years 2 and 3 ¹	4.9% each year	4.9% each year	4.9% each year
Overall rates revenue increases for years 1	6.5% each year	7% each year	7% each year

4 to 10			
Projected net debt peak	\$686M in 2032/33	\$630M in 2031/32	\$610M in 2031/32
Debt to revenue ratio peak	222% in 2026/27	215% in 2026/27	211% in 2025/26
Projected balanced budget ²	Achieved in 2030/31	Achieved in 2029/30	Achieved in 2028/29
Fees and charges updated	Yes	Yes	Yes
Three Waters mid- investment option	Yes	Yes	Yes
Naenae pool rebuild and Eastern Bays shared path	Yes	Yes	Yes
No reduction in service levels (apart from minor)	Yes	Yes	Yes
Asset renewals funding to ensure service levels maintained (note risks)	Yes	Yes	Yes
Debt funds shortfall in revenue, reducing the impact on ratepayers	Yes	Yes	Yes
Likely to meet financial prudence test	No	Yes	Yes
Meets balanced budget requirement ³	No	No	No
Likely Standard and Poors AA credit rating retained	No Downgrade likely	Yes	Yes
Recommended by officers	No	Yes in Covid context	Yes

Released under the Local Government Official Information and Meetings Act 1987

From: Jane McSweeney <Jane.McSweeney@huttcity.govt.nz>
Sent: Tuesday, 2 March 2021 4:17 PM
To: Wendy Moore; Caryn Ellis; Jarred Griffiths; Jenny Livschitz; Daniel Koenders; Josef Shadwell
Cc: Tamsin Vuetilovoni; Jackie Sowry; Debbie Barber; Catherine Taylor
Subject: HPE Content Manager Document : DOC/21/21254 : LTP Key Messages Master
Attachments: C:\Users\mcsweeneyj\AppData\Local\Hewlett-Packard\HP TRIM\TEMP
\HPTRIM.6136\LTP key messaging master.DOCX; LTP Key Messages Master.tr5

Hi everyone

Agreement on key messages

I have created the attached doc to be the source of truth for key messaging on the LTP. Once you're happy with this I can recycle through all the collateral that needs developing and we are not reinventing content each time something is created. It means there is consistency across all channels.

I know you are really busy but appreciated if you can cast your eye over to indicate your level of happiness!

Josef: - use whatever you like for your own messages for the Mayor that you have already developed.

Regards Jane

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Key messaging for the 10 year plan – master document

Client/audience/stakeholder:
Residents, ratepayers, Hutt City business, Mayor, CE, councillors, staff, media.
Purpose: for recycling through channels and collateral
Staff and Councillors' toolkits, internal comms, speeches, presentations, talking points, Council website, media releases, rates notice insert, posters, newspaper advertising, signboards – street and digital, video scripts, social media – Facebook, Neighbourly, flyer, FAQs.

Signoffs required: Wendy, Jenny, Jo (Caryn), Mayor (Jarred)

Sections

- Overview – high level
- Short version of high level
- Priority areas - 6
- Challenges addressed by the 10 year plan
- Rates messages
 - What's proposed for rates
 - Changes to rates policy
- Development contribution
- Consultation process , timeframes and where to next

Overview – high-level messages

- Hutt City Council's 10 year plan 2021 – 2031 outlines how to create a vibrant, diverse, and growing city by getting the basics right and putting in place strong foundations for the future.
- The 10 year plan is bold and ambitious, and addresses big challenges such as population growth, ageing infrastructure and assets, a housing crisis, and climate change – while also maintaining our financial sustainability.
- The 10 year plan sets out six priorities, how much they may all cost and how things can be funded.
- The six priorities are: investing in infrastructure; caring for and protecting our environment; increasing housing supply; supporting an innovative, agile economy and attractive city; connecting communities; and financial sustainability.
- The 10 year plan proposes a doubling of our investment in infrastructure and capital projects to \$1.4B over the next decade.
- Most of the proposed investment will be spent on core infrastructure – \$582M on our Three Waters network and \$353M on transport projects; and there are plans for significant investment in important community infrastructure.
- The 10 year plan proposes a combination of rates and borrowing to ensure a balanced approach to paying for services and developments – and sharing the costs in a fair and equitable way to both current and future residents, and businesses in the city.
- To achieve the necessary investment, the 10 year plan proposes an overall 5.9 per cent increase in rates revenue for 2021/22 - \$2.50 per week per residential household, with over half of this invested directly back into our Three Waters infrastructure – and for an average commercial central property an increase of \$15 per week.
- Hutt City Council proposes making over \$5.2M in annual savings over the next decade to avoid larger rate increases - \$1M equates to about one per cent of rates.
- Community consultation is between 29 March and 3 May 2021.
- The community has a variety of ways in which to provide feedback on the proposed 10 year plan including online at hutt.city/10yearplan – which can also be accessed at local libraries and community hubs, posting feedback to The Council, meetings with councillors at community events, or having Council representatives speak with local groups.
- Following consideration of community feedback, the Mayor and Councillors will confirm the final plan in June 2021.

Short version of high-level messages

Hutt City Council is consulting on its 10 year plan which outlines priorities over the next decade and how these will be funded.

The 10 year plan is about getting the basics right and putting in place strong foundations for the future – that is why there is a focus on increased investment in our infrastructure and services that support all of our people and city to thrive.

The 10 year plan proposes a doubling of our investment in infrastructure and capital projects to \$1.4B over the next decade.

Consultation on the proposed 10 year plan is open between 29 March and 3 May 2021. Following consideration of community feedback, the Mayor and Councillors will confirm the final plan in June 2021.

The 10 Year Plan's six priorities

The 10 year plan has six priorities and a range of options for community consideration.

- 1. investing in infrastructure
- 2. caring for and protecting our environment
- 3. increasing housing supply
- 4. supporting an innovative, agile economy and attractive city
- 5. connecting communities
- 6. financial sustainability

1: Investing in Infrastructure

- The 10 year plan proposes investing in high quality infrastructure that supports people to move around, receive basic services – like water, and enjoy community facilities.
- The proposed investment addresses challenges coming from significant population growth, ageing infrastructure, impacts of climate change and natural hazards; and ensuring we continue to maintain and create high quality community infrastructure.
- Hutt City Council has a proposed Infrastructure Strategy 2021-2051 which outlines a long-term approach and vision and goals for the city's infrastructure.
- The two goals of the Infrastructure Strategy are: strong, reliable, efficient and effective Three Waters and multi-modal infrastructure networks; and the provision of current and new infrastructure in a sustainable way, focusing on guardianship of our environment and communities.
- The 10 year plan proposes investing \$582M in Three Waters infrastructure, \$353M in transport infrastructure, up to \$68M to rebuild Naenae Pool and \$15M to \$20M in the Petone Wharf.
- The preferred option for Three Waters is significantly increased investment in infrastructure, improving the conservation of water, exploring metering to manage the network and minimise leakages, improving the health of urban waterways and supporting reductions in carbon emissions.
- A second option for Three Waters is a lower level of investment with the impact likely to be more service disruption, less sustainable water supply, less healthy urban waterways and little change in carbon emissions.
- The preferred option for transport is to invest in transformative projects like Cross Valley Transport Connections, the Eastern Bays Shared Path, the Beltway Cycleway, encouraging people to use micro-mobility modes of transport such as electric scooters, electric bikes or skateboards to get around the city as easily as vehicle users currently do; and increased

investment in footpath and road renewals and resurfacing, enabling increased housing development in Wainuiomata and seismic strengthening of the Cuba Street Bridge.

- A second option for transport is deferring work on transformative projects, a reactive approach to network renewals and deferring traffic safety work.
- The preferred option for the Naenae Pool is to build a new pool with sustainable technology to reduce future operating costs and its impact on the environment.
- A second option for the Naenae Pool is to build with a lower level of facility and services.
- The preferred option for the Petone Wharf is to bring forward investment from 2023 to 2012 years for a full refurbishment in the 2021-2023 financial years.
- A second option for the Petone Wharf is to demolish part of the head and undertake required maintenance.

2: Caring for and protecting our environment

- The 10 year plan proposes working with our communities to meet climate change challenges and our goal to be carbon zero by 2050.
- A range of initiatives are proposed including exploring Council land eligible for carbon credits, less Council vehicles with more of them being electric, more electric charging stations around the city, ensuring new commercial buildings adhere to green building ratings, investing in ongoing development at the Silverstream landfill and reducing its emissions; and reducing Council's own emissions with most savings likely to come from changing how our pools are heated.

3: Increasing housing supply

- The 10 year plan proposes planning for growth in our city, ensuring an increase in housing supply and working with organisations and partners such as Te Rūnanganui o Te Āti Awa and Kahungunu Whānau Services to ensure our people have warm, safe, dry homes to live in.
- The Hutt City Council's housing company Urban Plus Limited (UPL) now has a broader mandate from delivering social housing to providing affordable rental and home ownership options to a wider range of the community.

4: Supporting an innovative, agile economy and attractive city

- The 10 year plan focuses on investing to drive economic growth, and harnessing the talents of our business, education, research and science communities to make our city an attractive place to work and invest.
- Increased funding over the next decade is proposed for the RiverLink project and extending our partner programme with the business incubator/start-up hub and with Love Wainuiomata.
- The preferred option for RiverLink is to increase investment to ensure delivery of key aspects of the project and realise the city transformation objectives which will foster economic growth in Te Awa Kairangi Lower Hutt.
- A second option is to maintain current funding levels in RiverLink, which means some key elements like transport upgrades, the pedestrian overbridge and river edge enhancements may not be possible.

5: Connecting communities

- The 10 year plan outlines priorities for investing to connect and empower neighbourhoods and communities so they can thrive and remain safe, connected, healthy, inclusive and resilient.

- The 10 year plan proposes taking over responsibility for four community hubs – Walter Nash Centre, Korauui Stokes Valley Community Hub, Naenae Bowling Club and RICOH Sports Centre (home of Fraser Park Sportsville) – to gain efficiencies in how they are run.

6: Financial sustainability

- The 10 year plan proposes investing in a financially sustainable and prudent way that ensures we are carefully managing our finances to deliver on our community's expectations.
- Over the next decade, proposed rates revenue increases range between 4.9 per cent and 6.8 per cent – which do not include waste service changes.
- For 2021/22, the proposal is an overall 5.9 per cent increase in rates charges for ratepayers – an average increase of \$2.50 per week per household, or \$130 per annum; and for an average commercial central property an increase of \$15 per week.
- The allocation of general rates between rating categories (residential and commercial ratepayers) is proposed to change to a percentage allocation approach for sharing the total general rate and reduce the residential rating category share of general rates from 63 per cent to 62 per cent in 2021/22.
- The alternative to adopting a percentage allocation approach is all ratepayers would pay proportionally the same percentage of rates (63 per cent) as in 2020/21.
- The 10 year plan proposes changes to rating category definitions such as the rural differential rating category with the definition of 'rural' in the District Plan granting a remission to phase in the change for those properties that change to residential.
- The alternative option to changing rating category definitions is to maintain the current definition which defines rural properties based on size.
- The 10 year plan proposes removing the commercial accommodation rating category and merging these properties either into commercial suburban or commercial central differential rating categories depending on location; or alternatively retaining the current commercial accommodation differential rating category.
- The 10 year plan proposes combining commercial central and Queensgate business differential rating categories which means an increase in rates of \$15 per week.
- The Council is consulting on the 2021 Development and Financial Contributions Policy and is proposing in the 10 year plan that it retains a policy of meeting 100 per cent of the Council's planned growth costs from new developments from development and financial contributions.

Challenges addressed by the Ten Year Plan

High level messages:

- Hutt City Council is facing big challenges that we must begin to address as part of the 10 year plan.
- Challenges include demand and pressure on infrastructure, housing supply and affordability, climate change and sustainability, effects of the Covid-19 pandemic and achieving The Council's programme in a financially sustainable way.

Demand and pressure on infrastructure

- Sixty per cent of our water infrastructure needs to be replaced over the next 30 years and we need better transport connections, including active transport networks, to ensure our city is easy to move around and environmentally sustainable.

Housing supply and affordability

- Over the past four years, the lack of supply and increasing demand has driven house price and rent increases and led to homelessness and housing hardship.
- We are seeing growing numbers of individuals and families in emergency and temporary accommodation, living in insecure housing situations with whānau and friends, or rough sleeping, and the number of households on the Social Housing Register increasing by over 1,000 per cent – from 53 households to 611 – between 2015 and 2020.
- The crisis is having a significant effect on health and wellbeing. Providing safe, warm and affordable homes is essential if we want our city to thrive.

Climate change and sustainability

- Te Awa Kairangi Lower Hutt faces numerous environmental challenges, including sea level rise, coastal erosion and flooding, loss of biodiversity, decreasing water quality and waste issues.
- The Hutt City Council's Climate Change Emergency Declaration formalises our commitment to enhance our environment and achieve our climate change goals. It underpins all the work we are proposing to ensure the wellbeing and success of our city. We are currently working in both the mitigation and adaptation spaces, and this includes aiming to reduce our own carbon emissions to net zero by 2050, engaging with communities on climate change and ensuring that our infrastructure investment and housing developments take account of climate change impacts.

COVID-19 pandemic

- Given the uncertainty the COVID-19 pandemic represents for residents and businesses, it is crucial that our 10 year plan is affordable and that costs are shared fairly.
- The effects of COVID-19 continue to weaken the Te Awa Kairangi Lower Hutt City economy. Provisional estimates from Infometrics show that the city's economic activity fell 0.4 per cent per annum in the September 2020 quarter, contributing to an annual decline of 1.4 per cent in the September 2020 year. This compares to a 3.3 per cent decline nationally and a 3.2 per cent decline across the Wellington region.
- While Te Awa Kairangi Lower Hutt economy has recovered better than the overall New Zealand economy from the impacts of COVID-19 lockdowns, there are some people and businesses within our community who have been and continue to be adversely affected.

Achieving our programme in a financially sustainable way

- The challenges require considerable financial investment over the next 10 years and the longer term.
- We know that we must seek to achieve our proposed plan in an affordable way.
- Our financial strategy uses a combination of rates and borrowing to ensure we are achieving a balanced approach to paying for services and developments – and sharing the costs in a way that is fair and equitable to both current and future residents and businesses in the city.

Rates messages

- High level - What's proposed for rates
- Changes to rates policy

High level – What's proposed for rates (same as in high level messages)

- The 10 year plan we're proposing is all about getting the basics right. To do that, we're proposing to double our investment in infrastructure and capital projects to \$1.4B over the next decade.

- The 10 year plan proposes a combination of rates and borrowing to ensure a balanced approach to paying for services and developments – and sharing the costs in a fair and equitable way to both current and future residents, and businesses in the city.
- To achieve the necessary investment the 10 year plan proposes an overall 5.9 per cent increase in rates revenue for 2021/22 - \$2.50 per week per residential household, with over half of this invested directly back into our Three Waters infrastructure – and for an average commercial central property an increase of \$15 per week.
- Most of the proposed investment will be spent on core infrastructure – \$582M on our Three Waters network and \$353M on transport projects; and there are plans for significant investment in important community infrastructure.
- Hutt City Council proposes making over \$5.2M in annual savings over the next decade to avoid larger rate increases - \$1M equates to about one per cent of rates.
- Some ratepayers may be eligible for a rates rebate which can be calculated by using the calculator on the Council website or contacting Council directly.

Changes to rates policy

- For the first time in ten years Hutt City Council has reviewed the rating policy and we are proposing some changes to the way we rate properties in Lower Hutt as part of our general rates.
- General rates fund services that benefit the city such as roads, footpaths, cycleways, library services, and parks and sportsfields maintenance.
- We're proposing to slightly reduce the share of general rates for our residential ratepayers and increase it for commercial ratepayers.
- Residential ratepayers currently pay 63 percent of the total general rate.
- This is an increase from around 50 percent over the past ten years – the last time the rates policy changed.
- We are proposing to reduce the share our residential ratepayers have to pay by one per cent to 62 per cent in 2021/22, and increase it by one per cent for our commercial ratepayers.
- For an average residential property worth \$629,000 the impact would be an increase in rates for 2021/22 of \$2.50 per week for the 62 percent option. If we kept the policy the same as it is at 63 percent, rates would be around \$3 per week.
- Our goal is a reduction of the general rate to 60 per cent by 2024.
- Hutt City Council has a rates calculator on its website where you will be able to see the impact on your property of the proposed rates increase and the proposed reduction of the general rate to 62 per cent.

Development Contribution

- The Council is consulting on the 2021 Development and Financial Contributions Policy.
- The purpose of the policy is to ensure that a fair, equitable and proportionate share of the cost of infrastructure is funded by development.
- The ten year plan proposes that The Council retains a policy of meeting 100 per cent of the Council's planned growth costs from new developments from development and financial contributions.

- The Council estimates an increase in revenue from development contributions of approximately \$27.5M over the period of the ten-year plan, resulting in an increase in budget from \$10M to approximately \$37.5M.
- The increase in revenue will result in lower borrowing and rates requirements. This reflects the significant increased investment we are proposing in our infrastructure to keep pace with our growing population.
- This growth is forecast to continue; a new home will be available nearly every day for the next 10 years. We must provide for this growth to meet our obligations under the National Policy Statement on Urban Development. More importantly, we must provide for this growth so that all our people have a place to call home.
- Growth creates the need for new subdivisions and developments, and these place increasing demands on the assets and services we provide. As a result, we need significant investment in new or upgraded assets and services.
- We have proposed the following projects to help cater for growth: Cross Valley Transport Connections – eight per cent of \$198M funded by development contributions; Naenae Reservoir – 50 per cent of \$28M funded by development contributions; Wainuiomata Reservoir Number 3 – 25 per cent of \$25M funded by development contributions, Seaview Wastewater Treatment Plant Storage – 25 per cent of \$20M from development contributions.

Consultation process and timeframes, and where to next

- Community consultation on the 10 year plan is between 29 March and 3 May 2021.
- The community has a variety of ways in which to provide feedback:
 - online at hutt.city/10yearplan
 - fill out the feedback form that appears in the consultation document and return to The Council by Monday 3 May 2021
 - visit a local library to provide online feedback where computers are free to use and Council people can help you get online.
 - Kōrero face-to-face with your Councillors. Your elected representatives will be out and about in your community and at events across the city.
 - have a Council representative come to speak with your club, group or association. Call us on 04 570 6666 to arrange a time for us to come to you.
 - write to The Council at Draft Long Term Plan, Freepost 100039, Private Bag 31912, Lower Hutt 5040.
- Following consideration of community feedback the Mayor and Councillors will confirm the final plan in June 2021.

End of document

From: Jenny Livschitz
Sent: Friday, 8 January 2021 1:48 PM
To: Alicia Andrews; Daniel Koenders
Subject: RE: HPE Content Manager Document : DOC/20/122514 : Draft Long Term Plan 2021 consultation document - Rate Policy
Attachments: Tables.docx

Hi Alicia

I've marked up some comments/changes in the attached.

I'm expecting the numbers are those prepared for 21 December report – DOC/20/114752 or very similar if you have done some updates. Everything should be based on the 5.9% rates assumption. Here is the summary table from the report.

Property category	2020/21 rates	2021/22 rates	Change per annum	Change per week
Average residential, CV \$629k	\$2,608	\$2,738	\$130	\$2.50
Average commercial central, CV \$1.7M	\$13,994	\$15,612	\$1,619	\$31.13
Average commercial suburban, CV \$1.6M	\$11,922	\$13,080	\$1,158	\$22.28
Commercial Queensgate, CV \$240M	\$1,906,376	\$1,985,414	\$79,038	\$1,520
Average rural, no services CV \$872k	\$1,617	\$1,678	\$61.00	\$1.16
Utilities	\$18,294	\$19,106	\$812	\$15.61

.We need to be careful with the disclosure of rubbish and recycling and state this is excluded. Below is extract from the report that will help in writing that content.

The Council has changed the service levels for kerbside refuse and recycling for residential properties, with effect from 1 July 2021. Ratepayers are offered flexibility around bin sizes. Table 5 provides a summary of the impact for the average residential property and assumes that the mid-size 120 litre bin is chosen. The green waste service is optional whilst the recycling and refuse service is not.

Table 5: Proposed targeted rates for waste services 2021/22

Differential	AP 2020/21	DLTP 2021/22	Change since 2020/21
Recycling – per rating unit	\$40.00	\$105.00	\$65.00

Refuse/rubbish – per rating unit*	-	\$144.00	\$144.00
Total	\$40.00	\$249.00	\$209.00

*Further details are available in Appendix 6 Rates Funding Impact Statement.

1. The additional cost incurred by residential properties for the refuse targeted rate will replace previous costs incurred by home owners to purchase Council rubbish bags or to pay commercial operator fees for rubbish collection. In many cases there will be a net savings for properties.

Thanks

Jenny

From: Alicia Andrews
Sent: Friday, 8 January 2021 12:46 PM
To: Jenny Livschitz; Daniel Koenders
Subject: RE: HPE Content Manager Document : DOC/20/122514 : Draft Long Term Plan 2021 consultation document - Rate Policy

Hi there

I've attached a word document with the tables.

Do they look ok to you? If so, I'll drop them in to the paper and start working on incorporating your feedback.

Thanks, Alicia

From: Jenny Livschitz
Sent: Friday, 8 January 2021 12:31 PM
To: Daniel Koenders
Cc: Alicia Andrews
Subject: RE: HPE Content Manager Document : DOC/20/122514 : Draft Long Term Plan 2021 consultation document - Rate Policy

Thanks, looks good

I've reviewed and marked up some suggested tweaks.

Overall, the revaluation content seems quite heavy and dominating and needs to be tilted more to the explaining the new rating policy, with rationale and benefits of this proposed change.

Difficult to keep it short!

Alicia – when do you expect to have your tables finished?

Thanks

From: Daniel Koenders
Sent: Friday, 8 January 2021 8:46 AM
To: Jenny Livschitz
Cc: Alicia Andrews
Subject: HPE Content Manager Document : DOC/20/122514 : Draft Long Term Plan 2021 consultation document - Rate Policy

Hi Jenny,

Rates policy content for the CD can be found at the link for your review.

Alicia is tidying up the tables of rates information today so they are suitable for inclusion the CD, but other than that the content is there.

Cheers

Dan

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How each option could affect average residential property rates

Option	Rates 2020/21	Expected future rates 2021/22	Change in amount per annum	Change in amount per week	Impact on rates
Our preferred option: 62% residential share of the total general rate	\$2,608	\$2,738	\$130	\$2.50	\$27 per annum lower than alternative option
Alternative option: 63% residential share of the total general rate	\$2,608	\$2,764	\$157	\$3.01	\$157 per annum higher than 2020/21

Comment [JL1]: Put in average value to make it more understandable, ditto for commercial property

Comment [JL2]: There is no reference to the fact that the increases for rubbish and recycling are excluded. Needs to be a footnote underneath table. Also footnote excluded GWRC otherwise we get complaints.

How each option could affect average commercial central rates

Option	Rates 2020/21	Expected future rates 2021/22	Change in amount per annum	Change in amount per week	Impact on rates
Our preferred option: 62% commercial share of the total general rate	\$13,994	\$15,612	\$1,619	\$31.13	\$474 per annum higher than alternative option
Alternative option: 63% commercial share of the total general rate	\$13,994	\$15,139	\$1,145	\$22.03	\$1,145 per annum higher than 2020/21

Options based on a 5.9% rates increase

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Property category	General Rate 2020/21	\$ Change in Rates	% Change in Rates
Average Rural General Rate	\$1,608	N/A	N/A
Average remain Rural (430 properties)	\$1,643	\$0	\$0
Average change from Rural to Residential (54 properties)	\$1,353	\$457	33.81%
Average change from Residential to Rural (11 properties)	\$2,042	(\$516)	(25.27%) decrease

Using same figures from 27 October LTP subcommittee paper

Comment [JL3]: Unclear what this means. Is there a better way to tell this story?

Comment [JL4]: Not correct in that rates remission will be applied resulting in reduction? Is there a better way

Comment [JL5]: You should be using information from 21 December and assumed 5.9% rates increase.

Impacting of merging Commercial Central with Queensgate

Property category	Rates 2020/21	\$ Change in Rates	% Change in Rates
Queensgate	\$1,906,376	(\$88,685)	(5%) decrease
Commercial Central	\$13,628	\$295	2% increase

Using same figures from 27 October LTP subcommittee paper

Comment [JL6]: Ditto above comment, this is not correct with 5.9% - Queensgate goes up

From: Caryn Ellis
Sent: Thursday, 13 May 2021 5:07 PM
To: Daniel Koenders
Subject: FW: Some info as discussed

From: Caryn Ellis
Sent: Monday, 19 April 2021 5:46 PM
To: Traylen, Jem
Subject: RE: Some info as discussed

Hi Jem, here's some words from HCC spokesperson

Council is introducing a service charge in 2021/22 for the new residential kerbside rubbish and recycling service. This does not impact all ratepayers – commercial property owners for example will not receive this service and will not pay for it.

Consultation on these changes to rubbish and recycling was completed in 2020 through a LTP amendment process with decisions made by Council in October 2020. These new waste services are being funded from a specific targeted rate charged to residential ratepayers receiving the service. This will offset costs for home owners as they no longer need to purchase rubbish bags or pay for a private rubbish collection service. The cost of the new service has been separated out so that ratepayers can see what they're paying for in terms of rubbish (cost varies with size of bin), green waste etc.

I think the key point is that the consultation document and draft LTP is reviewed and signed off by auditors so it goes through a thorough externally reviewed process. These documents state that the projected rates increase for all ratepayers of 5.9% does not include the waste service changes (rubbish and recycling).

We communicate to our community on the options as part of the formal consultation process on the draft LTP and that includes a rates calculator that has been set up so that each property owner can look at what their indicative rates are for the year. We've also provided information to rate payers ahead of the rollout of the new rubbish and recycling service on what the costs of the service will be for their individual property.

Regards Caryn

Caryn Ellis

Head of Chief Executive's Office

Te Kaunihera o Te Awa Kairangi | Hutt City Council, 30 Laings Road, 5040, Lower Hutt 5040, New Zealand
Kawereō 027 2385894, **Paetukutuku** www.huttcity.govt.nz



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From: Traylen, Jem [<mailto:Jem.Traylen.1@uni.masse.ac.nz>]
Sent: Monday, 19 April 2021 5:16 PM
To: Caryn Ellis
Subject: Re: Some info as discussed

Thanks Caryn

I have quoted you in my draft as follows -

Council spokesperson Caryn Ellis stands by the 5.9% figure as most households will be paying less for their rubbish when the new service starts. [Not quite right](#)

~~“We don’t think it’s misleading at all.~~

~~“Don't forget that people are paying for their rubbish and recycling now. See note above~~

“You save money because you're not paying for rubbish bags, [and you're not paying for a private service,](#)” said Ellis.

Please let me know immediately if you don't think that's accurate.

Jem Traylen (She or They)
Postgraduate Student, Journalism
Massey University
Wellington 6140
New Zealand

7(2)(a)

Jem.Traylen.1@uni.masse.ac.nz

<https://www.linkedin.com/in/jemtraylen/>

From: Caryn Ellis <Caryn.Ellis@huttcity.govt.nz>
Sent: 19 April 2021 14:26
To: Traylen, Jem <Jem.Traylen.1@uni.masse.ac.nz>
Cc: Jon Hoyle <Jon.Hoyle@huttcity.govt.nz>
Subject: Some info as discussed

<http://heart.huttcity.govt.nz/services/lower-hutts-rubbish-and-recycling-services-to-get-big-upgrade/>

<https://10yearplan.huttcity.govt.nz/> - rates calculator on left-hand side

Kind regards Caryn

Caryn Ellis

Te Kaunihera o Te Awa Kairangi | Hutt City Council, 30 Laings Road, 5040, Lower Hutt 5040, New Zealand
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From: Jenny Livschitz
Sent: Tuesday, 22 December 2020 10:02 AM
To: __CLT; __Divisional Managers; Alicia Andrews; Daniel Koenders; Darrin Newth; Glenn Phillips; Helen Stringer; James Lee; Karl Eagle; Lisa Rofe; Philip Benseman; Rebecca King; Sharon Page; Simon George; Eshwari Silvam; Andy Wolmarans
Subject: LTP meeting budget decisions yesterday and next steps

Hi everyone

Yes we nailed it! Thanks for all the awesome effort in preparation of information and advice for the LTP subcommittee reports. The meeting progressed really well and all the key decisions that we needed were completed.

It was a long meeting yesterday, so here's a quick summary of the finance related decisions made yesterday

- Budget decisions - the table below has the decisions for each item and the additional information requested for the next meeting.
- Funding decisions
 - o There were no changes to the proposed fees and charges
 - o Rates revenue increase of overall 5.9% approved for consultation

Our finance team will be working through a process to update the LTP budgets in line with these decisions and then preparing information for consultation. There is an opportunity to update for any other known budget changes – e.g. contractual updates, staffing changes etc. Please talk to your finance business partner about any changes of this nature.

Thanks again team – awesome effort!

Jenny

The detail reports are here

http://infocouncil.huttcity.govt.nz/Open/2020/12/LTPAP_21122020_AGN_2864_AT.PDF

	Priority area	Brief description	Financial impact over the ten years of the LTP and officer recommendation	Further information Appendix 3	Page in agenda	Council decision
1	Caring for and protecting our environment	<u>Decarbonisation of Hutt City Councils pools.</u> As part of the Energy and Carbon Reduction Plan 2020-2024, a partial or full replacement is proposed of the existing gas boilers with heat pumps at Eastbourne Pool, the original Huia Pool and Fitness Facility and Huia extension and Stokes Valley Pool. Total avoided carbon emissions would	An increase in capex of \$1.77M to fund the heat pumps; a net reduction in opex of \$0.64M over ten years of the plan. The net present value of the initiative at 2050 is \$0.45M. Officers recommend the approval of the proposed	Refer Attachment A. Note report CEC2020/6/278 which includes detailed business case info.	135	Approved for inc Draft plan for consultation

	Priority area	Brief description	Financial impact over the ten years of the LTP and officer recommendation	Further information Appendix 3	Page in agenda	Council decision
		amount to 14,600 tonnes by 2050.	changes.			
2.	Caring for and protecting our environment	<u>Accelerating the roll out of public charging stations for electric vehicles (EV) in Lower Hutt.</u> To help facilitate continued growth in the number of people switching from petrol/diesel fuelled vehicles to EVs. Proposed roll out of medium speed DC public charging stations at 10 locations.	An increase in capex of \$0.74M with 50% of this funded from the government's Low Emissions Vehicle Contestable Fund and or/private sector. Cost neutral to Council with opportunity to generate surplus and reinvest in the longer term. Officers recommend the approval of the proposed changes.	Refer Attachment B. Note report CEC2020/6/278 which includes detailed business case info.	137	Approved for inc Draft plan for consultation
3.	Caring for and protecting our environment	<u>Decarbonisation of The Dowse</u> As part of the Energy and Carbon Reduction Plan 2020-2024, a change from a condensing boiler to a heat pump is proposed at The Dowse. Total avoided carbon emissions would amount to 3,600 tonne by 2050.	An increase in capex of \$0.6M; a net reduction in opex of \$0.16M. The net present value of the project at 2050 is \$83k. Officers recommend the approval of the proposed changes.	Refer Attachment C	139	Approved for inc Draft plan for consultation
4.	Investing in infrastructure	<u>Eastern Hutt road retaining wall strengthening project</u> A key arterial road connecting Hutt City and Upper Hutt City. A series of retaining walls support the road platform. The crib wall is vulnerable to failure in storm events and earthquakes. The project would strengthen the crib wall and steep unstable river bank to improve resilience.	Capex increase of \$2.1M from previously budgeted \$2.9M, to total cost of \$5M. Funding from NZTA would cover \$2.55M of the total cost. Officers recommend the approval of the proposed changes.	Refer Attachment D	141	Approved for inc Draft plan for consultation
5.	Investing in infrastructure	<u>Cuba Street over bridge seismic strengthening project</u> Final bridge to be seismically strengthened as part of broader work programme.	Capex increase of \$0.48M from previously budgeted \$0.82M, to total cost of \$1.3M. Funding from NZTA would cover \$0.663M of the total cost. Officers recommend the approval of the proposed changes.	Refer Attachment E	143	Approved for inc Draft plan for consultation
6.	Being financially sustainable Caring for and protecting our	<u>Dog tag for life</u> - A proposal to replace the current annual dog tags with a dog tag for the life of the dog. Includes opportunity to reduce plastic in the environment, decrease the cost of postage sending tags to users	One off opex cost of about \$120k. Over ten year period expect opex reduction of \$0.3M. Officers recommend the approval of the proposed	Refer Attachment F	145	Approved for inc Draft plan for consultation

	Priority area	Brief description	Financial impact over the ten years of the LTP and officer recommendation	Further information Appendix 3	Page in agenda	Council decision
	environment	annually, and reduce the administration cost around annual dog tags.	changes.			
7.	Caring for and protecting our environment Supporting an innovative, agile economy and attractive city	<u>District Plan</u> - includes full review of Operative District Plan, as well as implementation and monitoring. Over the last 12 months significant new national policy direction on notable topics, e.g. urban development and freshwater management, with further expected in short term on indigenous biodiversity.	Increase in opex of \$5.1M to a total cost of \$11.6M. Officers recommend the approval of the proposed changes.	Refer Attachment G	147	Approved for inc Draft plan for consultation
8.	Caring for and protecting our environment	<u>Solid Waste disposal and resource recovery</u> Proposed changes include : <ul style="list-style-type: none"> - Ongoing development at Silverstream landfill (landfill lining, leachate capture and reticulation, gas capture and treatment) with changes to timing, - development of a regional facility to accept asbestos - improvements to the refuse transfer station to address safety issues, enabling the development of a new resource recovery area - increased opex largely due to central government imposed costs (waste levy, emission trading scheme) - Increased revenue to offset increased costs; noting that surplus provides a funding source for new initiatives such as decarbonisation initiatives (e.g. pools, EVs). 	Proposed re-phased capital budget for the ongoing development of Silverstream landfill, development of regional asbestos disposal facility (capex \$4.1M), refuse transfer station \$2.25M and resource recovery \$0.75M together with revised operational and revenue budget changes. Officers recommend the approval of the proposed changes.	Refer separate report on the agenda 'Proposed budgets for Solid Waste Disposal and Resource Recovery'.	279	Approved for inc Draft plan for consultation
9.	Connecting communities Investing in	<u>Parks and Reserves assets</u> Includes asset renewals building and structure renewals and refurbishments(toilets, grandstands, changing rooms, bridges), Reserves	Capex increase of \$20M over ten years (or \$2M per annum) to fund asset renewals. New capex of \$7.5M for the	Refer separate report on the agenda 'Approach for asset management.'	257	Approved for inc Draft plan for consultation

	Priority area	Brief description	Financial impact over the ten years of the LTP and officer recommendation	Further information Appendix 3	Page in agenda	Council decision
	infrastructure	landscaping improvements, asset renewals for main assets groups (hard surfaces, park furniture, park signs, tracks and trails), Williams Park improvements, Percy Scenic Reserve, Petone Recreation grandstand, Naenae park changing room replacements. The asset management plan is being peer reviewed and not yet finalised. There will be a further report to Council on this area early in the new year.	rebuild of Petone Grandstand. Capex for new Naenae Park Changing room replacement \$1M. Officers recommend the approval of the proposed changes.			
10.	Connecting communities Investing in infrastructure	<u>Facilities asset renewals and maintenance</u> Currently information on the condition of Council's buildings is incomplete, meaning the full cost of maintaining these assets into the future is unknown. Work to complete this information is underway. To manage the risks in relation to these assets, it is proposed that a capex renewals fund is budgeted together with an increase in the maintenance budgets. As further information becomes available, there will be further reporting to Council.	Capex renewals increase of \$10M and opex increase of \$1M (maintenance costs). Officers recommend the approval of the proposed budget changes.	Refer separate report on the agenda 'Approach for asset management.'	257	Approved for inc... Draft plan for consultation, with exception of Petone Grandstand rebuild project. Preference is this to be a renewals works only option not a new grandstand being built.
11.	Investing in infrastructure	<u>Petone Wharf- asset maintenance and renewals work</u> Awaiting further information from engineers regarding safety and maintenance works. Capex budget of \$0.8M in 2021/22 is insufficient.	Increase opex by \$0.5M for demolition of Petone wharf head; increase capex for renewal of Petone Wharf \$0.5M 2021/22 and \$0.5M 2022/23. Officers recommend that the budget is revised to reflect the more likely cost estimates.	Refer separate report on the agenda 'Approach for asset management.'	257	Support for prog... this work as a priority. Further information required on full refurbishment option. In the interim assume support for proposed renewals.
12	Investing in infrastructure	<u>Point Howard Wharf demolition</u> No funding set aside for the planned demolition works. The yacht club would like the stub of the wharf to be retained to house the control box for yachting events.	Increase in opex of \$0.5M in 2022/23 for the demolition of the outer end of the wharf; \$1M capex for the renewal of stub of Point Howard Wharf. Officers recommend the approval of the proposed budget change.	Refer separate report on the agenda 'Approach for asset management.'	257	Further information requested on plan with yacht club. In interim assume the proposed option included in the Draft for consultation.
13.	Connected communities	<u>City safety</u> Support improved safety outcomes through a wide range of programmes, using a partnership approach to crime prevention and community	Increase in opex of \$0.45M (being \$150k p.a. in years 1 to 3)	Refer Attachment N	165	Approved for inc... Draft plan for consultation

	Priority area	Brief description	Financial impact over the ten years of the LTP and officer recommendation	Further information Appendix 3	Page in agenda	Council decision
		reassurance.				
14.	Supporting an innovative, agile economy and attractive city Investing in infrastructure Increasing housing supply	<u>Riverlink</u> is a transformative project aiming to create a more resilient, connected and vibrant Hutt City. The project office is getting closer to confirming the final project design. Further property acquisitions are required in South Daly Street and at the Melling bridge vicinity to enable to project to be delivered. Additional funding for land acquisition is sought together with opex funding to enable the design and preparatory work in assembling properties (master planning, quantity surveying, subdivision, due diligence etc.). The plan is that surplus land that is not required for the Riverlink project will be sold to developers. This will occur after the surplus land has been assembled and master planning completed.	Capex increase of \$27.5M in addition to the current project budget of \$78M to enable land acquisitions. Further opex funding of \$0.2M p.a. for three years is sought to enable the design and preparatory works for development activities. The early indicative proceeds from the disposal of land are estimated at \$17M, which is \$13M higher than previous budgeted in the last LTP. Officers recommend the approval of the proposed changes.	Refer Attachment J	153	Further information requested on a number of aspects. In the absence of proposed changes included in the information on the works needs to be reflected in the budget for consultation.
15.	Supporting an innovative, agile economy and attractive city	<u>City event fund</u> Creating a vibrant and attractive city by empowering our community to deliver a city event and instilling community whakahi (pride) around a winter solstice/Matariki experience. A collaborative approach is proposed by coordinating event planning, promotion and funding while enabling our community to deliver a city event/series of events that celebrate our diversity, bring the city together during winter, build on each community's strengths and drives social and economic wellbeing.	Increase in opex of \$1.5M. Officers recommend the approval of the proposed changes.	Refer Attachment L	161	Approved for inclusion in Draft plan for consultation
16.	Supporting an innovative, agile economy and attractive city	<u>Wainuiomata Town Centre and Streetscape Plan</u> This plan builds on the Wainuiomata and helps to translate key community aspirations into implementable actions and activities. The ongoing development of the Wainuiomata Mall site is a key component.	Proposed funding of Wainuiomata Hub of \$4.3M in 2028/29 brought forward and repurposed into "Wainuiomata Queen Street development" fund totaling \$4.3M across 2021/22 and 2022/23. Officers recommend the approval of the recommended changes.	Refer Attachment H	151	Approved for inclusion in Draft plan for consultation
17.	Supporting an innovative, agile economy and attractive city	<u>Petone 2040</u> established a comprehensive strategy for the coordinated development and design of Petone and the wider Jackson Streetscape. It is proposed that a	Increased opex of \$0.5M and increased capex of \$2M to fund implementation of the plan. Officers recommend the	Refer Attachment K	159	Approved for inclusion in Draft plan for consultation

	Priority area	Brief description	Financial impact over the ten years of the LTP and officer recommendation	Further information Appendix 3	Page in agenda	Council decision
	city	budget of \$2.5M over the life of the LTP is established to support the implementation of agreed activities for Jackson Street Petone.	approval of the recommended changes.			
18.	Supporting an innovative, agile economy and attractive city	<u>Naenae Spatial Plan</u> Alongside work progressing on the rebuild of Naenae pool, a spatial plan for the wider Naenae town centre has been progressed this year. A range of projects have been identified as part of the plan. These projects will be prioritised within the proposed funding envelope of \$9M.	It is proposed that the \$9M capex funding set aside for the Naenae Hub is used to fund the prioritised projects from the spatial plan process. Officers recommend that the capex funding of \$9M is repurposed and a renamed "Naenae development fund".	Refer Attachment I	153	Approved for inclusion Draft plan for consultation
19.	Investing in infrastructure Connecting communities	<u>Cycling and micromobility programme</u> Proposed programme to support the 'Walk and Cycle the Hutt 2014-2019 strategy', aiming to develop a connected cycleway and shared path network. The next stage includes connection at Waterloo Station and delivers connections from the Beltway Cycleway to schools and the hospital.	Increase in capex of \$9.75M with assumed funding from NZTA at 51% of \$5M. Officers recommend the approval of the recommended changes.	Refer Attachment M	163	Support to review timing of this \$9.75M with priority given to Beltway connections over the next three years. Further information required on options for this. Interim assume \$9.75M brought into years 1 to 3, further additional funding added..
20.	Investing in infrastructure Being financially sustainable	<u>Development Contributions (DC) revenue</u> There is an opportunity to fund a wider range of growth related infrastructure projects from development contributions revenue. A review of the DC policy has been progressing through the LTP Subcommittee since September 2020, with a further report included in this agenda.	Increase in revenue of approximately \$29M over the period of the LTP, being an increase in budget from \$10M to approximately \$39M). The revenue is spread over the following activities – Transport \$6.3M, Stormwater \$1.9M, Water Supply \$18.3M and Wastewater \$12.2M. The increase in revenue results in lower borrowing requirements for the Council. Officers recommend the approval of the increased DC revenue in the DLTP.	Refer separate report on the agenda	41	Approved for inclusion Draft plan for consultation

Ngā mihi

Jenny Livschitz

Kaihautū Ahumoni | Chief Financial Officer

Te Kaunihera o Te Awa Kairangi | Hutt City Council, 30 Laings Road, Private Bag 31912, Lower Hutt 5040, New Zealand
Kawereō 027 238 5980, Paetukutuku www.huttcity.govt.nz

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From: Josef Shadwell
Sent: Tuesday, 19 January 2021 9:07 AM
To: Jenny Livschitz
Cc: Daniel Koenders
Subject: RE: Consultation document - facts/messaging

Kia ora Jenny,

Thanks so much for this. Yes, I have a copy of the draft CD.

And yes, I'll flick you the draft foreword to you today for you to look over.

Cheers
Josef

From: Jenny Livschitz
Sent: Monday, January 18, 2021 5:13 PM
To: Josef Shadwell
Cc: Daniel Koenders
Subject: RE: Consultation document - facts/messaging

Hi Josef

Below is some info for you to work with. Probably best you flick your first draft through so that we can check that all technically correct.

Have you got a copy of the draft consultation document? I'm expecting the Mayor's message will act as an introduction and overview of the rest of the consultation document.

1) Capital investment

A capital investment spend of \$1.3 billion or \$1,343 million
43% of which is for Three Waters and 26% on Transport.

- Three Waters \$578M
- Transport \$355M

(Previous LTP \$645M of which \$213M Transport and Three waters \$257M)

2) Rates increase

For 2021/22, we are proposing an overall 5.9% increase in rates charges for ratepayers. This equates to an average increase of \$2.50 per week per household or \$130 per annum. Investment in our Three Waters infrastructure makes up over half (\$72) of this increase. The remaining increase covers cost increases for all the other services provided by council. For an average commercial central property an increase of \$31.10 per week is projected.

You need to also comment re. rates increase

- this excludes charges for the refuse and recycling services changes which were approved by Council in late 2020 and are due to implemented on 1 July 2021. Homeowners would have offsetting cost savings as they would no longer need to purchase rubbish bags or pay for private rubbish collection service. The indicative rating impacts shown here do not reflect these service changes as there will be offsetting savings for households.

3) Savings (Caryn mentioned this as CLT)

As part of the Annual Plan 2020/21 emergency budget the Council took a number of decisions which led to savings of \$3M; these savings have an ongoing effect and reduce the rating impact. During September 2020 officers conducted a base budget review upon the request of Council. This process identified \$2.2M of savings, which have been applied in order to reduce the rating impact for the LTP. Council will continue to drive for efficiencies and revenue opportunities to reduce the rates burden into the future.

4) You should mention the key items that are being consulted on

- Three Waters
- Transport
- Naenae Pool
- Petone Wharf
- Urban Plus Limited
- Riverlink
- Spatial planning
- Rates policy
- Development Contributions

5) Some key messages which are in the LTP subcommittee report which you could possibly rework

- There are significant challenges facing the Council, in particular in regards to the ageing Three Waters infrastructure, historical underinvestment and a growing city.
- The financial strategy focuses on strong fiscal management whilst addressing growing demands for increased capital expenditure in core infrastructure assets. A capital investment spend of \$1.3 billion is proposed for the ten years of the LTP, 44% of which is for Three Waters and 28% on Transport.
- Affordability of rates is a key principle of the Council's Financial Strategy which has been very much front of mind in the preparation of the draft plan for consultation. The overall rates revenue increase has been considered by the Council in light of a number of factors, including the legislative requirement for a balanced budget and financial prudence as well as factoring in the economic environment as a result of Covid-19. It was agreed that a proposed 5.9% rates increase for 2021/22 be included in the DLTP for public consultation.

Cheers
Jenny

From: Josef Shadwell
Sent: Monday, 18 January 2021 2:15 PM
To: Jenny Livschitz; Daniel Koenders
Subject: Consultation document - facts/messaging

Kia ora Jenny and Dan,

Hope you both enjoyed your break over Christmas!

I'm drafting the Mayor's foreword for the LTP consultation document, and I'm after some key messaging/facts.

Are you able to please provide some high-level facts for the doubling of the capital investment programme (eg, three waters, transport, etc), and also, what the proposed rates increase will likely mean for ratepayers on a weekly basis (cost of increase per week).

Essentially, we want to be saying that doubling CAPEX = \$p/w, and the investment in these projects will help our city tackle the underinvestment we've faced.

If you have any other noteworthy facts or messages, feel free to send them my way too.

Cheers
Josef

Released under the Local Government Official Information and Meetings Act 1987

From: Jon Hoyle
Sent: Monday, 19 April 2021 1:38 PM
To: Jenny Livschitz
Cc: Caryn Ellis; Josef Shadwell
Subject: RE: Rates increase in LTP

Thanks Jenny

Jon Hoyle

Senior Comms Advisor

Hutt City Council, 30 Laings Road, 5040, Lower Hutt 5040, New Zealand

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ABOUT MENTAL HEALTH
"KORANGA KORERO"



Wellbeing at HCC

From: Jenny Livschitz
Sent: Monday, 19 April 2021 1:37 PM
To: Jon Hoyle
Cc: Caryn Ellis; Josef Shadwell
Subject: RE: Rates increase in LTP

Hi Jon
I've had a chat to Caryn. She will give you a call.

Cheers
Jenny

From: Jon Hoyle
Sent: Monday, 19 April 2021 1:16 PM
To: Jenny Livschitz
Cc: Caryn Ellis; Josef Shadwell
Subject: FW: Rates increase in LTP

Hi Jenny
Are we able to provide a response to the reporter?
Jon

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Senior Comms Advisor

Hutt City Council, 30 Laings Road, 5040, Lower Hutt 5040, New Zealand

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ORANGA KOROKO

Wellbeing at HCC

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Sent: Monday, 19 April 2021 11:37 AM
To: Jenny Livschitz
Cc: Caryn Ellis; Josef Shadwell
Subject: FW: Rates increase in LTP

Hi Jenny

I've had a student reporter inquiring into the LTP, namely the rates increase (see below). She suggests we're misleading the public. That if we add rubbish and recycling (is this not a fee for service?) into the equation, the rise will be closer to 15 per cent.

She requires a response by the end of today and will offer the story to Hutt News and Wellington Scoop.

Are you able to briefly state whether the reporter's assumption is correct or not and provide reasons? I'd like to keep this as brief as possible.

This enquiry was originally directed to the mayor's office but he will not be responding.

Thanks

Jon

Jon Hoyle
Senior Comms Advisor

Hutt City Council, 30 Laings Road, 5040, Lower Hutt 5040, New Zealand

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ORANGA KOROKO

Wellbeing at HCC

From: Traylen, Jem [<mailto:Jem.Traylen.1@uni.masse.ac.nz>]
Sent: Monday, 19 April 2021 10:59 AM

To: Jon Hoyle

Subject: Rates increase in LTP

Kia ora Jon

I'm writing a story for publication about the proposed rates increase in the consultation document for the LTP.

Council is presenting this as "an overall 5.9% increase in rates revenue"

I note that from the CD - Total rates income is projected to increase from \$113.3 million to \$130.1 million, which is a 14.88% increase.

I can see that there is fine print saying the 5.9% figure excludes rubbish and recycling - but this seems to be a bit misleading.

I would like to get comments from the mayor about this - I am aiming to file my story this evening.

Nga mihi/kind regards

Jem

Jem Traylen (She or They)
Postgraduate Student, Journalism
Massey University
Wellington 6140
New Zealand

7(2)(a)

Jem.Traylen.1@uni.massey.ac.nz

<https://www.linkedin.com/in/jemtraylen/>

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<https://www.linkedin.com/in/jemtraylen/>

Released under the Local Government Official Information and Meetings Act 1987

From: Jenny Livschitz
Sent: Friday, 11 December 2020 9:04 AM
To: Wendy Moore
Cc: Daniel Koenders
Subject: Your engagement paper

Hi

The exec summary of my report has been tweaked following feedback from Mayor/Jarred. Please see reference below to your engagement report – just need to make sure all the reports are aligned.

Thanks
Jenny

Executive summary

1. Over the past 12 months Council have taken a range of key decisions to address key matters across Lower Hutt. This has included drafting an LTP amendment to progress major projects such as Naenae Pool (which was ultimately deferred as a result of COVID-19), the 2020/2021 Annual Plan (otherwise known as the emergency COVID-19 budget) and completing an LTP amendment in order to implement a new waste and recycling service.
2. Council's work programme to date has broadly focused on investment in basic infrastructure and services, which has been a clear directive from elected members. The 2020/2021 Annual Plan for example focused on investment in three waters infrastructure – particularly asset renewals.
3. The work completed to date has given officers a key starting point ahead of the preparation of the Draft LTP 2021-2031 (DLTP) for public consultation. Officers have also sought elected member feedback through a range of engagement, including a hui with Councillors and Community Board Chairs in September.
4. From this hui, officers were able to distill the aspirations, priorities and vision elected members have for the city. As a result of this and general public feedback (from relevant consultations), officers have developed six draft priorities for the LTP, for early engagement with the community. These priorities are:
 - Investing in infrastructure | Whanake i ngā poupuu o te hapori
 - Increasing housing supply | Hei āhuru mōwai mō te katoa
 - Caring for and protecting our environment | Tiaki taiao
 - Supporting an innovative, agile economy and attractive city | Taunaki ōhanga auaha, tāone whakapoapoa
 - Connecting communities | Tūhono hapori
 - Being financially sustainable | Whakauka ahumoni

Feedback from the pre-engagement period will be reported to Council on 2 February 2020, and further information is detailed in a separate report on this agenda.

5. This report seeks a range of important decisions to inform the DLTP and Consultation Document, in particular required budget decisions (table 2) and the associated funding impacts, as well as the potential rates revenue increase (table 8). The budget decisions have been linked to the six priorities to help support decision making.
6. Investment in Three Waters infrastructure is proposed to a continued priority area due to the ageing infrastructure, historic under investment and a growing city. Council has considered a range of advice from Wellington Water on investment options and decided to consult on a 'mid-option' (refer Section B). As a result of these decisions the proposed changes to targeted rates are shown below.

	AP 2020/21	DLTP 2021/22	Change since 2020/21
Wastewater – per rating unit	\$519.00	\$559.00	\$40.00 8% Increase
Water supply – per rating unit	\$489.00	\$521.00	\$32.00 7% Increase

7. The overall rates revenue increase is considered in light of a number of factors, including the legislative requirement for a balanced budget and financial prudence as well as factoring in the economic environment as a result of Covid-19. In light of this officers are proposing a 5.9% rates increase for 2021/22 for inclusion in the DLTP for public consultation.

Long term view of rates increase proposed for inclusion in the DLTP:

	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026- 2031</u>
Total overall rates revenue increase*	5.9%	4.9%	4.9%	7%	7%	7%

*Note excludes revenue from growth in the rating base, refer table 6.

* Note excludes impact of service changes for waste services, refer table 5.

8. **Projected rating impact**

Affordability of rates is a key consideration of Council. The proposed rates rise equates to an average increase of \$2.50 per week per household or an average increase of \$130 per annum. Investment in our Three Waters infrastructure makes up over half (\$72) of the average \$130 per annum rise. The remaining \$58 covers cost increases for all the other services provided (including Transport, Parks, Community facilities etc.).

Property category	2020/21 rates	2021/22 rates	Change per annum	Change per week
Average residential, CV \$629k	\$2,608	\$2,738	\$130	\$2.50
Average commercial central, CV \$1.7M	\$13,994	\$15,612	\$1,619	\$31.13

9. During August/September officers conducted a base budget review upon the request of Council. This process identified \$2.2M of savings, which have been applied in order to reduce the rating impact for the upcoming LTP period.

Council also took a number of decisions which led to savings of \$3M as part of the 2020/2021 Annual Plan (Emergency Budget). These savings have an ongoing effect and also reduce the rating impact.

10. The financial projections as a result of this proposed rates revenue level are:

- A projected underlying net operating deficit in 2021/22 of \$18.8M (table 12)
- A balanced budget is projected to be achieved in 2029/30 (graph 10)
- Net debt is projected to peak at \$630M in 2031/32 (graph 8)
- Net debt to revenue ratio peaks in 2026/27 at 215%, which is within the financial strategy limit approved for the DLTP of 250% (graph 9).

Ngā mihi

Jenny Livschitz

Kaihautū Ahumoni | Chief Financial Officer

Te Kaunihera o Te Awa Kairangi | Hutt City Council, 30 Laings Road, Private Bag 31912, Lower Hutt 5040, New Zealand
Kawereo 027 238 5980, Paetukutuku www.huttcity.govt.nz

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From: Jon Hoyle
Sent: Monday, 19 April 2021 1:16 PM
To: Jenny Livschitz
Cc: Caryn Ellis; Josef Shadwell
Subject: FW: Rates increase in LTP
Attachments: hccsmalllogo_fc6f6e05-be46-4dd3-bc01-910915b54a7e.jpg;
12153HaHEmailSignatureFINAL_03bf4963-e923-4668-bd5b-b794173b5f82.JPG

Hi Jenny
Are we able to provide a response to the reporter?
Jon

Jon Hoyle

Senior Comms Advisor

Hutt City Council, 30 Laings Road, 5040, Lower Hutt 5040, New Zealand
T 04 570 6786, M 027 4039469, W www.huttcity.govt.nz



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'ORANGA KOBERE'



Wellbeing at HCC

From: Jon Hoyle
Sent: Monday, 19 April 2021 11:37 AM
To: Jenny Livschitz
Cc: Caryn Ellis; Josef Shadwell
Subject: FW: Rates increase in LTP

Hi Jenny

I've had a student reporter inquiring into the LTP, namely the rates increase (see below). She suggests we're misleading the public. That if we add rubbish and recycling (is this not a fee for service?) into the equation, the rise will be closer to 15 per cent.

She requires a response by the end of today and will offer the story to Hutt News and Wellington Scoop.

Are you able to briefly state whether the reporter's assumption is correct or not and provide reasons? I'd like to keep this as brief as possible.

This enquiry was originally directed to the mayor's office but he will not be responding.

Thanks

Jon

Jon Hoyle

Senior Comms Advisor

Hutt City Council, 30 Laings Road, 5040, Lower Hutt 5040, New Zealand

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ABOUT MENTAL HEALTH
ORANGA KOROKO



Wellbeing at HCC

From: Traylen, Jem [<mailto:Jem.Traylen.1@uni.massey.ac.nz>]

Sent: Monday, 19 April 2021 10:59 AM

To: Jon Hoyle

Subject: Rates increase in LTP

Kia ora Jon

I'm writing a story for publication about the proposed rates increase in the consultation document for the LTP.

Council is presenting this as "an overall 5.9% increase in rates revenue"

I note that from the CD - Total rates income is projected to increase from \$113.3 million to \$130.1 million, which is a 14.88% increase.

I can see that there is fine print saying the 5.9% figure excludes rubbish and recycling - but this seems to be a bit misleading.

I would like to get comments from the mayor about this - I am aiming to file my story this evening.

Nga mihi/kind regards

Jem

Jem Traylen (She or They)
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Massey University
Wellington 6140
New Zealand

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Jem.Traylen.1@uni.massey.ac.nz

<https://www.linkedin.com/in/jemtraylen/>

From: Jon Hoyle
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Cc: Caryn Ellis; Josef Shadwell
Subject: FW: Rates increase in LTP

Follow Up Flag: Follow up
Flag Status: Flagged

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"ORANGA KŌRERO"



Wellbeing at HCC

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<https://www.linkedin.com/in/jemtraylen/>

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From: Caryn Ellis
Sent: Thursday, 13 May 2021 5:00 PM
To: Daniel Koenders
Subject: FW: Rates revenue increase in the LTP

From: Jenny Livschitz
Sent: Wednesday, 14 April 2021 2:59 PM
To: Jarred Griffiths; Caryn Ellis
Subject: Rates revenue increase in the LTP

Hi Jarred

Following on from discussion this morning. Let me know if you need any further information.

- Components of the rates revenue increase
 - o Overall 5.9% rates revenue increase across the city which impacts all property owners
 - o Increases for targeted rates for rubbish, recycling and green waste only impact households/residential properties
 - There will be offsetting cost savings for home owners as they no longer need to purchase rubbish bags or pay for private rubbish collection services.
 - This equates to a 7.9% rates revenue increase to fund the cost of these new services.
 - Separate LTP consultation on proposed service changes completed in October 2020
 - o A further 1.1% increase in rates revenue is from assumed growth in the rating base (such as new properties or extensions to existing properties)
- Total 14.9% increase
- The LTP consultation document clearly separates out the rubbish/recycling changes for rates revenue to the other changes to rates revenue.
 - o The 5.9% impacts all ratepayers
 - o The 7.9% for the new rubbish/recycling services impacts households only and there are offsetting savings

Further detailed information:

There are a number of references to the changes to rubbish and recycling in the Consultation document

Extract of consultation document

Page 59 financial overview

Over the life of the Long Term Plan, the proposed rates revenue increases range between 4.9 per cent and 6.8 per cent.³

³ These projected rates revenue increases do not include the waste service changes (rubbish and recycling).

Page 62 Rating revenue

Rating revenue

Over the life of the Long Term Plan, the proposed rates revenue increases range between 4.9 per cent and 6.8 per cent.

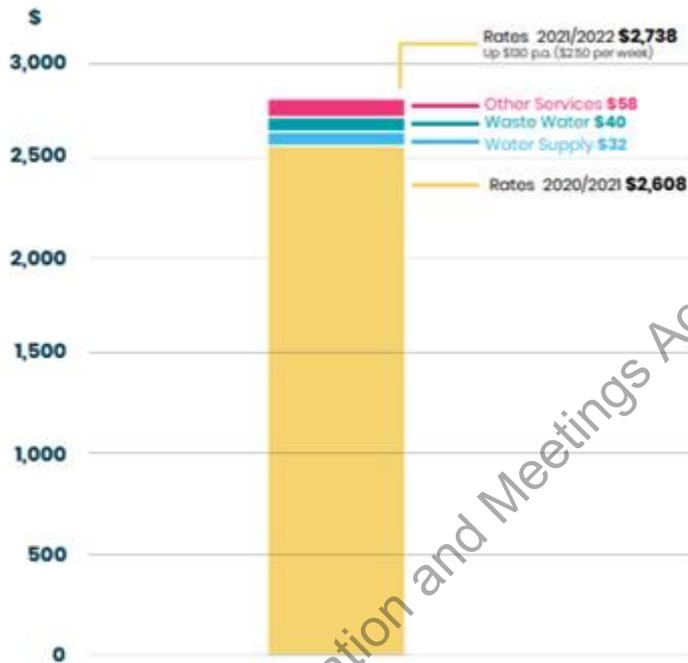
For 2021/22, we are proposing an overall 5.9 per cent increase in rates revenue.

This equates to an average increase of \$2.50 per week per household,⁴ or \$130 per annum.

Investment in our Three Waters infrastructure makes up over half (\$72) of this increase. The remaining increase covers cost increases for all the other services Council provides. For an average commercial central property, we project an increase of \$15.00 per week.

⁴ A new city-wide rubbish and recycling service will be provided to residents from July 2021. Service charges for this are not included in the proposed rates increase. We consulted on changes to rubbish and recycling services in 2020; the final Long Term Plan amendment was approved on 27 October 2020. Under the new system, homeowners will no longer need to purchase rubbish bags or pay for private rubbish collection service.

Figure 2: Projected rating impact for average residential ratepayer



Extract from detailed LTP:

- Annual Plan 2020/21 rates income \$113,254
- Long Term Plan 2021/22 rates income \$130,102

Increase in rates take of 14.88%

Extract of Financial strategy page 69 of the LTP provides information on this:

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Table 3: Summary of proposed rates increase limits and projected rates

Entity	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Projected rates income ¹ (\$M)	130.1	137.7	145.8	156.9	169.0	181.9	195.8	210.9	227.1	244.5
Rates revenue increase ²	5.9%	4.9%	4.9%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%
Rates revenue increase for refuse and recycling service changes ³	7.9%									
Local Government Cost Index benchmark	3.2%	2.9%	2.9%	2.9%	2.9%	2.8%	2.9%	2.9%	2.9%	2.7%
Assumed growth in rating base	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%

Notes:

1. These figures include inflation but exclude GST.
2. These figures do not take into account additional income from new properties in the city each year. Property growth is assumed to be 0.11 per cent annually.
3. Changes to refuse and recycling services were consulted on in 2020, and the final Long Term Plan amendment approved on 27 October 2020. The implementation date for these changes is 1 July 2021. There will be offsetting cost savings for homeowners, as they will no longer need to purchase rubbish bags or pay for private rubbish collection services.

Ngā mihi

Jenny Livschitz

Kaihautū Ahumoni | Group Chief Financial Officer

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