

Whaowhia te pae tawhiti

Help us take
the next steps

2024–2034 10 Year Plan
Consultation Document

HUTT CITY
TE AWA KAIRANGI



Tukuna mai ōu whakaaro

We want to
hear from you



This document sets out our plans and budget for the next 10 years and asks you for your thoughts and feedback.

As you read through this document, please think about:

What is most important to you when it comes to the options we're proposing?

Have we taken the right approach with the updates to our strategies and policies?

Is there anything else you'd like to share with us?

You can provide as much or as little feedback as you like. What's important to you is important to us, and we want to hear from as many of you as possible.

You can have your say in a way that suits you:



Check out the online feedback form at hutt.city/10yearplan



Chat with us in person at a community kōrero drop-in session. See page 45 or visit our website for the details on when and where we will be out and about



Email us at: haveyoursay@huttcity.govt.nz



Present your feedback directly to councillors at hearings being held on 15, 16 and 17 May 2024



Grab a paper version of the feedback form. They're available from any of our neighbourhood hubs and libraries, or from our administration building at 30 Laings Road



Scan the QR code here which will take you directly to our online feedback form



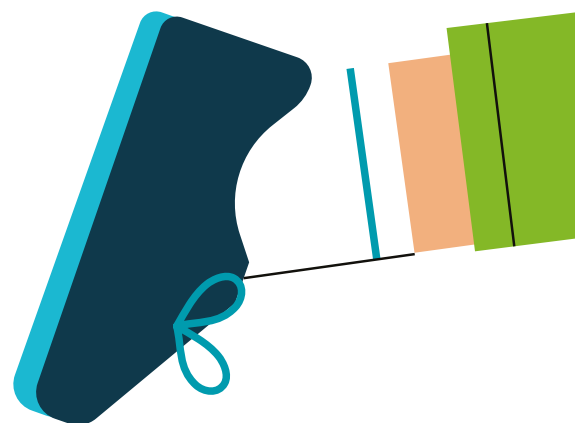
All feedback must be received by 5pm Friday 3 May 2024



Ngā hua o roto

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He karere nā te Koromatua/ Tumu Whakarae

Message from our Mayor and Chief Executive



Kia ora, welcome to the consultation document for our 10 Year Plan

Te Awa Kairangi ki Tai Lower Hutt is a growing city with dynamic and diverse communities.

We are home to thousands of businesses and innovators who drive our economy. We have a spectacular coastline, a beautiful river that flows through our city and many green spaces for everyone to enjoy. It's easy to see why more and more people are choosing to call Lower Hutt home.

We want to do more to ensure that our city is a place where everyone can thrive. We're working hard to achieve this through the initiatives outlined in our proposed plans which are set out in this consultation document.

As our city grows there are challenges we need to plan for and opportunities we need to make the most of. Inflation and the rising cost of living are impacting all of us. At the same time, our Council is dealing with a backlog of historic underinvestment in our key infrastructure – shown in our ageing pipes and the risk of future water shortages.

Through our plans we need to strike the right balance between the investment needed and the cost impact on people. Fixing our pipes, seeking feedback on residential water meters, and investing in other water infrastructure are our top priorities. These drive much of the proposed rates increase set out in this draft 10 Year Plan.

We know that more investment is required in our three waters network and that even the proposed \$1.6 billion investment will not get us entirely to where we need to be. We've balanced affordability for our ratepayers with the need for investment. We are working with central government and colleagues across the region for a better way of delivering water services and to secure investment to ensure they are fit for purpose.

We are continuing the futureproofing of our city through transport and resilience projects including Te Wai Takamori o Te Awa Kairangi (RiverLink), Eastern Hutt Road, and Tupua Horo Nuku (Eastern Bays shared path). Prioritising these projects ensures our city is a safe place where everyone can thrive for decades to come.

This draft 10 Year Plan has been very challenging to put together. We've gone through the budget line-by-line to find savings, identify revenue opportunities and proposed spending cuts before coming up with our proposals. We are not willing to put off the investment that our city sorely needs, nor are we willing to make significant cuts to our core services. We've had to make some difficult calls and after rigorous work have made \$35 million in savings across the board. We've also had to ensure we're prioritising the investment needed to bring critical water and roading infrastructure up to scratch. To achieve the investment needed to safeguard future generations, we're proposing an overall 16.9% increase (after growth) in rates revenue for the 2024–25 year.

We now invite you to provide your feedback through this consultation document – your input is more important than ever. Consultation is open between 2 April and 3 May 2024. We look forward to receiving your feedback which will be crucial in our decision-making.

Ngā mihi nui,

Campbell Barry
Koromatua
Mayor

Jo Miller
Tumu Whakarae
Chief Executive



Ngā kaupapa kua ea i a mātou i ngā tau e toru

What we've achieved in the last three years

Over the last three years, we've been working hard to get the basics right. We've continued to deliver our investment programme while prioritising projects with partner funding to reduce the burden on our ratepayers. Increasing resilience has been a major focus for us.

We've achieved a lot for the city since 2021.



Our updated carbon footprint reduction data shows we are reducing Council's carbon footprint. Our key areas of focus to reduce emissions are swapping gas for electricity at our facilities, energy reduction, waste diversion and the introduction of electric vehicles.

2021

- ✓ **New rubbish and recycling service**
We launched a new kerbside rubbish and recycling service for residents in our city, which increased the amount of kerbside recycling diverted by over 20%. Electric collection trucks, enhance our environmental efforts.
- ✓ We adopted our **Carbon Reduction and Climate Resilience Plan**. This set a 2050 net-zero emissions goal. Progress since then includes phasing out natural gas, upgrading facilities, and initiating electric heat pump projects.
- ✓ We opened **Lower Hutt's first purpose built dog park** in Wainuiomata. We also replaced plastic dog registration tags with metal ones designed to last a dog's lifetime.
- ✓ We celebrated **50 years of the Dowse** with a programme reflecting our continued commitment to supporting contemporary jewellery, ceramics, international art practices, profiling regional artists, and projects focused on fashion, street art and hip hop.
- ✓ We completed a two-year refurbishment project to **extend the life of Days Bay Wharf**. The wharf is a feature of Days Bay life, keeping the Eastbourne community connected to other parts of Lower Hutt and Wellington.



2022

- ✓ **Eastern Hutt Road and other slip remediation**
Following severe weather there were around 200 slips across our city. The land slip above Eastern Hutt Road was significant and required resources to be redirected to get this busy roading corridor re-opened.
- ✓ **We signed four new Tākai Here (relationship agreements) with mana whenua.** These agreements set out the expectations of our partnership, including principles, roles and responsibilities.
- ✓ We began construction of the **new Naenae Pool and Fitness Centre** which is tracking on time and on budget. The \$68 million project is funded with \$27 million from the Government's Crown Infrastructure Partners.
- ✓ We partnered with Te Rūnanganui o Te Āti Awa, Council-controlled organisation Urban Plus Limited and He Herenga Kura to **build and deliver 19 new, fully furnished homes in Taitā for whānau in housing need.**
- ✓ A partnership between Te Awa Kairangi Kai Collective and Hutt City Council **won an Excellence Award for Social Wellbeing** at the Local Government New Zealand awards in July 2022.
- ✓ We joined the Ministry of Social Development and other regional partners to help establish the **Hutt Valley Jobs and Skills Hub**, which aims to connect local communities with the thousands of new jobs predicted to be created out of local projects like RiverLink over the next decade.

2023

- ✓ **Key wastewater infrastructure was replaced from Barber Grove to Seaview**
This was a joint \$34.4 million project with Upper Hutt City Council (who are responsible for a third of the costs). The project involved duplicating a section of the current wastewater pipe, which reduces the risk of wastewater entering Te Awa Kairangi and the Waiwhetū Stream in the event of a major earthquake.
- ✓ We opened a **new library in Maungaraki** through an innovative partnership with Maungaraki School and the Maungaraki community.
- ✓ **Wainuiomata town centre upgrade**
In June 2023, the long-awaited redevelopment of Wainuiomata's civic heart was completed.
- ✓ We invested \$350,000 in the refurbishment of a new home for **Ignite Sport Centre** in Waiwhetū which opened in April 2023.
- ✓ **We won a national award for "collaborative government action"** and the overall **Supreme Award** at the Taituarā Local Government Excellence Awards for our Takai Here Tāngata partnership, which provided quality housing in Taitā for whānau in high housing stress.
- ✓ **Electric vehicle chargers**
In collaboration with Meridian Energy, we completed the installation of 38 new electric vehicle charging stations. Most residents now live within 3–4km of an EV charging station.
- ✓ **Council website of the Year**
We took out the top spot out of 78 councils from across the country at the Association of Local Government Information Management Awards 2023.

Ngā wero o te wā

The challenges we're facing

It's important to understand the challenges we're facing as we put together our draft 10 Year Plan. Every three years we prepare a plan that sets out the budget for our core services as well as projects we plan to fund in the 10 years ahead.

Like many places across Aotearoa New Zealand, we are facing considerable financial demands, affordability pressures for our ratepayers, record growth, underinvestment in infrastructure and the impacts of a changing climate. All these factors play a part in how we plan to take the next steps for our city.

A challenging economic environment

Since setting our last 10 Year Plan in 2021, circumstances have changed a lot, with many factors creating a more challenging economic environment.

We know our community is facing increasing cost burdens that are having a significant impact on day-to-day living. Council is also faced with economic pressures such as high inflation, the higher cost of borrowing due to increased interest rates, increasing insurance costs, and higher construction and resourcing costs. We need to strike the right balance between these cost pressures and the importance of investing in our city's infrastructure. Simply put, we are just like everyone else — facing much higher costs and the need to balance our budget.

A growing population

The current population of Te Awa Kairangi ki Tai Lower Hutt is about 113,000. We're expecting this figure to reach 125,000 by 2033. Population growth of this scale is putting huge pressure on our supply of houses and infrastructure like pipes and roads.



What we're doing:

We're working in partnership with the Government and the private sector to address this issue. We want to deliver a city that is thriving and meets the needs of diverse businesses, residents, and visitors. We're proposing to continue our policy which requires developers of new houses to contribute to the cost of growth-related infrastructure such as the cost of the pipes and roads to help support our increasing population.



What we're doing:

We're carefully considering the rating impact on our community who are affected by the rising cost of living. This means reviewing project budgets and working hard to find savings in our operating costs.



Find out more detailed information about our cost savings at hutt.city/10yearplandocs



89% of you agreed or strongly agreed

that providing infrastructure that is fit for the future should be a key focus for Hutt City Council.

“We need to think about what the Hutt needs in 5, 10, 20 years.”

“We need the basic infrastructure that allows people to lead their everyday lives comfortably, but we also need to be future-focused.”

Lower Hutt resident

Looking after ageing infrastructure

We're dealing with the consequences of historic underinvestment in our ageing infrastructure that is affecting our city. This means that the resilience of our water services and transport network are in the spotlight even more with higher levels of investment required.

Weathering a changing climate

Communities around the country are feeling the impact of more frequent and severe weather events due to a changing climate. With much of our population living on a large floodplain, we know that Te Awa Kairangi ki Tai Lower Hutt is especially susceptible to the risk of flooding and our changing climate has contributed to landslides.

Managing our assets

One of the financial challenges we're facing is the future affordability of our community facilities and parks and reserves. Past under-investment, in many of our facilities means significant work is required over the next 10 years.

At the same time there is increasing demand from our growing population and new activities. We must ensure we can continue to meet the needs of our communities while not increasing the burden on ratepayers.



What we're doing:

For this 10 Year Plan, we're taking the next steps with a clear commitment and strong focus on improving our infrastructure. Most of our investment is going towards water and transport as well as projects focused on adapting to a changing climate. All this work is essential in building strong foundations for our future. However, we still have a significant deferred work programme which will need to be dealt with in years beyond this 10 Year Plan. This will be difficult to do with our current funding mechanisms.



What we're doing:

Te Wai Takamori o Te Awa Kairangi (RiverLink) is a major project we are undertaking in partnership with Greater Wellington Regional Council, Mana Whenua and central government. As well as improving flood protection the project will develop better walking, cycling, and public transport connections in central Te Awa Kairangi ki Tai Lower Hutt and help to revitalise our city centre.

We want to avoid increasing debt any further on this project. We're considering ways to lower costs by reducing some parts of the project and looking at different ways of doing things, as well as investigating other funding sources.

We're also exploring extending due dates over the life of the project so we can spread the costs more evenly across a longer period of time, reducing the impact on our balance sheet and our ratepayers.



What we're doing:

We're proposing increases to leases, licenses and hire fees in line with our Revenue and Financing Policy to ensure they reflect the true cost of assets and strike a fair balance for users and non-users.

We also plan to look at when and how buildings and spaces are being used and whether they could provide better service to our community, alongside the existing users.



Find more information about how we're proposing to manage our assets going forward at hutt.city/10yearplandocs

How we're planning to navigate these challenges

This plan centres around three key priority areas and three ways to support how we deliver them.

Over the next 10 years we are focused on:

- 1 Providing future-fit infrastructure
- 2 Enabling a liveable city and vibrant neighbourhoods
- 3 Supporting and enhancing the environment

And we're focused on doing things:

- 1 In partnership with our communities
- 2 In a way that is financially sustainable
- 3 Taking climate change into account

All while promoting the wellbeing of all people.



Our long-term financial planning

With the cost burdens we're facing, we've made budget savings, identified revenue opportunities and reduced spend by almost \$35 million.

Given the importance of the decisions that needed to be made we went through all our budgets line by line, and looked at each project in detail to be sure that we're doing everything we can to make savings.



We have a handy rates calculator where you can see what your estimated rates would be for 2024–25 at hutt.city/ratescalculator



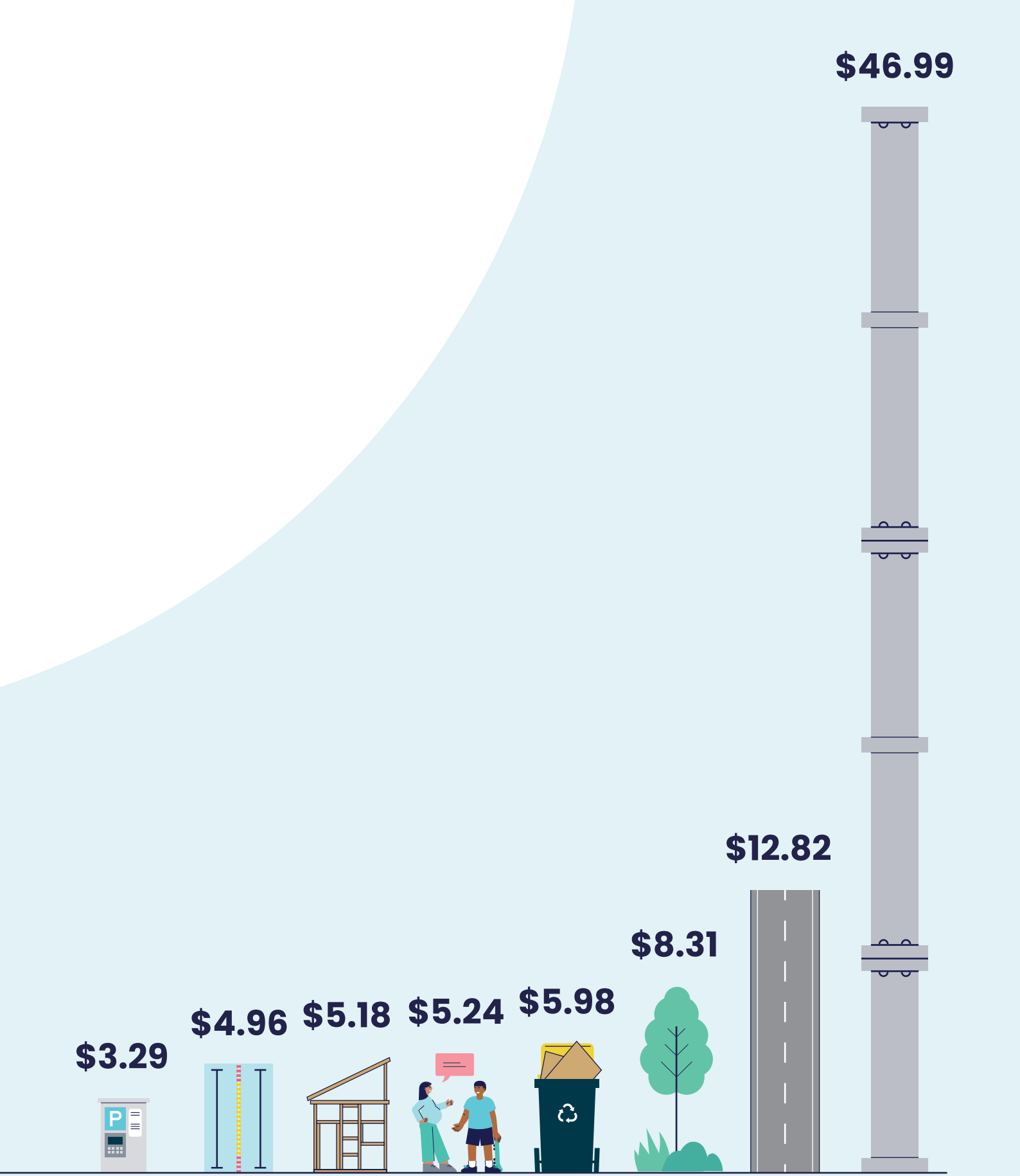
Find out more detailed information about our cost savings at hutt.city/10yearplandocs

Over the next 10 years, for every \$100 you spend in rates, on average we plan to spend:



We expect to receive -\$5.99 of credit from the landfill. This will help to offset costs and is reflected in the figures for all these other services shown on this page.

* Sustainability engagement represents spending on community activities, along with facilitation of projects across council activities, including investment in decarbonisation of council facilities, cycleways, RiverLink, and healthy urban waterways.



Traffic management and parking

Pools

Development and growth

Community partnering

Waste and recycling collection

Parks and reserves

Roads, bridges and footpaths

Water services**

The cost of borrowing has increased significantly and is allocated to service areas where incurred.

** Water services is made up of water supply (\$19.28), wastewater (\$20.01) and stormwater investment (\$7.70).

Tukuna mai ōu whakaaro mō ēnei take hirahira

We need your help to take the next steps on these **four issues**

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Water services

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Ratonga kōhi pararopi
Food organics and green
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Ngā hua pūmau i Pito One
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Ratonga wai

Water services

Let's look at how much we spend on our water services.

What's the issue?

The largest part of our budget for this draft 10 Year Plan is being set aside for infrastructure so we can meet the needs of our growing city. Like many places across Aotearoa New Zealand, we are facing a number of challenges with our drinking water, wastewater, and stormwater infrastructure. Even with increased investment since 2020–21, we can't keep on top of the levels of service required to meet our city's needs. The reality is that our water services infrastructure has suffered from considerable underinvestment spanning decades, and it desperately needs our attention.

There's no doubt we're up against a combination of challenges. Much of our water infrastructure is old, we have high levels of residential water use, and we're losing a lot to leaks. We have also heard and understand your frustration about the hundreds of leaks that can be seen across the city.

Simply put, we're using and losing more water than ever before, and we need to fix it.

Why does this matter?

If we don't increase our spend on water infrastructure, we risk greater water emergencies in the future. We need to provide Wellington Water with the funding to be able to fix more leaks as well as replace pipes to give us a reliable service now, and in the future.

It's time to take a stand to make sure the essentials are being taken care of.



We know a lot of investment is needed to bring our ageing water network up to date, right across our city.



See more about our water services at hutt.city/10yearplandocs

What we need your help with

We want you to indicate to us the level of investment in water infrastructure you're willing to fund through rates.

We're looking at a short-term boost to investment to help clear the backlog of leaks and get Wellington Water in a better position to manage their regular workload of maintenance, repair and renewals. We also need to invest in long-term solutions to stop the leaks altogether.

Based on Wellington Water's advice, we're proposing a significantly higher investment in our water infrastructure from \$1 billion over 10 years in the Annual Plan 2023–24 to \$1.6 billion in our draft 10 Year Plan.

You may disagree with the options as presented and you can provide feedback on your preferred option.

\$78M



The proposal to install universal smart water meters is estimated to cost \$78 million and would take six years to roll out, starting in 2024–25. We will consult with the community if we plan to change how we charge households and businesses for water.

Learn more about water meters at hutt.city/10yearplandocs



Check out our city-wide water assets map on our website where you can see that our water infrastructure is made up of reservoirs, water treatment plants and water storage facilities.

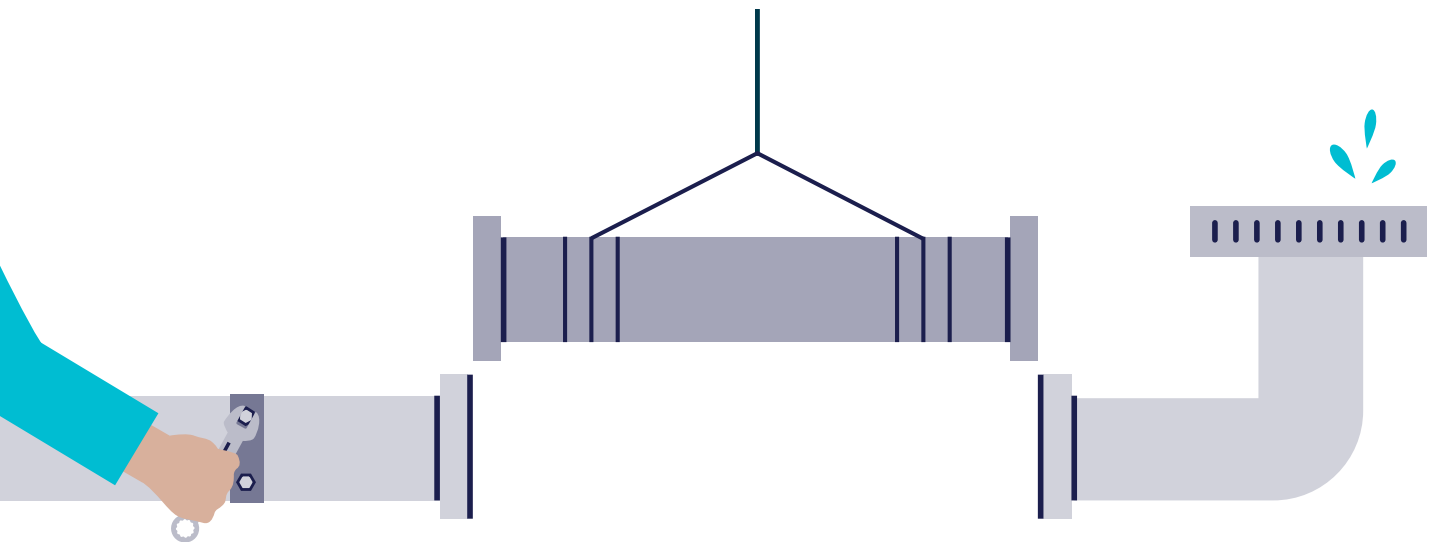
We know that this investment is still not enough. Wellington Water has recommended that we should invest in the maximum deliverable programme of work which will require us to increase investment by an additional \$1 billion over ten years (from the proposed \$1.6 billion up to \$2.6 billion). This additional investment would enable us to increase the length of pipe renewals to 30km a year, based on the qualified workforce able to deliver the works, which would address the backlog over the next 30 years.

We think these recommendations are unaffordable to be funded by ratepayers alone without reform or Government support. We therefore don't consider it to be a preferred option.

Our preferred option is based on what we think is affordable, while highlighting the need to crackdown on leaks. What we're proposing will get us into a position by the end of the year to operate at 'business as usual' and not caught in this serious backlog of leaks.

For more information on the main costs we're facing, check out our supporting documents on our website.

For us to take the next steps to sort out our water services, we're asking for your help to indicate to us the level of investment you're willing to fund through rates.



1912 leaks have been fixed

since 1 July 2023 (as of February 2024).

14.5km of pipes were renewed

in 2022–23. A significant increase from an average of 4km in previous years.

839 leaks are currently across our city

(as of February 2024) and this number won't come down without additional funding and resources.

★ Preferred

Option 1

Increased water infrastructure budget of \$1.6 billion over 10 years, including water meter installation and additional \$2.8 million to resolve backlog of leak repairs

- ✓ Water meters will help the community see their water use at home
- ✓ Installing water meters will help identify leaks and show how serious they are, which means Wellington Water can prioritise repairs
- ✓ Allows us to better operate our Seaview Wastewater Treatment Plant according to our consents
- ✓ We will get on top of the backlog of leaks by the end of 2024
- ✓ Will help Wellington Water meet its goal of 20 day response time to leak notifications
- ✓ Critical infrastructure, such as reservoirs, pumping stations and main network pipes will be renewed meaning major outage disruptions are less likely to occur
- ✗ Local pipe networks will deteriorate with the likelihood of more local outages or disruption to services
- ✗ The backlog in renewals will increase over the 10 year period
- ✗ Responsibility to address the backlog will fall unfairly on future ratepayers

This option would largely maintain the current levels of service over the next ten years.

Rates Impact* \$49 impact in 2024–25 progressively increasing to an additional \$1,245 per year in 2033–34**



Debt Impact[^] Additional \$573 million over 10 years

Additional operating cost^{^^} \$185 million over 10 years

Option 2

Increased water infrastructure budget of \$2.6 billion over 10 years, including water meter installation and the maximum level of pipe renewals we can deliver

All benefits of Option 1 plus:

- ✓ Less leaks likely across the network
- ✓ Network is upgraded to meet demand
- ✓ Achieves targeted investment of 30km of pipe renewals per annum
- ✓ More investment now will mean less costs on future generations
- ✓ Enables us to better meet statutory performance measures
- ✗ Big increase to rates

This option would improve the current levels of service over the next ten years.

Rates Impact* \$49 impact in 2024–25 progressively increasing to an additional \$3,423 per year in 2033–34**



Debt Impact[^] Additional \$1.4 billion over 10 years

Additional operating cost^{^^} \$392 million over 10 years

* Rates figures are included to provide an indicative impact to an average residential property. Individual property charges will vary dependent upon property value and rating category. The calculation of the rates impact includes the estimated capital, debt servicing and known ongoing operational costs for the project compared to rates in 2023–24.

** There would be further rates increases beyond the 10 year period of the plan as the proposed programme continues beyond this period.

[^] The debt impact presented is the net debt requirement after offsetting capital subsidy from Upper Hutt City Council for shared Wastewater assets.

^{^^} Operating cost estimate does not include assumptions for additional costs of maintenance and operations of assets.

Note: Included in option 1 is a rates increase impact of around 1% in the first year, then 2%–3% per year from 2025–26 to 2029–30. In option 2 there is further additional rates revenue increases of about 4% per year from 2025–26 to 2030–31. The preferred option focuses on extra operational budgets for water meters and water leaks backlog but does not include the broader unavoidable budget increases which have also been included in the base budget.

2



Ratonga kahi pararopi Food organics and green organics collection service

Let's look at how we take the next steps in our kerbside waste collection service for food organics and green organic waste (FOGO).

What's the issue?

In a growing city, we're creating more waste, so we must continue to look at ways to divert resources away from our landfills and reduce our waste overall. The Government's [Te Rautaki Para Waste Strategy \(2023\)](#) aims to reduce the amount of organic waste that ends up in landfills. The strategy includes a target that by 2030, food scrap collections must be available to households in urban areas.

We're committed to waste minimisation, and we're on a waste reduction journey across Lower Hutt through our 'Too Good to Waste' programme. We want to continue our great work in this area by expanding the residential kerbside collection service to include a city-wide food and green organics service. This will also help us meet our objectives of reducing emissions. For more information, check out our [Interim Carbon Reduction and Climate Resilience Plan](#).

In partnership with Porirua City Council and Wellington City Council, we propose to introduce a new weekly service to collect food and green organic waste combined into one bin. This means food and garden waste can be disposed of easily and combined in one 80 litre wheelie bin. The likely start date for this service would be July 2027.

This project wouldn't be possible without collaboration.

By working with other councils we will be able to share costs and get the best value for money for our communities. We are working to obtain central government funding to help establish this service.

Decisions on this initiative would need to be revisited should partners choose not to progress and central government funding does not materialise.

Why does it matter?

Food and green waste typically makes up about 50% of kerbside waste. The diversion of this waste will help extend the life of the landfill, and reduce the need for a weekly rubbish collection service. Moving to a fortnightly rubbish collection service could result in savings of up to 25% compared to the weekly rubbish option.

A processing solution for the food and green waste collected may also provide an opportunity for the commercial sector, such as supermarkets and restaurants, to dispose of their organic waste more sustainably.

What we need your help with

Taking all this into account, we're asking you to tell us your thoughts on a food organics and green organics waste collection service.

Operating costs of the collection service would be funded by a new targeted rate. For residential properties that already have a green waste service (about one-third of homes in Lower Hutt), the changes are expected to broadly be cost-neutral or result in savings.

★ Preferred

Option 1

Set up a food organic and green organic collection service starting 1 July 2027.

- ✓ We decrease the need for landfill capacity, and reduce city-wide emissions
- ✓ Aligns with other major cities that already have such services (e.g. Christchurch, Auckland, Tauranga)
- ✓ Complements existing kerbside service and is relatively easy to set up
- ✓ Costs of setting up a processing facility are shared with Porirua and Wellington
- ✓ Reduces the need for weekly rubbish collection service, with some associated cost savings
- ✓ Can be used to dispose of all food and green organic waste, some of which cannot be managed at home (e.g. via composting)
- ✗ While some central government funding may help fund the establishment of the service, the operational cost will need to be covered via a targeted rate (residents who already have a green waste service will likely not see any change in rates)
- ✗ People in our community who already compost their food and garden waste at home will pay for something they may not fully utilise

This option would improve the current levels of service over the next ten years.

Rates impact*  \$157 per year from 2027–28 progressively increasing to \$218 per year in 2033–34**

Debt Impact[^] Additional \$10.8 million

Additional operating cost*** \$45.2 million operating costs over 2027–2034

Option 2

Stay as we are and maintain the current service with opt-in green waste collection.

- ✓ No impact on rates (in the short term)
- ✗ Inconsistent with objective for cities to divert food waste from landfill by 2030
- ✗ We won't achieve our emission and waste reduction goals
- ✗ Valuable resources are unnecessarily landfilled, putting pressure on limited and costly landfill capacity

This option would maintain the current levels of service over the next ten years.

Rates impact* No impact



Debt Impact No impact

Additional operating cost No impact

In option 1, the increase in rates revenue in 2027–28 for the new targeted rate equates to an increase of about 2.2% per year.

* Rates figures are included to provide an indicative impact to an average residential property. The calculation of the rates impact includes the estimated capital, debt servicing and known ongoing operational costs for the project.

** There would be further rates increases beyond the 10 year period of the plan as the proposed programme continues beyond this period.

[^] The debt impact presented is the net debt requirement after offsetting assumed capital contributions from Central government.

*** Cost estimates are based on available information for similar services.

3



He murunga utu Rates relief for low-income households

Let's look at the proposal for a new rates remission policy for those experiencing financial hardship.

What's the issue?

Everyone is feeling the impact of higher costs. We want to help those that really need extra assistance with their rates, as cost-of-living pressures are generally felt more by the lowest income households.

Why does it matter?

We currently support ratepayers in financial difficulty through flexible payment arrangements and in some cases, remission of penalties.

We also process applications for the Government Rates Rebate Scheme. The scheme is part of how central government provides financial help with housing to those on a low-income. The scheme is funded by the Government and provides a partial rebate (up to \$750 in the current financial year*) for eligible, low-income ratepayers who pay rates on their home.

Ratepayers who qualify must meet strict criteria including:

- total household income limit (additional allowance for dependants)
- amount of rates
- application must be for the house they live in
- they must be named as the ratepayer


What we need your help with

We're proposing a new Rates Remission Policy which would extend the amount of financial help to eligible low-income ratepayers up to an additional \$250 per year. The same criteria as the Rates Rebates Scheme would apply.

This proposed policy will be introduced for three years, starting 1 July 2024. The effectiveness and future of the policy would be reviewed in the next 10 Year Plan in 2027.

Rates remissions are funded through the general rate, which is charged to all rateable properties. This means that the cost of any rates remissions granted are spread across all ratepayers.

Help us take the next steps and let us know if you support the idea to create a Rates Remission Policy that will provide financial relief for households experiencing financial hardship.

 **Check out the full proposed policy in our supporting documents at hutt.city/10yearplandocs**

* The 2023–24 rates rebate is a maximum of \$750. This amount and the income threshold for entitlement is adjusted annually with inflation.

★ Preferred

Option 1

New Rates Remission Policy – up to \$250 remission per year for eligible households

- ✓ Offers some financial support to our low-income home owners
- ✓ Simple application process that follows the Government's Rates Rebates Scheme
- ✗ The financial support is not available to renters

Rates impact** \$19 per year from 2024–2027



Debt Impact N/A

Additional operating cost*** \$1.8 million over 3 years

Option 2

Maintain the status quo – not offer a rates remission based on financial hardship

- ✓ Under this option, the increase to rates impact in Option 1 would be avoided
- ✗ Less support for low-income homeowners to ease rates burden

Rates impact** N/A



Debt Impact N/A

Additional operating cost N/A

** Rates figures are included to provide an indicative impact to an average residential property. Individual property charges will vary dependent on property value and rating category. The rates revenue impact of the preferred option is an increase of around 0.3% per year from 2024–25 to 2026–27.

*** The projected rates estimate assumes 2,100 approved rates rebate applications being granted the maximum \$250 proposed rates remission. Actual uptake could vary from this estimate.

4



Ngā hua pūmau i Pito One Petone assets

Let's look at the options for some of our key community assets in Petone.



Petone Library building



**Petone Recreation
Ground grandstand**



Petone Wharf

What's the issue?

These three Petone assets are in poor condition and need significant investment. The costs of repairing and maintaining these assets, now and in the future, are extremely high and we need to make tough choices about how best to use your rates to fix them.

As we worked on developing this draft 10 Year Plan we looked at a number of options for investing in these assets and the impacts this would have on levels of service. We're proposing to allocate no more than \$20 million towards addressing them, we'd like your help to decide how we get the best value for the community from the money available.

We want to understand which assets you'd like us to prioritise.

Why do they matter?

★ Key asset

Petone Library building

The library building is not in good condition. It is suffering from water tightness issues and some areas have been closed due to toxic mould. Through the 2023–24 Annual Plan we had planned and budgeted to repair the existing building. However, we are now looking at the opportunity to rearrange funding so we can better meet the needs of the community.

Our new preference is to invest more, to create a resilient, multi-purpose facility that will be able to offer more services to the community. We could also improve the surrounding public space and create more of a 'town centre' feel, as envisaged in the Petone 2040 Plan

huttcity.govt.nz/council/our-projects/petone-2040



"Heart of Petone"

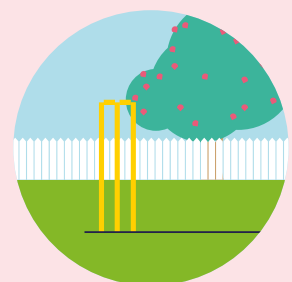
Community workshops undertaken in 2023 explored ways to use the library redevelopment to deliver on the Petone 2040 vision of creating a 'heart' of Petone or town centre. It looked at how this could be achieved through a multi-purpose community facility on the library site, as well as changes to better connect the area with other local attractions and amenities through key walking routes.

★ Key asset

Petone Recreation Ground grandstand

The grandstand's seating was closed last year due to seismic issues. The 2023–24 Annual Plan included some budget for repairs to the grandstand, but more recent information on the work required and cost estimates has shown us that this is not enough.

Based on this updated information, we've had to reconsider the work we can do. Our preference is now to demolish the seating and first floor and earthquake strengthen the ground floor. We're looking at adding a new lightweight roof and have some seating available.



Basic level of amenity

The Pito-one Projects Steering Group agreed that a basic level of amenity should still be provided at Petone Recreation Ground – toilets, changing rooms and some seating.

Petone Wharf

The wharf is a local landmark which has played an important role in the social history of the city. When it was no longer required for shipping, it continued to be popular as a recreation area for fishing and walking. Sadly, it was closed to the public in 2020 as its poor condition made it unsafe for public use.

In 2022 Council investigated three preferred options for the rebuild of Petone Wharf, unfortunately none could be done within the \$23 million budget. Through the 2023–24 Annual Plan, Council decided to defer work on the wharf so it could be reconsidered in this 10 Year Plan against other priorities. As part of difficult budgeting decisions to create this draft 10 Year Plan we considered whether this investment was a priority when compared to other assets and services we provide in Petone. Our preference is now to demolish the wharf and provide more funding into other projects such as the Petone Library building.



Strong community interest

We recognise the strong community interest in this asset and the work being undertaken to find affordable alternatives that could be considered for the future of the wharf. While we remain open to discussion, we need to make a decision to include this work in our 10 Year Plan.

What we need your help with

With up-to-date information on costs presenting clear budget challenges, we've worked on alternatives and looked for new opportunities to do the best for our communities. We need your help to prioritise how we spend the money set aside for these Petone assets.

You may disagree with the options as presented and you can provide feedback on your preferred option.

★ Preferred

Option 1, total investment of \$18.4M*

Petone Library building

Total investment of \$10 million**

- A new multi-purpose facility potentially delivered in partnership, providing opportunities for more services

Petone Wharf

Total investment of \$6 million***

- Demolish the wharf and install a memorial display to acknowledge its history

Petone Rec grandstand

Total investment of \$2.4 million

- Demolish the seating and first floor
- Earthquake strengthen the ground floor and install new lightweight roof
- Provide some seating



Financial impact

Raise less debt by \$14.6 million compared to Annual Plan 2023–24.

There is a minor rates impact over the ten years as this is assumed to be debt funded.

- ✓ Prioritises the library building to ensure greater service delivery to the community
- ✓ Assets are better protected against earthquake risks and extreme weather events
- ✓ Library investment means significant increase in the levels of service for the community
- ✓ Demolishing the wharf addresses safety concerns of a Council structure on community, environment and marine life
- ✗ Operating budget for future ongoing maintenance needs to be factored in across all assets. Will be determined once more information is known about the design and activities
- ✗ Loss of a treasured community asset

Option 2, total investment of \$20M*

Petone Library building

Total investment of \$5 million

- Refurbish the existing building including minor internal layout changes

Petone Wharf

Total investment of \$10.2 million***

- Demolish the wharf, install a memorial display to acknowledge its history and make improvements to the Esplanade including a new viewing platform

Petone Rec grandstand

Total investment of \$4.8 million

- Demolish the entire grandstand structure
- Rebuild changing rooms
- Provide some seating



Financial impact

Raise less debt by \$13 million compared to Annual Plan 2023–24.

There is a minor rates impact over the ten years as this is assumed to be debt funded.

- ✓ Simpler refurbishment on library building would mean less impact on community during works
- ✓ Addresses safety concerns of Council assets
- ✗ Only minor enhancements to levels of service
- ✗ Operating budget for future ongoing maintenance needs to be factored in across all assets. Will be determined once more information is known about the design and activities
- ✗ Loss of a treasured community asset

** The budget includes costs associated with investigating potential partnerships for a shared facility.

*** No allowance has been made for the effects of deferment and the ongoing deterioration of the Wharf.

* Costs are based on preliminary estimates and include assumptions based on similar projects.



He aha atu anō? What else?



**He Rāpopotonga o te
Rautaki Hanganga**
Infrastructure Strategy
summary

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Take pūtea
Money – how it all works

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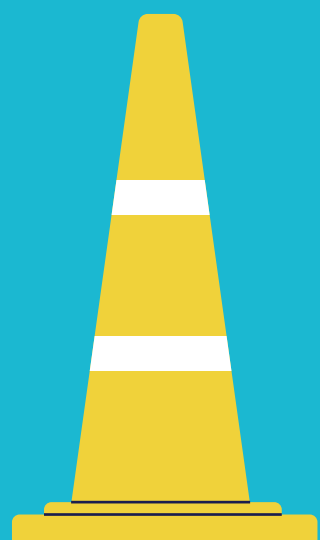
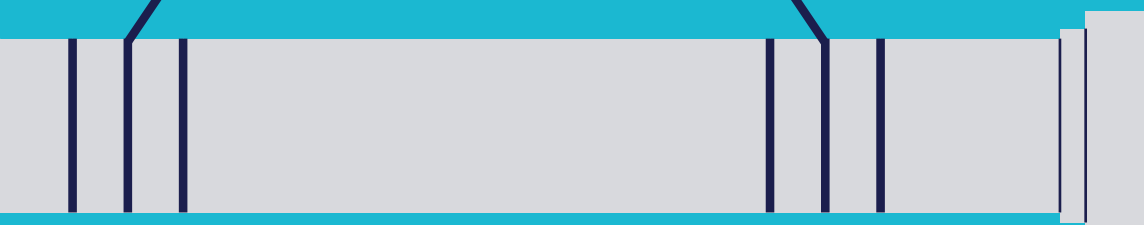
Pūtea Atawhai
Development
Contributions Policy

Page 41



Ngā Utu
Fees and charges

Page 42



Key infrastructure investments

We're investing in the future of Te Awa Kairangi ki Tai Lower Hutt. Here are the major projects we're investing in as part of this 10 Year Plan.

\$83M



Petone Collecting Sewer
2024–30

The main collecting sewer for Petone is at the end of its service life and has been assessed as being highly vulnerable. This project will deliver a replacement collecting sewer.

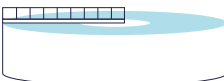
\$18.4M



Petone Recreation Ground grandstand, Library and Wharf
2025 onwards

We are looking at a number of options for prioritising our investment in, and continued maintenance of these assets.

\$195M



Seaview Wastewater Treatment Plant
2024–35

The Seaview Wastewater Treatment Plant is nearing the end of its service life. This project will deliver a number of critical plant system renewals including the sludge dryer, odour control systems, and UV systems. A third of the cost of this project will be paid by Upper Hutt City Council.

\$79.9M



Tupua Horo Nuku
2022–26

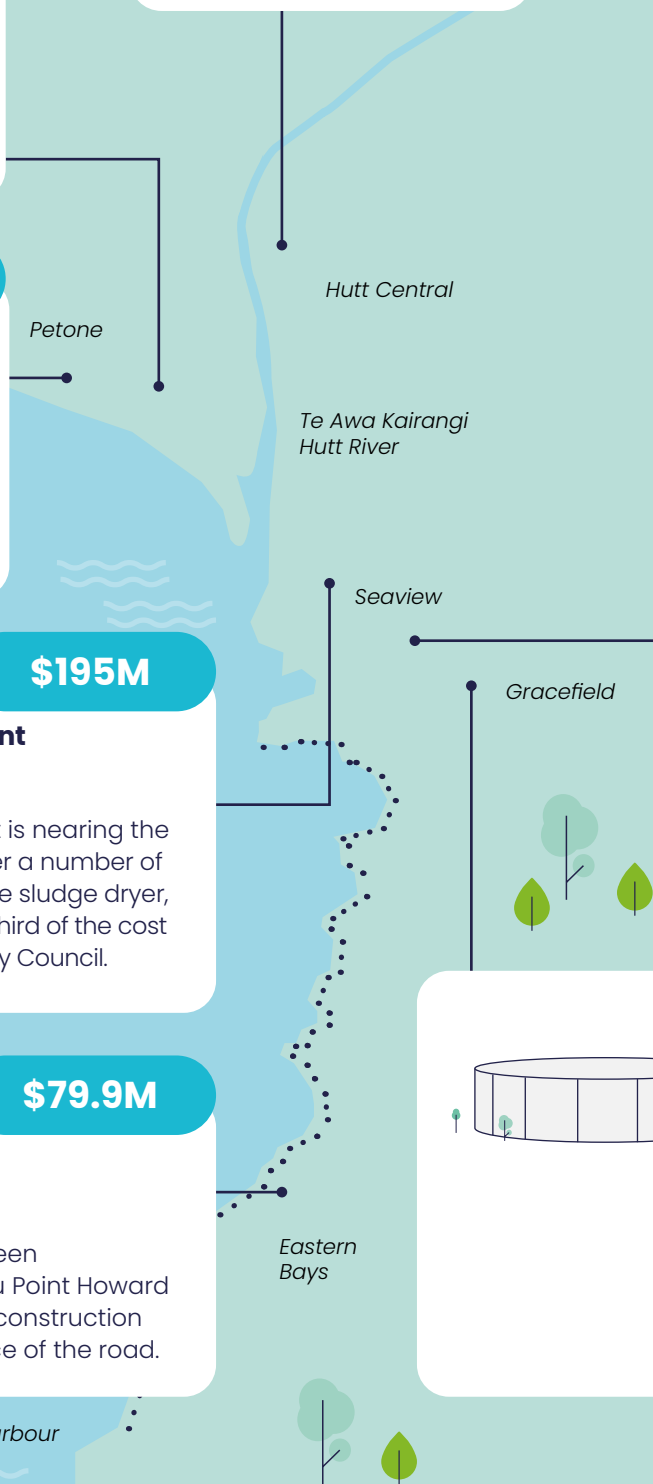
Construction of a new shared path between Ma-Koromiko Windy Point and Ngāmatau Point Howard providing safer walking and cycling and construction of a new sea wall to improve the resilience of the road.

\$180M



Te Wai Takamori o Te Awa Kairangi (RiverLink)
2023–29

A transformational project including flood protection work, improvements to public transport, walking & cycling and local roads, as well as urban revitalisation of our city centre.



\$45.87M

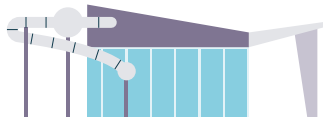


Eastern Hutt Road resilience

2023–31

Improvements to the resilience of Eastern Hutt Road.

\$68M



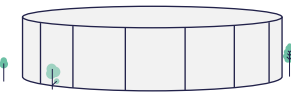
Naenae pool and fitness new build

2020–24

Demolition of the earthquake prone Naenae Pool and Fitness building and construction of a new Aquatic and Fitness facility.

Naenae

\$84M



Eastern Hills Reservoir and Outlet Main

2026–29

There is a water shortage in the Central Hutt water supply zone. This project will support growth on the valley floor and address the existing shortfall in water supply.

\$188.8M



Cross Valley connections

2024–32

A new multi-modal transport corridor connecting Gracefield and State Highway 2.

\$78M

City-wide



Assessing the case and roll out of universal smart water meters

2024–30

The increasing demand for water will outstrip future water supply capacity and create significant future water related infrastructure costs. Exploring options for managing the demand for water is a key component of regional council's strategy to reduce the future costs of water infrastructure.

\$639M

City-wide



Network Renewals

2024–34

Parts of the water network are in very poor condition. This investment will focus on fixing known leaks and increasing the number of kilometres of renewed water pipes across our network.

\$34M

Gracefield Reservoir

2030–32

The Gracefield Reservoir is in poor condition and this project will deliver a replacement reservoir. This work will occur once the new Eastern Hills reservoir has been commissioned to ensure continuity of supply.

He Rāpopotonga o te Rautaki Hanganga

Infrastructure Strategy summary

It's hard to think of any event or activity in Te Awa Kairangi ki Tai Lower Hutt that doesn't use infrastructure. Our homes are connected to, served, and protected by essential water networks. We access the many facilities in our city using a connected network of roads and footpaths. Infrastructure provides an important base for our activities. It's the foundation for our economy to prosper and our people to be healthy and safe.

We fund infrastructure through a mix of revenue and borrowings. Given the significant costs associated with building and maintaining infrastructure, the Infrastructure Strategy sets out the investments in key projects we've prioritised and budgeted to undertake in the 10 Year Plan.

We do not want the condition of our infrastructure to impact negatively on our communities, we want our infrastructure to be fit for purpose. There is a risk to the way our city functions if we don't increase our level of investment.

We largely use age-based asset information to support our budgeted costs. This increases the uncertainty around timing and costs. Our continuing investment to better understand the condition of our assets will help reduce this uncertainly level.

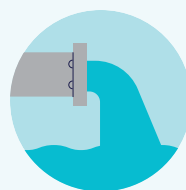
Our planned investment in water and transport infrastructure in this draft 10 Year Plan goes a

long way to reducing risks. For example, we have committed more operational funding to immediately fix the backlog of leaky pipes.

We need to remain mindful that even with this investment, we still might not be able to get on top of the work required to prevent asset failure. While the focus of this plan is for 10 years, there are significant challenges beyond the period of this plan related to the deferred investment and how this will be funded.

Overall, we are satisfied that our approach balances affordability and the investment needed to maintain acceptable levels of service for our communities.

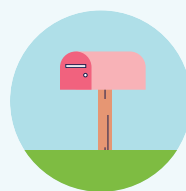
Key projects in the 10 Year Plan



Water infrastructure



Transport infrastructure



Infrastructure Acceleration Fund and Reserves Investment Strategy

Water infrastructure

We know that we must continue to invest in our pipes and other water infrastructure but the recommended investment by Wellington Water is unaffordable without reform or Government support.

The Infrastructure Strategy highlights what we can do including our focus on lifting the investment in pipe renewals. A key project in this draft 10 Year Plan is upgrading the Seaview Wastewater Treatment Plant.

The plant is coming to the end of its workable life and needs to be upgraded to meet more stringent statutory requirements and cater for growth.

Over the next 30 years, our goal is to reduce the renewals backlog and address future needs. Council is also working to better understand the condition of our assets in order to reduce the level of uncertainty and improve our overall understanding of the condition and expected life of asset.

Our core water infrastructure projects are outlined below.

Water infrastructure projects

(All costs are inflated)

Addressing ageing infrastructure



Network Renewals 2024–34

Parts of the water supply, wastewater and stormwater services are in very poor condition. This investment will focus on fixing known leaks and increasing the number of kilometres of the pipe network that are renewed.

* Part of the funding for this project will come from development contributions.

\$639M*



Seaview Wastewater Treatment Plant 2024–35

The Seaview Wastewater Treatment Plant is nearing the end of its service life. This project will deliver a number of critical plant system renewals including the sludge dryer, odour control systems, and UV systems.

* A third of the cost of this project will be paid by Upper Hutt City Council and some by development contributions.

\$195M*



Gracefield Reservoir 2030–32

The Gracefield Reservoir is in poor condition and this project will deliver a replacement reservoir. This work will occur once the new Eastern Hills Reservoir has been commissioned to ensure continuity of supply.

\$34M

\$48M*



Petone Stormwater Improvements 2028–34

This project will deliver upgrades to the Udy Street stormwater main.

* Part of the funding for this project will come from development contributions.

\$83M*



Petone Collecting Sewer 2024–30

The main collecting sewer for Petone is at the end of its service life and has been assessed as being highly vulnerable. This project will deliver a replacement collecting sewer.

* A third of the cost of this project will be paid by Upper Hutt City Council and some by development contributions.

Meeting growing demand

\$84M*



Eastern Hills Reservoir and Outlet Main 2026–29

There is a water shortage in the Central Hutt water supply zone. This project will support growth on the valley floor and address the existing shortfall in water supply.

* Part of the funding for this project will come from development contributions.

\$78M



Assessing the case and roll out of universal smart water meters 2024–30

The increasing demand for water will outstrip future water supply capacity and create significant future water related infrastructure costs. Exploring options for managing the demand for water with some of our neighbouring councils is a key component of our strategy to reduce the future costs of water.

Building network resilience

\$54M*



Black Creek Stormwater Improvements 2024–34

This project will address flooding risks and address future stormwater demand.

* Part of the funding for this project will come from development contributions.

Transport infrastructure

Council's Transport Plan sets out an ongoing programme of work to maintain, operate and renew the roading network in Lower Hutt.

This programme includes roading, cycle path, footpath, and environmental maintenance. The aim of this programme of work is to ensure that the city has a resilient and sustainable transport system that provides the community with transport options that connect people easily, safely, and affordably to where they need to go; whether they go by car, bike, foot, or public transport.

There is significant uncertainty around funding levels from NZ Transport Agency Waka Kotahi. A range of assumptions have had to be made in this draft 10 Year Plan to set subsidy budgets which may need to be revised once funding is confirmed. If we don't receive funding as assumed, we'd need to reconsider the priorities in our capital programme.

Transport infrastructure projects

(All costs are inflated)

Building network resilience

\$45.87M*



Eastern Hutt Road resilience 2023–31

Improvements to the resilience of Eastern Hutt Road.

* Hutt City Council is responsible for approximately 83% of the cost with the balance funded through a capital grant.

\$188.8M*



Cross Valley connections 2024–32

A new multi-modal transport corridor connecting Gracefield and State Highway 2.

* Hutt City Council is assumed to be responsible for approximately 49% of this project cost which will be partly funded from development contributions. The balance of the funding is being provided by NZ Transport Agency Waka Kotahi.

\$60.4M*



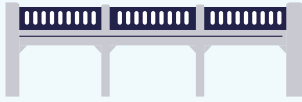
Cycleway and micro-mobility programme 2022–31

A programme of investment towards a connected cycle and pathway network across Hutt City.

* Hutt City Council is assumed to be responsible for approximately 49% of this project cost which will be partly funded from development contributions. The balance of the funding is being provided by NZ Transport Agency Waka Kotahi.

Addressing ageing infrastructure

\$1.3M*



Seismic strengthening of Cuba Street overbridge 2023–25

Seismic strengthening to improve the resilience of the bridge.

* Hutt City Council is responsible for 100% of this project cost.

Adapting to the changing climate

\$79.9M*



Tupua Horo Nuku (Eastern Bays Shared Path) 2022–2026

Construction of a new shared path between Ma-Koromiko Windy Point and Ngāmatau Point Howard to provide safer walking and cycling and construction of a new sea wall to improve the resilience of the road.

* Hutt City Council is responsible for approximately 30% of this project cost, with the rest of the funding being provided by NZ Transport Agency Waka Kotahi and Crown Infrastructure Partners.

Meeting growing demand

\$39M*



Subdivision roading improvements 2024–34

Improving access and road resilience to new developments.

* Hutt City Council is assumed to be responsible for approximately 49% of this project cost which will be partly funded from development contributions. The balance of the funding is being provided by NZ Transport Agency Waka Kotahi.

\$180M*



Te Wai Takamori o Te Awa Kairangi (RiverLink) 2023–29

Te Awa Kairangi project will develop better transport connections in Te Awa Kairangi ki Tai Lower Hutt, revitalising and reorienting the central city to face the river and encouraging development and growth. Plans include improved walking, cycling, and public transport options which will bring development without increasing congestion and greenhouse gas emissions.


* This is an Alliance project with other partners. Our share of the total project cost is a provisional estimate while procurement is being finalised through the Alliance. Hutt City Council is assumed to be responsible for approximately 77% of the cost which will be partly funded from development contributions, with the balance funded by NZ Transport Agency Waka Kotahi.

Enabling new homes through the Infrastructure Acceleration Fund

The Infrastructure Acceleration Fund (IAF) is a Government initiative to allocate funding to new or upgraded infrastructure including transport, water and flood management projects.

We secured \$98.9 million of IAF funding to contribute to upgrading stormwater and wastewater networks in the central city and valley floor to an estimated value of \$175 million. As part of the funding agreement, Council has committed to enabling 3,500 homes to be built in the areas impacted by the water network upgrades.


These projects are in the option development phase, with subsequent designs to be completed before costs can be determined. The projects are partially IAF funded, with Council expected to cover the remainder of the costs using development contributions and rates.

 **Check out the full Infrastructure Strategy in our supporting documents at hutt.city/10yearplandocs**

Reserves Investment Strategy

The Reserves Investment Strategy recognises the incredible opportunity we have to provide better quality green spaces to help address the effects of growth and intensification in our city.

Within the Strategy you'll find a proposed project list for the next 10 years. These projects will be funded through Reserve Financial Contributions, enacted under the Resource Management Act and District Plan. Budgets allocated to each project are estimates only and may change based on further community feedback and design.

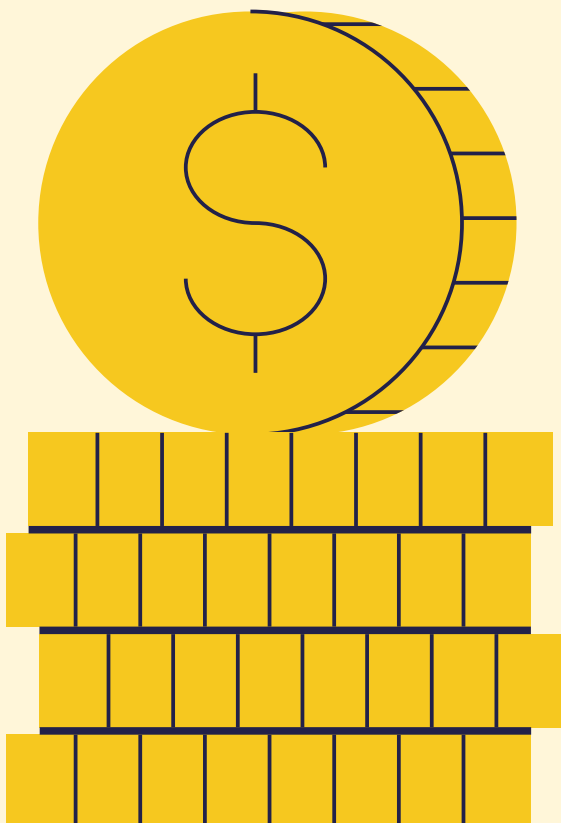
 **Check out the full Strategy and project list in our supporting documents hutt.city/10yearplandocs**

Take pūtea

Money – how it all works

A summary of our Financial Strategy

Our Financial Strategy helps us manage our finances and guides spending decisions. The budget for this draft 10 Year Plan has been developed to deliver investment in much-needed infrastructure. We are dealing with a number of challenges impacting our community and high levels of Council debt. The rising cost of borrowing needs to be carefully managed and planned for.



We've developed principles which can be summarised as follows:

- ✓ Achieving intergenerational equity, by spreading the costs between both present and future ratepayers
- ✓ Prudent borrowing levels
- ✓ Achieving a balanced operating budget and ensuring that every day costs are paid for from everyday income
- ✓ Careful consideration of the affordability of rates charges
- ✓ Delivering our services effectively and efficiently
- ✓ Strengthening our financial position in the long-term
- ✓ Growth pays for growth

 **Check out the full Financial Strategy in our supporting documents at hutt.city/10yearplandocs**

Council revenue and operating spend

Councils are limited in the ways they can generate revenue to cover their costs. Rates are our main source of revenue. Water services (38%) and transport (18%) make up more than half of our operating spend. Although savings were applied to budgets through previous plans, high costs and inflation are being identified across all our activities, which are outstripping savings made. The cost of borrowing has also increased significantly.

Through our plan we need to strike the right balance between the investment needed and the cost impact on people. Fixing our pipes and other water infrastructure is our top priority and driving much of the proposed rates increase set out in this draft 10 Year Plan. As part of developing the draft 10 Year Plan proposals for Council, we have needed to complete a savings exercise to ease the burden on our ratepayers. We've dialled up some activities (like investment in water infrastructure) and dialled down others which are not considered core services or priorities at this time. This means we expect there to be some changes to current activities and service levels. These activities have provided great value to the community, however, in the current environment we need to put our resource and budget into other areas.

We've gone through the budget line-by-line to find savings, identify revenue opportunities and propose spending cuts which have informed the proposals included in the draft plan. These equate to \$35 million over the next 10 years and have an ongoing effect to reduce the rating impact on ratepayers. We've applied our financial strategy principles to our approach for savings and investment. This includes the principle that growth pays for growth (i.e. allocating costs and charges where they fall).

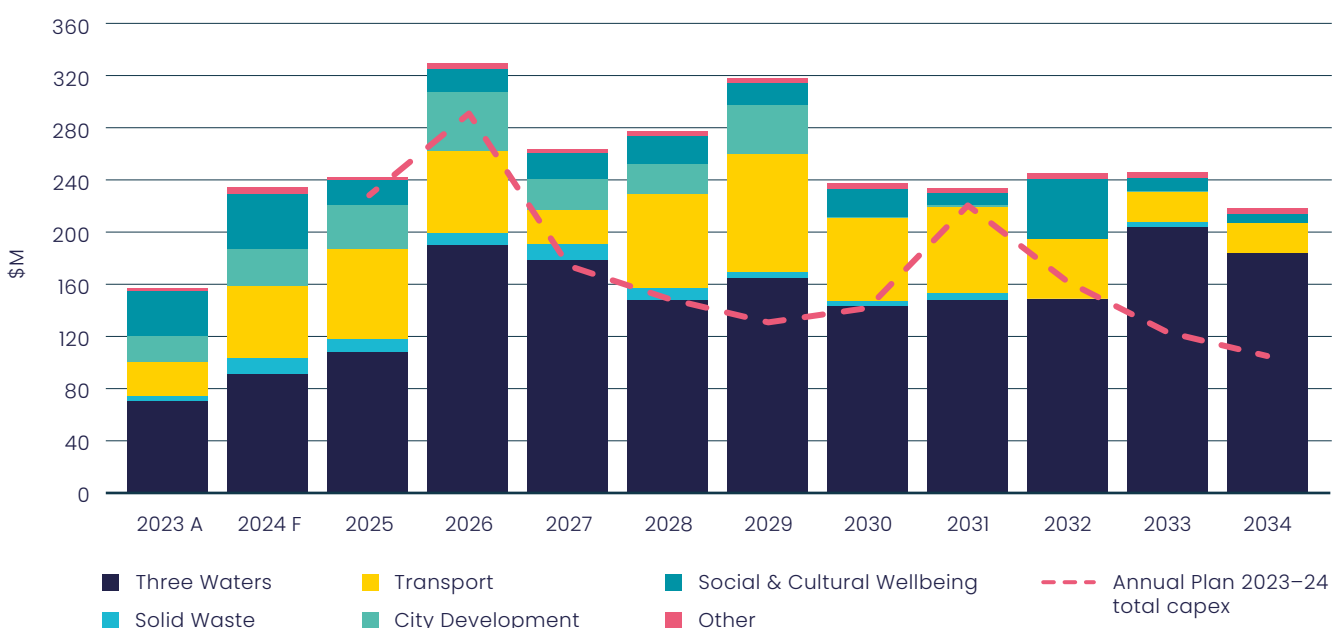
Savings have been made through some increases to fees and charges like parking and leases, withdrawal and delaying of some programmes and reducing some services.

We'll continue to implement efficiencies and look for different ways to increase our income which can reduce the rates burden. Go to hutt.city/10yearplandocs for more information about the savings.

Capital investment and funding

To address a growing population and the resulting impact on our city we plan to spend \$2.6 billion over the 10 years (increase of \$1.2 billion compared to 10 Year Plan 2021–31). Of this spend, 62% is on water services and 21% on transport. This significant capital investment will be funded largely by borrowings.

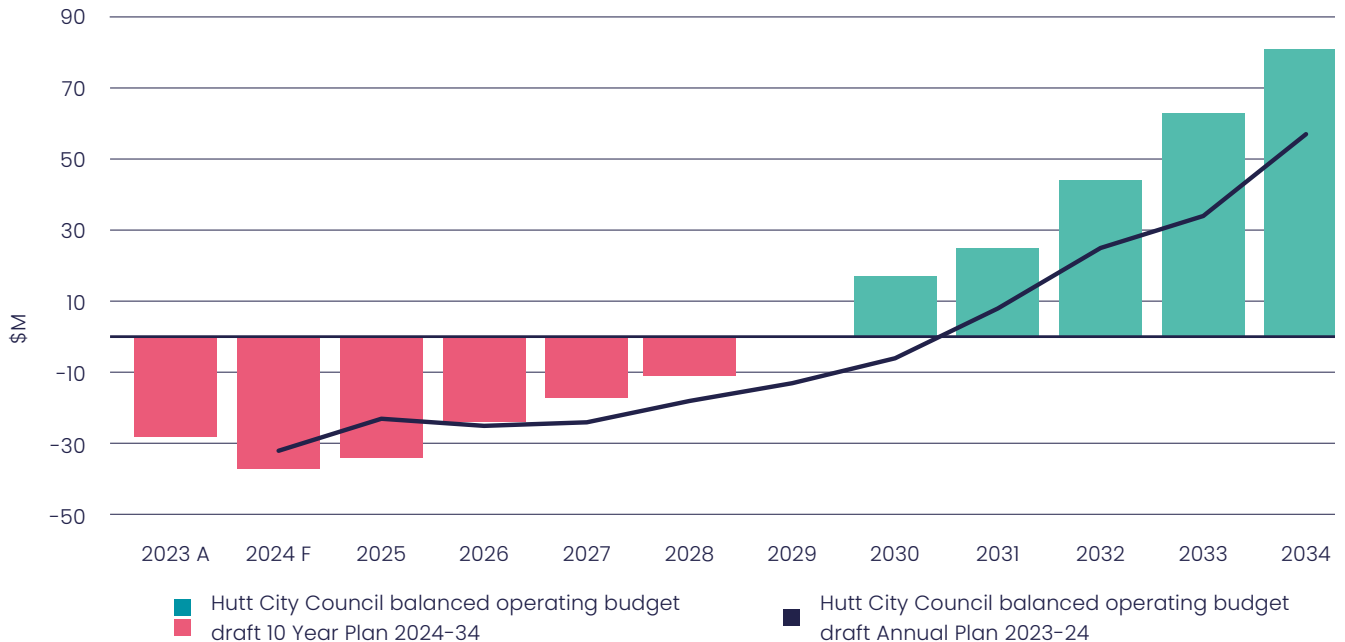
Wellington Water Ltd and Council have been building capacity and capability over the last few years to improve delivery performance. Through the last 10 year plan 2021–31, we started making changes to address challenges around deliverability. This has included additional operating funding to support WWL to increase capacity and capability, improved planning processes with supply partners and engaging a range of project delivery resources to better manage and deliver projects. The significant increase in the capital programme, particularly in water services, carries a level of uncertainty and there are risks associated with this. Any delays to our programme may result in not meeting planned levels of service which will impact our community or result in greater costs in the long-term.



The graph above shows the proposed capital investment in the plan, which is much higher than the spend in 2022–23 and forecast for 2023–24.

A balanced operating budget – everyday costs are paid for from everyday income

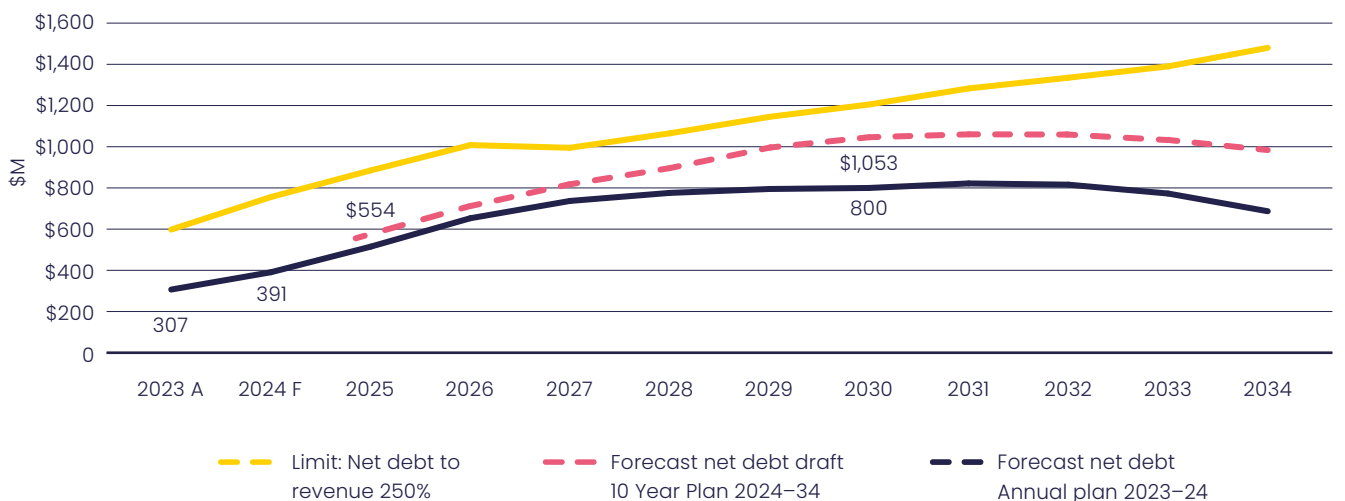
A guiding principle of this Financial Strategy is about the importance of having a balanced operating budget. This means that ratepayers are contributing an appropriate amount towards the cost of the services they receive or are able to access, i.e. 'everyday costs are paid for from everyday income'. This plan forecasts deficits until 2028–29 when a balanced operating budget position is expected to be achieved; (refer to the graph below), which effectively means we are borrowing to offset the funding shortfall. This is considered a reasonable balance between managing the cost pressures on ratepayers and ensuring we remain financially sustainable into the future.



Council meets the legislative balanced budget requirement as defined in s100 of the Local Government Act 2002 over the 10 years of the plan (you can refer to our Financial Strategy for further details). The legislative calculation includes capital grants and subsidies which can only be applied to capital projects and cannot be used to fund everyday operational costs over the period. As Council is projecting to receive significant capital grants and subsidies over the period of the plan, the legislative calculation makes it appear that there is more income available to meet everyday operational costs than there actually is. Therefore, we have excluded capital improvement subsidies and capital grants from the graph to only show the projected operating balanced budget for everyday operational income and costs.

Borrowings

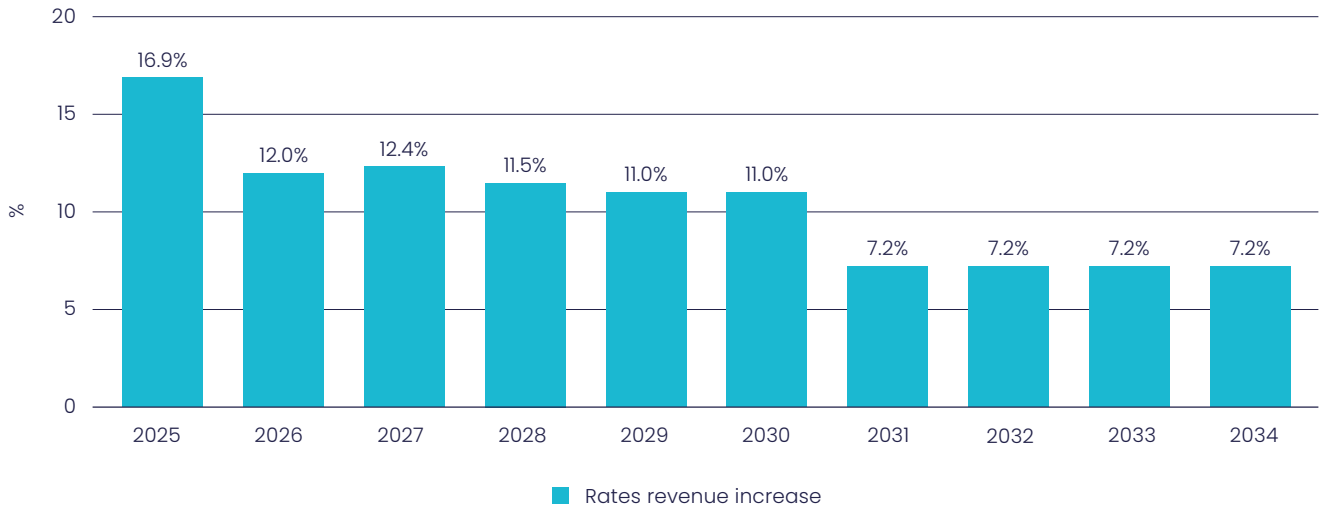
The Financial Strategy for the next 10 years reflects increases to other funding sources such as development and financial contributions, higher rates revenue and fees and charges to help fund the cost of infrastructure. After taking other funding sources into account, increased borrowings are largely funding the capital investment programme. Net debt of \$0.3 billion at 30 June 2023 is projected to increase to a peak of just over \$1 billion in 2029–30. The projected debt profile is outlined in the graph below, which also highlights the much higher borrowing levels compared to the 2023–24 Annual Plan. The proposed programme fully utilises the debt headroom capacity available whilst ensuring debt is managed prudently within the limits set.



The net debt to revenue ratio is set at a limit of 250%, which is within the Local Government Funding Agency debt covenants limit of 280%. The Council has set a limit lower at 250% as it considers it essential to maintain headroom and the ability to fund the impacts of significant natural disasters should they occur, such as extreme weather events or earthquakes.

Rates

The graph here outlines the rates revenue increases proposed over the 10 years. These proposed rates increases are also the equivalent Council limit on rates as required by the Local Government Act.



After growth assumption of 1.1% in year 1 and 0.9% thereafter.

Both debt and revenue sources are increasing in this plan. Our levels of service are still at risk of being impacted due to cost pressures that exceed our assumptions around inflation in the future.

What does this mean for you and your rates?

The rates you pay make up most of the revenue we use to invest in our city. To deliver this 10 Year Plan, including all the preferred options, we're recommending an increase, in the total amount of rates revenue we need to collect, of **16.9%** (after growth) for the year starting 1 July 2024.

This increase has come about after carefully looking at various options and making significant budget savings. It enables us to focus on activities such as water and transport while also allowing us to improve the resilience of our city and progress some important projects.

The proposed rates revenue rise equates to an average increase per household of:



\$10.83
per week
(or \$563 per year)

Investment in infrastructure for water services makes up around **\$251 (45%)** of that average **\$563 rise**. The remaining **\$312** covers cost increases for all the other services we provide such as roading, parks, community facilities, rubbish and recycling.



We have a handy rates calculator where you can see what your estimated rates would be for 2024–25 at hutt.city/ratescalculator

The table below provides more detail around the proposed increase and impact on an average property by category.

Property category	Capital value 1 July 2024	2023–24 Rates	2024–25 Rates	Change annual	Change weekly	Change %
Average residential	\$815,000	\$3,348	\$3,911	\$563	\$10.83	16.8%
Average commercial central	\$2,350,000	\$19,367	\$22,645	\$3,278	\$63.04	16.9%
Average commercial suburban	\$2,418,000	\$16,501	\$19,325	\$2,824	\$54.31	17.1%
Average rural (no water or wastewater)	\$1,247,000	\$2,342	\$2,696	\$354	\$6.81	15.1%
Utilities	\$3,262,068	\$23,515	\$28,311	\$4,796	\$92.23	20.4%

Wastewater and water supply targeted rates

Targeted rates have increased to fund the higher operational cost of these activities.

Rate	2023–24 Rates	2024–25 Proposed rates	Proposed change
Wastewater – per rating unit or SUIP*	\$654	\$766	\$112
Water supply – per rating unit of SUIP*	\$607	\$746	\$139

* Separately used or inhabited part of a rating unit

Waste services targeted rates

Targeted rates have increased to fund the higher operational costs of this activity.

Rate	2023–24 Rates	2024–25 proposed Rates	Proposed change
Refuse 80 litre – per SUIP*	\$115	\$128	\$13
Refuse 120 litre – per SUIP*	\$175	\$192	\$17
Refuse 240 litre – per SUIP*	\$350	\$384	\$34
Recycling – per SUIP*	\$128	\$130	\$2
Green waste – per SUIP* for those that opt-in to the service	\$105	\$115	\$10

* Separately used or inhabited part of a rating unit

Rates postponement policy

We have also reviewed our Rates Postponement Policy. We are not proposing any changes. Check out the full policy at hutt.city/policies

Pūtea Atawhai Development Contributions Policy

The Development and Financial Contributions Policy is a key part of our funding toolkit, helping to provide funding for growth-related infrastructure.

The policy is aligned to our Financial Strategy principle of 'growth pays for growth'. This means allocating costs and charges where they fall. Development contributions are payments made to Council by developers towards the costs of planned infrastructure required, such as water services or roading, to meet the future needs of the growing community.

The proposed 2024 Policy has two key changes compared to the current policy:

- 1 New assessment category for residential development with four or more bedrooms. These will be charged 25% more than a standard dwelling.
- 2 Increased development contribution charges (summarised on the right) that reflect the significant growth in infrastructure investment proposed in the 10 Year Plan.

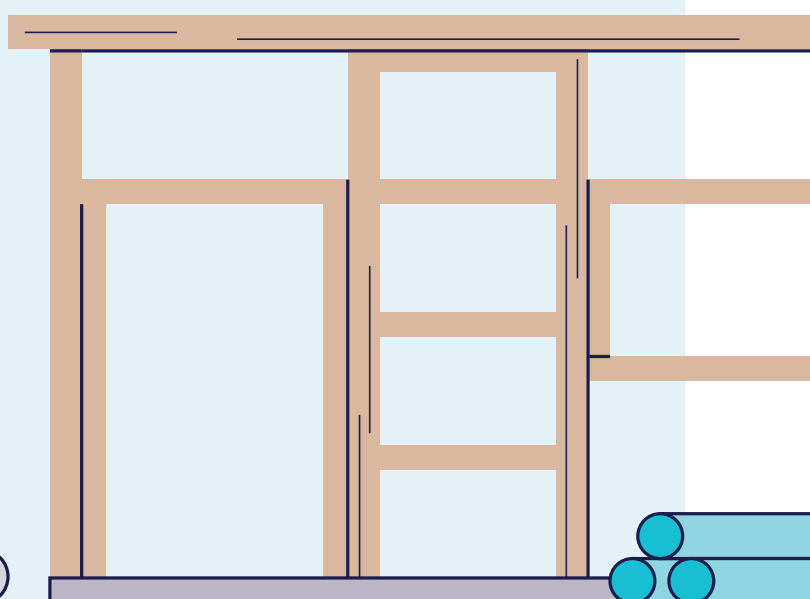
The proposed change results in additional projected development contributions revenue of \$146 million over 10 years which would otherwise need to be funded by ratepayers (via higher borrowings).

 **Check out the full Development Contributions Policy in our online supporting documents at hutt.city/10yearplandocs**

Proposed development contributions charges per equivalent household unit of demand (EHU) (effective 1 July 2024)

DC per EHU a development will pay in each catchment

Catchment	Current	Proposed	Increase
Eastbourne	\$7,802	\$19,736	\$11,934
Stokes Valley	\$6,954	\$18,608	\$11,654
Valley Floor	\$14,779	\$53,003	\$38,224
Wainuiomata	\$26,000	\$41,956	\$15,956
Western Hills	\$8,257	\$19,233	\$10,976
Rural	\$2,497	\$5,275	\$2,778



Ngā Utu Fees and charges

Fees and charges are an important part of how we fund services. A key aspect considered in reviewing fees for this 10 Year Plan is that those who use our facilities, or receive services, should pay an appropriate share of the costs involved. Should these costs not be recovered through fees and charges, they would need to be funded through rates revenue.

In setting our fees and charges, we've made adjustments based on inflation to ensure that revenue received keeps up with the rising cost of services.

➔ **Check out the full list of proposed changes to fees and charges in our supporting documents at hutt.city/10yearplandocs**







Parking

Costs to maintain roads, footpaths and transport services have increased significantly due to inflationary pressures, compliance requirements and cost of labour and materials.

More revenue is needed to progress work on maintaining the condition of the transport network, making it safer and more accessible, and moving ahead on vital projects.

The following changes are being proposed to parking charges:

-  Increase the hourly rate from \$2.00 per hour to a flat rate of \$3.00 at all paid parking zones
-  Increase daily parking rate from \$7.00 to \$10.00 per day at all paid parking zones
-  Add paid parking along the shopping area on Jackson Street and the Peel Street car park in Petone at a rate of \$3.00 per hour
-  All parking fees charged seven days a week

The proposed changes would mean an estimated \$18.4 million increase in parking fee revenue over 10 years.



Transport operational costs are now \$93 million higher over the 10 year period compared to the 2023–24 Annual Plan.




The additional funding collected from Petone parking could be used to make improvements and upgrades to transport infrastructure on Jackson Street.

Silverstream Landfill

Projected operating costs for the landfill are increasing significantly, driven mainly by the waste levy collected by the Ministry for the Environment and by increased volumes of commercial waste, despite diversion efforts. The large increase in waste volume coming into the Silverstream Landfill is due to increased development activity in the region. The landfill will be expanded in the future. In the meantime, there is a risk of reduced capacity while we try to limit the amount of waste coming into the landfill.

We've set fees and charges for the use of Silverstream Landfill to recover the costs over the long-term. Pricing also takes capacity constraints into consideration, aiming to discourage waste from outside the Hutt Valley.

The following changes are being proposed to Silverstream Landfill charges:

-  Increase general refuse charges (mixed rubbish)
 - All light vehicles (cars, vans, utilities, including those with trailers), from \$233.00 cost per tonne (min charge \$25.00) to, \$260 cost per tonne (min charge \$25.00)
 - All other vehicles, from \$233.00 cost per tonne (min charge \$116.50) to \$260 cost per tonne (min charge \$120.00)

Whaowhia te pae tawhiti!

Help us take the next steps!

Your feedback and ideas are important to us, to help us develop our 10 Year Plan. You can provide as much or as little feedback as you like, on any aspect of the plan.

The feedback form is easy and shouldn't take too long now that you've had a read through the information.

If you're having trouble with the feedback form or have a question you can contact us at haveyoursay@huttcity.govt.nz, visit your local library and neighbourhood hub, or drop into our office at Laings Road to chat with one of the team.

We want to take our next steps together and build a city where everyone can thrive. Thank you once again for taking the time to take part in one of the most important 10 Year Plans in our history.

Ngā mihi! A huge thank you – we can't run our city without your help and input on these key issues. Each response is shared with Councillors to support their decision making.

Have your say:



Visit hutt.city/10yearplan – to find supporting information and to complete an online feedback form

Devices are available at our libraries and neighbourhood hubs where you can easily complete the feedback form. Or grab a paper version if you prefer to write your thoughts down!



Fill out the feedback form and return it to us by 5pm Friday 3 May 2024

**Forms are available from your local Library and Neighbourhood Hub or our administration building on Laings Road. Completed forms can be left with the team at each location or posted to:
Long Term Plan, Freepost 100039,
Private Bag 31912, Lower Hutt 5040**



Community kōrero drop-in sessions – talk face-to-face with your councillors who will be out and about in the community. Find details on the next page as to when and where these will be held



Present your feedback to councillors directly at hearings being held on 15, 16 and 17 May. Simply let us know on your feedback form if you would like to do this



Scan the QR code here which will take you directly to our online feedback form



Community kōrero

Come along to a drop-in session in your area

Naenae Neighbourhood Hub

Friday 5 April, 4pm–5pm
Hillary Court, Naenae

Riverbank Market

Saturday 20 April, 10am–12pm
Riverbank carpark

Riverbank Market

Saturday 6 April, 10am–12pm
Riverbank carpark

Koraunui Neighbourhood Hub

Saturday 20 April, 2pm–3pm
186 Stokes Valley Road, Stokes Valley

Eastbourne Neighbourhood Hub

Saturday 6 April 12pm–1pm
Rimu Street, Eastbourne

Petone Neighbourhood Hub

Wednesday 24 April, 4pm–5pm
7a Britannia Street, Petone

Moera Neighbourhood Hub

Tuesday 9 April, 3pm–4pm
107 Randwick Crescent, Moera

Wainuiomata Neighbourhood Hub

Saturday 27 April, 2pm–3pm
2 Queen Street, Wainuiomata

Maungaraki Community Library

Saturday 13 April, 10am–12noon
137 Dowse Drive, Maungaraki

Dowse Art Museum – with NZSL interpreter

Wednesday 1 May, 5pm–6pm
Laings Road, Lower Hutt

Walter Nash Centre

Saturday 13 April, 2pm–3pm
22 Taine Street, Taitā

Waiwhetū Marae

Wednesday 1 May, 6.30pm–8pm
21 Puketapu Grove, Waiwhetū

Petone Neighbourhood Hub

Sunday 14 April, 3pm–4pm
7a Britannia Street, Petone

War Memorial Library

Wednesday 17 April, 7pm–8pm
2 Queens Drive, Lower Hutt



He aha ki tua?

What's next?

2024

2 April
Consultation begins

Have your say

2024

3 May
Consultation ends

Please make sure your feedback is received by 5pm

2024

15–17 May
Hearings

Your opportunity to present your feedback directly to councillors

2024

5 June
Councillors review your feedback

Councillors make decisions on the 10 Year Plan

2024

27 June
Council meeting

To adopt the 2024–2034 10 Year Plan (Long Term Plan)





Te Koromatua me ngā Kaikaunihera

Your Mayor and Councillors

Campbell Barry

Koromatua | Mayor
Campbell.barry@huttcity.govt.nz

Tui Lewis

Koromatua Tuarua | Deputy Mayor
Kaikaunihera ki te Whanganui
Harbour Ward Councillor
Tui.lewis@huttcity.govt.nz

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Keri Brown

Kaikaunihera o Wainuiomata
Wainuiomata Ward Councillor
Keri.brown@huttcity.govt.nz

Andy Mitchell

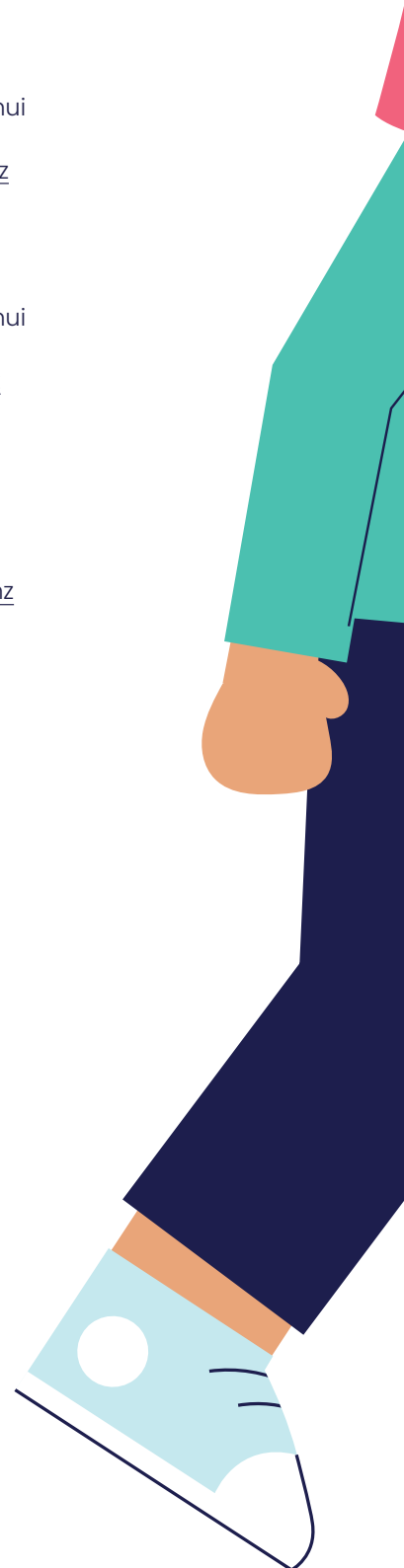
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Eastern Ward Councillor
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Chris Parkin

Kaikaunihera ki Te Uru
Western Ward Councillor
Chris.parkin@huttcity.govt.nz

Naomi Shaw

Kaikaunihera ki Te Raki
Northern Ward Councillor
Naomi.shaw@huttcity.govt.nz





Hutt City Council

Address: Administration Building, 30 Laings Road,
Lower Hutt

Phone: 04 570 6666 | 0800 HUTT CITY
Email: haveyoursay@huttcity.govt.nz

Website: huttcity.govt.nz

Facebook: facebook.com/huttcitycouncil
Twitter: twitter.com/huttcitycouncil
Instagram: instagram.com/huttcitycouncil



If you'd like to speak to
a Councillor about this
10 Year Plan, please call
our contact centre on
04 570 6666 or
0800 HUTT CITY
to be put through.

Jo Miller

Chief Executive | Tumu Whakarae
Jo.miller@huttcity.govt.nz



Pūrongo Kaitātari Kaute

Independent Auditor's report

To the readers of Hutt City Council's consultation document for its proposed 2024–34 long-term plan

I am the Auditor-General's appointed auditor for Hutt City Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its long-term plan. Section 93C of the Act sets out the content requirements of the consultation document and requires an audit report on the consultation document. I have done the work for this report using the staff and resources of Audit New Zealand. We completed our report on 27 March 2024.

Opinion on the audited information

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2024–34 long-term plan, because it:
 - fairly represents the matters proposed for inclusion in the long-term plan; and
 - identifies and explains the main issues and choices facing the Council and City, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

Emphasis of matters

Without modifying our opinion, we draw attention to the following disclosures.

Uncertainty over the three waters renewals forecasts

Pages 30 to 32 outline that the Council's forecasting for its three waters assets is primarily based on age, and is capped by what the Council considers is affordable. Using mostly age-based information creates uncertainty over which assets to prioritise for renewal, the timing thereof, and the forecast amounts required, resulting in a risk of asset failure and reduced levels of service. To reduce the risk, the Council has committed funding to repair the backlog of leaky pipes and is working to better understand the condition of its underground assets.

Uncertainty over the delivery of the capital programme

Page 37 outlines that the Council is proposing a significant increase in its capital programme. While the Council has put in place a number of initiatives, there is an inherent level of uncertainty and risk that the Council may not be able to deliver on the programme, especially when it has increased substantially. The Council notes the potential impacts of not achieving the capital programme, such as not meeting planned levels of service, or greater costs in the long term.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information* that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the consultation document. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the consultation document.

We did not evaluate the security and controls over the publication of the consultation document.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements relating to its procedures, decisions, consultation, disclosures, and other actions associated with preparing and publishing the consultation document and long-term plan, whether in printed or electronic form;
- having systems and processes in place to provide the supporting information and analysis the Council needs to be able to prepare a consultation document and long-term plan that meet the purposes set out in the Act; and
- ensuring that any forecast financial information being presented has been prepared in accordance with generally accepted accounting practice in New Zealand.

We are responsible for reporting on the consultation document, as required by section 93C of the Act. We do not express an opinion on the merits of any policy content of the consultation document.

Independence and quality management

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour; and
- quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

In addition to this report on the Council's consultation document and all legally required external audits, we provide an assurance report on certain matters in respect of the Council's Debenture Trust Deed. These assignments are compatible with those independence requirements. Other than these assignments, we have no relationship with, or interests in, the Council or its subsidiaries.



John Whittal

Audit New Zealand
On behalf of the Auditor-General,
Wellington, New Zealand

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

