

2022–23

# Pūrongo ā-Tau Annual Report

Summary



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# He mihi

Ko Te Awa Kairangi he pou herenga iwi, he pou herenga waka.

Here mai ko te kei o tō waka ki te tumu herenga waka o ngā pae mounga kua whakatūtūria nei e te hikuroa o Ngake Mai i Tararua ki Remutaka ki Pūrehurehu, ki Pōkai Mangumangu, ki Pareraho, ki Tirohanga, ki Tukutuku, ki Puke Tirotiro, ki Pukeariki, e whakamarumarutia nei Te Tatau o Te Pō a Ngāti Te Whiti, a Ngāti Tāwhirikura, ki Pukeatua, te tuahu tapu o Te Kāhui Mounga i te wā i a Māui ki te whakapuare i te wahanui o Te Ika Whakarau a Kutikuti Pekapeka.

I ahu mai i Te Wai Mānga, i a Rua Tupua, i a Rua Tawhito, Ko Ngake, ko Whātaitai. Ka timu ngā tai o Te Wai Mānga, ka parzi mai ko Te Whanganui a Tara e pōkarekare mai ana.

Ka tū a Pukeatua ki runga i ngā wai e kato ana, i a Awamutu, i a Waiwhetū, kei reira a Arohanui ki te Tangata a Ngāti Puketapu, a Te Matehou, a Ngāti Hāmua e tū ana, tae noa atu rā ki ngā wai tuku kiri o te pūaha o te awa o Te Awa Kairangi.

Koia hoki te puna i heke mai ai he tangata. E kore e mimiti tēnei puna, ka koropupū, ka koropupū. Ko Te Awa Kairangi e rere iho mai ana i hōna pūtakenga i Pukemoumou i te paemounga o Tararua ki runga i hēnei whenua, ki runga i tēnei kāinga, hei āhuru mōwai ngā iwi.

Te Awa Kairangi is a rallying point for the many people and the many tribal affiliations that have made it their home.

Bind yourself to the many mountains of this place that were born from the lashing tail of Ngake. From Tararua to Remutaka, to Pūrehurehu, to Pōkai Mangumangu, to Pareraho, to Tirohanga, to Tukutuku, to Puke Tirotiro, to Pukeariki, to Te Korokoro o Te Mana which stands atop Te Tatau o Te Pō of Ngāti Te Whiti and Ngāti Tāwhirikura, to Pukeatua, the sacred altar of the Mountain Clan in the time of Māui.

It was here that the two ancient tūpuna, Ngake and Whātaitai, were summoned from the depths of the fresh water lake, tasked with prising open the mouth of the great fish.

It is Pukeatua that stands above the waters of Awamutu and Waiwhetū, the home of Arohanui ki te Tangata of Ngāti Puketapu, Te Matehou, and Ngāti Hāmua, flowing out to the life giving waters at the mouth of Te Awa Kairangi.

This is the spring that gives life to the people. This spring which will never be diminished, it will continue to flow, it will continue to flourish. Te Awa Kairangi that flows down from its source at Pukemoumou in the Tararua ranges and over these lands as a sheltering haven for the people.

# Ngā hua o roto

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The lines woven throughout this document are inspired by the topographic lines of two significant areas around Te Awa Kairangi ki Tai Lower Hutt: Pukeatua, the high ridge between Waiwhetū and Wainuiomata and Pukeariki, the highest point in Wellington's Belmont Regional Park (Belmont Trig). The movement of the lines references the form of the land, the coastline's shape, the tides' movement, and the river's flow and symbolises the energy and diversity of the different cultures, communities and people living and working together in Te Awa Kairangi ki Tai Lower Hutt.

# Nā Te Koromatua

## From our Mayor



Kia ora, over the past year, we've continued to invest in core infrastructure, delivering on our promise to get the basics right. We've responded to significant challenges with our water services network and have pushed forward with crucial investments that deliver against our priorities from our bold and ambitious 10-Year Plan.

We know the challenges we face in our city. We're experiencing the reality of ageing infrastructure, historic underinvestment and record urban growth, all while our community continues to adapt to the current economic situation and the impacts of our changing climate. As we've continued our capital investment programme, we've prioritised projects with partner funding to reduce the burden on our ratepayers.

We renewed 14.5km of pipes over the last financial year, a significant jump from averaging 4km in 2021-22 and 2021-22. This includes replacing and renewing the wastewater pipe from Barber Grove to Seaview – an old sewer pipe that has 90% of the Hutt Valley's waste flowing through it. We know there's more to do but I'm pleased with the progress we are making.

Resilience has been a major focus for us over the past year. Construction on Tupua Horo Nuku began, with the seawall and cycleway providing a greater level of protection from the ocean and extreme weather events for infrastructure under the road. We secured government funding for this project, in combination with contributions from Waka Kotahi and Hutt City Council.

We reached an important milestone in the RiverLink project, appointing AECOM-Fletcher as the preferred partner to deliver the programme and laying the foundations to start construction in the next financial year. The project was gifted a new name – Te Wai Takamori o Te Awa Kairangi – The Soothing Waters of Te Awa Kairangi. It will protect us from a 1 in 440-year flood and further revitalise our city centre, improving public transport and addressing congestion.

Co-funded by central government, Naenae Pool and Fitness Centre continues to progress well. When completed next year, it will be the first Green Star 5 rated aquatic facility in the country. This rating demonstrates our commitment to putting the environment first throughout the life-cycle of the project.

Working alongside our housing partners and mana whenua, Takai Here Tāngata saw the completion of nineteen homes for whānau in dire housing need. This was recognised when we won a national award for "Collaborative Government Action" and the overall Supreme Award at the Taituarā Local Government Excellence Awards.

I'm proud of the progress we're making to make Te Awa Kairangi ki Tai, Lower Hutt, the best place in New Zealand to grow up, raise a family and thrive. I'm looking forward to working with you as we continue to deliver for our people.

Mahia te mahi, hei painga mō te iwi.

Do what is necessary for the well-being of our people.

Ngā mihi.

**Campbell Barry**

Te Koromatua  
Mayor  
Hutt City Council

# Nā Te Tumu Whakarae

## From our Chief Executive



Kaua e rangiruatia te  
hāpai o e hoe: e kore tō  
tātau waka e ū ki uta.

Do not lift the paddle out  
of unison or our canoe  
will never reach the shore.

Kia ora, I am pleased to present  
this year's annual report.

We have seen a step-up in our  
capital investment programme  
delivery with a \$156 million spend  
across the group, representing  
double that of the prior year.  
Investment was prioritised into  
renewing core infrastructure such  
as the Barber Grove to Seaview  
wastewater pipe. This work will  
have positive flow-on impacts for  
generations to come.

Our financial management  
remains strong with Standard and  
Poor's reconfirming our AA credit  
rating. We are cognisant there  
are financial challenges ahead  
with a further ramping up of our  
infrastructure investment over the  
medium term, particularly debt  
headroom capacity constraints.

Our Financial Strategy focuses  
on achieving a balanced budget  
over the long-term, effectively  
ensuring that operating costs are  
paid for by operating revenue.  
The result achieved for this year is  
more than \$3.5 million better than  
the budgeted \$29.4 million deficit.

We are making progress on  
our climate change ambitions.  
We updated our city's carbon  
footprint and data shows we  
are reducing council's carbon  
footprint through moving our  
facilities to more sustainable  
energy sources, electrifying our  
vehicle fleet and improving gas  
destruction at the Silverstream  
landfill. More recyclables were  
collected at the kerbside, diverting  
this material from the landfill.

Homelessness remains a major  
challenge in our city. The awarding  
of \$98 million through the  
Infrastructure Acceleration Fund  
will enable 3,500 homes to be built  
as part of RiverLink and on the  
Valley Floor.

Following on from the success  
of our award-winning housing  
partnership I am immensely  
proud that our work is continuing  
to deliver real outcomes for our  
community. While visitor numbers  
at our facilities have not returned  
to pre-COVID levels, it's heartening  
to see that satisfaction rates  
are high. Over recent times we  
pivoted to meet community  
expectations and one example  
of this was electronic loans  
more than doubling over the  
last three years and a steady  
increase of computer usage.  
We also saw higher than target  
resident satisfaction rates  
with playgrounds, parks and  
sportsfields.

Being resilience-ready presented  
many challenges over the  
past year with unprecedented  
rainfall resulting in around 200  
slips across the city. This meant  
resources needed to be quickly  
redirected to Eastern Hutt  
Road, the western suburbs, and  
Wainuiomata Hill. Our roading  
network was affected by flooding  
which caused disruption to our  
community. Resident satisfaction  
in some areas dipped as we  
were not able to maintain our  
usual road maintenance and  
improvement programme.

Many other councils have  
experienced these same weather  
events, some to a much worse  
extent. Preparing for more  
adverse weather events is key to  
our sustainability. With more staff  
completing training we now have  
robust emergency management  
settings in place.

Thank you to all of our staff for  
your work over the past year and  
to our Mayor and Council.

Ngā mihi.

**Jo Miller**

Tumu Whakarae  
Chief Executive  
Hutt City Council



# Aratohu pānui pūrongo

## How to read this report

The purpose of this Annual Report is to measure how we performed against the goals we set for the year.

Here's a quick rundown of the Council planning and reporting cycle:

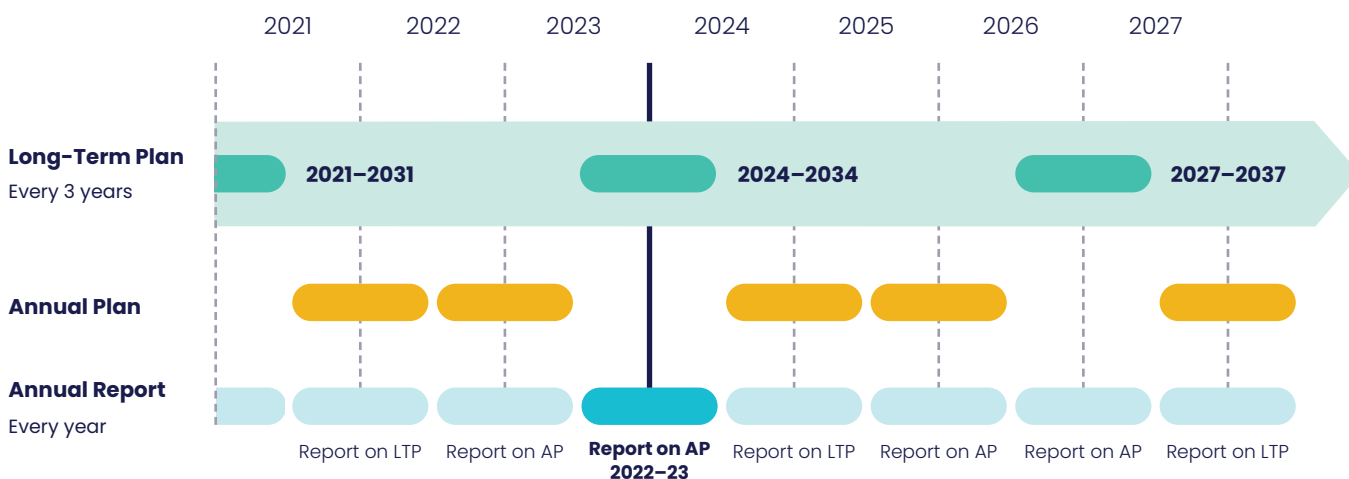
- Our Long-Term Plan (also known as the 10-Year Plan) and Annual Plan work together in a series. The Long-Term Plan sets out the vision for our city over the following decade, and outlines key projects and budgets for that period. The first year of the Long-Term Plan also serves as the Annual Plan for that year.
- In the two years following a Long-Term Plan, we have an Annual Plan each year. You can think of them as being like chapters two and three of the Long-Term Plan.
- In our Long-Term Plan and Annual Plan we set goals across our different work areas to make sure Council is always striving to perform better and best serve our community. In our Annual Report, we compare the goals we set with how we actually performed that year. This document is then audited by the Office of the Auditor-General.

In 2021 we published our Long-Term Plan, 2021–31, which set out our purpose for a city where everyone thrives. To get there, we identified six key priorities (see page 10 in this Summary Annual Report for more information on those priorities).

The Summary Annual Report gives an overview of our performance and key highlights from the year.

The full Annual Report is available at [hutt.city/annualreport](http://hutt.city/annualreport)

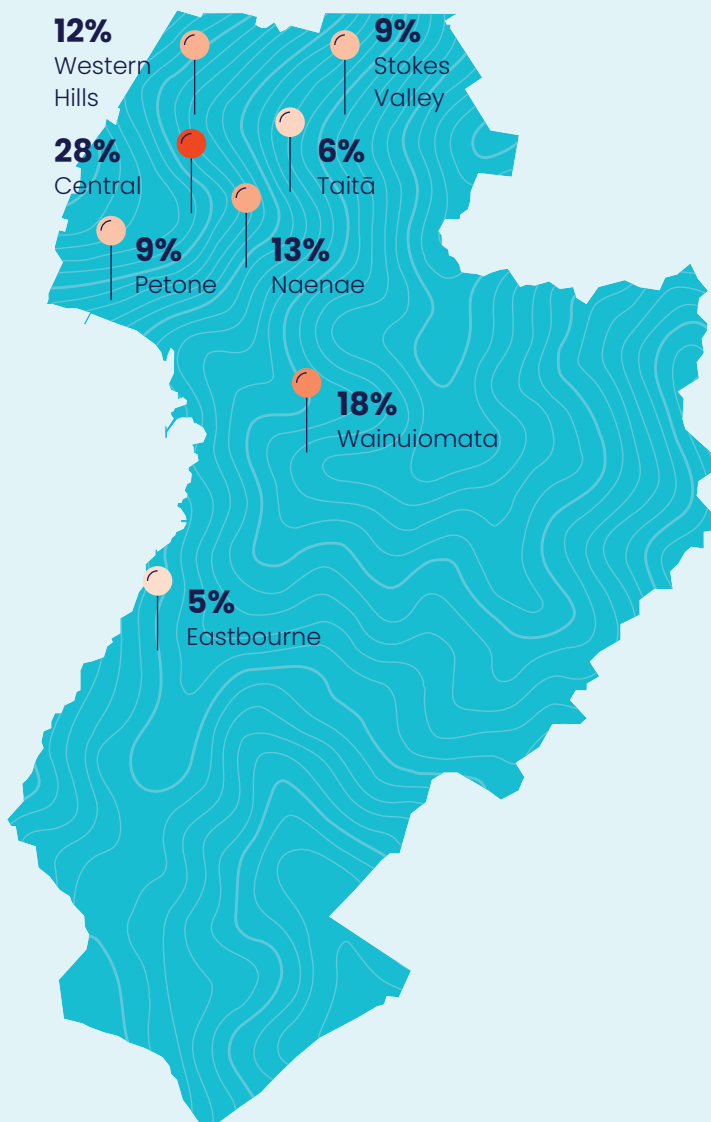
### Council planning and performance monitoring cycle



# Tō tātou tāone

## Our city

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



### Population density



## Population

**43,900**

Households (Sense Partners 2023)

**113,000**

Residents (Sense Partners 2023)

**1 in 5**

of our residents live in areas rated among the most deprived in Aotearoa New Zealand (Census 2018)

**1 in 4**

live in areas rated among the least deprived (Census 2018)



## Housing

**\$528**

median rent per week

**22%**

of residents rent privately

**9%**

live in social housing

**27%**

Rental affordability

(average rent to average household income)

(Dot Loves Data, May 2023)

**\$706,000**

Average house value

**61%**

of residents own their own home

**8%**

Housing affordability

(average house value to average household income)

(Dot Loves Data, July 2023)

**1 in 4**

households suffer dampness (Census 2018)

**1 in 5**

households have mould (Census 2018)





## Health

**76**

Average age of death  
(Ministry of Health 2018)

**226 per 100,000**

Child mortality rate of  
under 5 year olds  
(Ministry of Health 2018)

**14%**

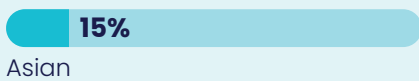
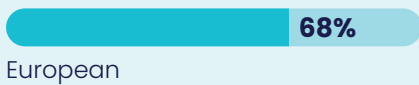
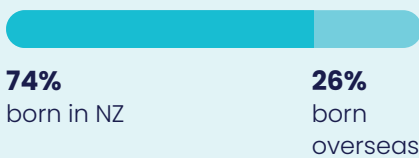
Regular  
smokers  
(Ministry of Health,  
Census 2018)

**8%**

of people aged  
20+ living with  
diabetes  
(Ministry of Health 2018)



## Ethnicity



**\$91**

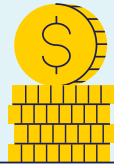
per person per quarter is the  
average amount lost to gaming  
machines (pokies) (Dot Loves Data 2023)

**Over half**

of our tamariki live in areas with  
a deprivation index of 7 or higher  
(Census 2018)

**2x**

Tamariki living in areas with the  
highest deprivation scores are  
twice as likely to end up in hospital  
compared with those from areas  
of lowest deprivation scores  
(Ministry of Health 2018)



## Income

**\$104,000**

Median household income  
(Dot Loves Data 2023)

**Top industries by jobs:**

- 1 Construction: 7,037
- 2 Healthcare and social assistance: 6,483
- 3 Retail trade: 5,224
- 4 Professional, scientific, and technical services: 5,102
- 5 Manufacturing: 4,794

**Top industries by GDP:**

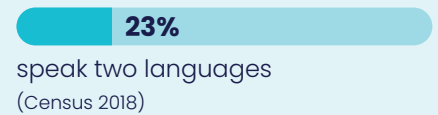
- 1 Professional, scientific, and technical services: \$789.1M
- 2 Manufacturing: \$744.9M
- 3 Construction: \$640.9M
- 4 Healthcare and social assistance: \$577.8M
- 5 Wholesale trade: \$469.8M  
(Infometrics 2022)



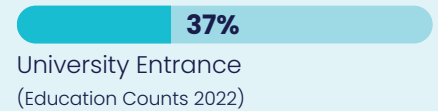
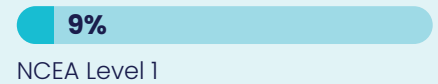
## Language

**Top 5 languages:**

English, Māori, Samoan,  
Hindi, Northern Chinese  
(Census 2018)



## Education



**NEET rate  
(youth not in education,  
employment, or training):**



# Council Assets



## Ko wai mātou? He aha hā mātou mahi? Who we are and what we do

We are Hutt City Council – we’re responsible for democratic and effective decision-making in Te Awa Kairangi ki Tai Lower Hutt.

We are also bound by the Local Government Act 2002 to promote the social, economic, environmental, and cultural wellbeing of our current and future communities. We do this through the services we deliver, and by developing a strategic vision alongside our community.

We work with and for our community in many ways. We look after community facilities and provide public services, including libraries and neighbourhood hubs, parks and sports grounds, swimming pools, and other reserves. We also collect rubbish and recycling, treat wastewater, prepare for emergency management, and keep our streets safe and in good condition.

### Nga Kīwei o Te Kete

Partnership with Mana Whenua

Tēnei ake anō ko ngā kīwei o te kete. Kei a au tōku, kei a koe tōu. This is indeed the handles of our basket. I have one handle, and you have the other.

We work alongside a number of partners, but first and foremost is our relationship with Mana Whenua.

Te Āti Awa Taranaki Whānui ki Te Upoko o Te Ika and Ngāti Toa Rangatira have historic and territorial rights in Te Awa Kairangi ki Tai Lower Hutt. Mana Whenua interests are represented by two Mana Whenua marae, Te Tatau o Te Pō and Waiwhetū Marae, and five iwi organisations: Taranaki Whānui ki Te Upoko o Te Ika (Port Nicholson Block Settlement) Trust, Te Rūnanga o Toa Rangatira, Wellington Tenth Trust, Palmerston North Māori Reserve Trust, and Te Rūnanganui o Te Āti Awa ki Te Upoko o Te Ika a Māui.

Council has developed Tākai Here (memoranda of partnership) with

the organisations representing Mana Whenua and iwi Māori in Te Awa Kairangi ki Tai Lower Hutt. These take a covenant approach, reflect iwi plans and align with Council and iwi aspirations.

We aim to meaningfully embrace and incorporate Te ao Māori in our policies and practices, be aware and responsive to Māori needs and aspirations, and fulfil our obligations under the principles of Te Tiriti. Council recognises the critical value that a strong partnership with Mana Whenua can bring to building a city where everyone thrives.

We want to ensure we have the right relationships and processes in place to enable partnership with Mana Whenua, effective participation and a shared decision-making focus. This includes meaningful, timely and inclusive engagement at all levels that requires teams to think about the role of Māori in the planning and delivery of our work programmes and the equitable resourcing for this in line with Te Tiriti o Waitangi obligations.

# Hō mātou whakaarotau

## Our priorities

We want Te Awa kairangi ki Tai Lower Hutt to be a city where everyone thrives.

As a community, we're continuing to face significant challenges. In our most recent 10 Year Plan Council identified six key priorities that will help us to tackle these challenges together and achieve our vision:



### 1 Whakangao i ngā poupou hapori

Investing in infrastructure

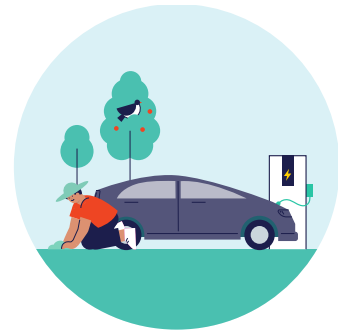
Investing in high-quality infrastructure that supports our people to move around, receive basic services (like water), and enjoy our community facilities.



### 2 Hei Āhuru Mōwai mō te Katoa

Increasing housing supply

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



### 3 Tiaki Taiao

Caring for and protecting our environment

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



### 4 Taunaki Ōhanga Auaha, Tāone Whakapoapoa

Supporting an innovative, agile economy and attractive city

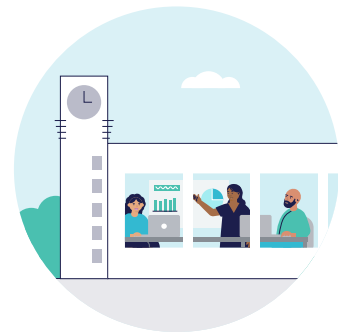
Investing to drive economic growth, and harnessing the talents of business, education, research, and science communities in Te Awa Kairangi Lower Hutt to make our city an attractive place to work and invest.



### 5 Tūhono Hapori

Connecting communities

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



### 6 Whakauka Ahumoni

Financial sustainability

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

# Ngā mahi o te tau

## Our year in review

An overview of our performance and key highlights from the year.



**816**  
new residential dwellings  
consented



**58%**

of the council vehicle  
fleet is electric



**60%**

of our capital invested went  
towards vital city transport and  
three waters infrastructure



## Key highlights



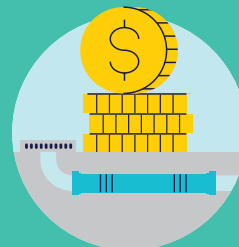
✓ Started construction on  
Tupua Horo Nuku (Eastern  
Bays Shared Path)



✓ Opened a new library in  
Maungaraki through an  
innovative partnership



✓ Completed the  
Wainuiomata Town  
Centre Upgrade



✓ Received grants of  
\$98.9 million for major  
stormwater and  
infrastructure upgrades



**646,578**  
visits to pools



**143,337**  
visits to museums



**715,127**  
physical library loans



**177,361**  
electronic library loans



**5,865**  
tonnes of recycling collected



✓ Taranaki Whānui ki te Upoko o te Ika and Ngāti Toa Rangatira gifted the name and cultural narrative for Te Wai Takamori o Te Awa Kairangi (RiverLink)



✓ Started construction on Naenae Pool and Fitness Centre



✓ Completed the Barber Grove to Seaview Wastewater Pipe Duplication Project



✓ Te Wai Takamori o Te Awa Kairangi (RiverLink) Alliance won a New Zealand Planning Institute's Best Practice Award for Integrated Planning and Investigations



✓ Refurbished The Dowse Art Museum's collection storage



✓ Won two awards for the Takai Here Tāngata partnership at the Taituarā Local Government Excellence Awards

# Whakangao i ngā pou pou hāpori

## Investing in infrastructure

High-quality infrastructure is critical to creating a city where everyone thrives. Our infrastructure needs to support our people to move around safely and efficiently, receive basic services (like water), and enjoy our community facilities. Here are some of our key infrastructure achievements over the last year.



### We started construction on Tupua Horo Nuku in the Eastern Bays

A Te Huringa-Nuku ceremony was held in August 2022 to mark the start of work on Tupua Horo Nuku, the new seawall and shared path project between Eastbourne and Ngāu Matau and Point Howard.

This important resilience project has received funding from central government, in combination with matched funding from Waka Kotahi and Hutt City Council.

Construction is wrapping up in Mā-koromiko with the completion of the seawall, and the first section of the shared path between Eastbourne and Days Bay has been opened to the public. Construction is well underway in Sunshine Bay with foundations poured and a significant number of seawall sections in place.

Further works in the area include upgrading and enhancing areas of the foreshore to provide nesting habitat for several seashore-foraging species, including kororā (little blue penguins) – one of our most at-risk native birds.



### We secured government funding for walking and cycling projects

Two projects received \$17 million from the government's Transport Choices package in late 2022, covering up to 90% of the project's costs. The funding helps Council progress critical work to create safer, healthier, more sustainable and more accessible alternatives for residents to move around the city, while minimising the cost for Council.

The first project, Community Connections, aims to improve safety and encourage more sustainable forms of transport from Taitā and Avalon linking to the Beltway Cycleway. Meetings with local groups and community leaders began in 2023, and the community will have further opportunities to provide feedback throughout the project.

The second project, CBD Connections, will improve walking, cycling and public transport connections through the city centre. We're proceeding with finalising the design. The timeline for evaluation of the completed design is currently under consideration.



### We were approved for \$98.9 million towards major stormwater and infrastructure upgrades

Our application to the government's Infrastructure Acceleration Fund was approved in late 2022. The funding is integral to delivering Te Wai Takamori o Te Awa (formerly RiverLink) and much-needed housing intensification on the valley floor.

Severe wet weather resulted in slips across the city and this level of investment will mean that crucial upgrades to our city's three waters infrastructure can be completed, including approximately 2km of new stormwater pipeline, pumping stations and outfalls, supporting the resilience of our city.



### **We secured \$8.36 million from the government's Better Off Fund for resilience projects**

We'll be using \$8 million of this funding to undertake works that improve the resilience of Eastern Hutt Road in Stokes Valley following high rainfall which caused landslips in July 2022. This led to a partial road closure.

Following geotechnical and engineering assessments, designs to remediate the slip sites above Eastern Hutt Road were agreed and consent for works was approved where required. Physical works have commenced and will be completed early in 2024.

The remaining Better Off Funding will be used to develop a climate action campaign in collaboration with Wellington City Council.



### **We won an award for our new website**

Council's website was ranked third of all councils in the country in the 2022 Website Experience Benchmark Report by the Association of Local Government Information Management. Websites are assessed and rated based on accessibility, content quality assurance, searchability, performance, response time, and availability. This project was part of the wider Te Kōhao Go Digital programme.



### **Other highlights:**

- We refurbished The Dowse Art Museum's collection storage so artworks will be cared for, now and into the future.
- We implemented new Chrome devices and fast WiFi into our community hubs.
- We opened the Manor Park Shared Pathway, further completing the Hutt River Trail.
- Te Wai Takamori o Te Awa Kairangi (RiverLink) Alliance won a New Zealand Planning Institute's Best Practice Award for Integrated Planning and Investigations, in recognition of the collaboration on the resource consent process.
- We progressed work on refurbishing two of our community facilities in Petone and Moerā.
- We completed work on the Barber Grove to Seaview Wastewater Pipe Duplication project.

# Hei āhuru mōwai mō te katoa

## Increasing our housing supply

We need to effectively plan for growth in our city, ensuring an increase in housing supply. We need to work with organisations to ensure our people have warm, safe, dry homes to live in.

One of Council's key roles when it comes to housing supply is making sure our city's homes are safe and fit for purpose. We do this by assessing and issuing building consents.



### **We issued building consents for 816 new homes over the past year**

Our city is changing, with higher density housing and more complex multi-unit developments being built. This will produce more housing, with increased options for our residents, which is positive for the community. However, these higher density consent applications are complicated and require more time, input, and expertise to process.

A legislative change which came into effect in May 2023 resulted in a significant increase to the number of consents being submitted as customers sought to submit consents before they were required to comply with the new regulations. This consistently high volume of consents means our staff are working harder than ever to process applications within statutory timeframes. With a limited pool of people across the country to do this work, other councils are facing similar pressures to ours.

### **We held our first joint building and planning Customer Advisory Group meeting**

In 2023 we brought representatives together from across the building and construction sector in Lower Hutt to share information, gain feedback and work together on solutions to improve outcomes across the industry.



### **We sent out *Kaihanga*, our newsletter for building and resource consents**

The joint newsletter by our building consent/resource consent and engineering teams creates a regular opportunity to connect with our customers by providing updates and useful information.

### **We released a new online building consent service**

From March 2023, the process for building consents was made much faster and more transparent with a new system for customers to apply for a building consent through an online portal and a new system for staff to process applications.



### **We introduced new processes and building checklists**

Alongside the new improved system for building consents we took the opportunity to review and enhance our building inspection checklists to better align with best regulatory practice.

The checklists were updated based on feedback from Council building inspectors and from the building sector. Changes came into effect from August 2023 following a transition period with the building sector.





## Takai Here Tāngata

In December 2023, 19 whānau moved into brand new, fully furnished homes at Te Ara o Takapū, Taitā, following a blessing held on the site led by Te Āti Awa to clear the way for the new whānau.

The homes were successfully delivered through Takai Here Tāngata, a partnership between Hutt City Council, He Herenga Kura, Te Rūnanganui o Te Āti Awa, and Council-owned organisation Urban Plus Limited. The project is the first of its kind in the country.

The partnership builds and delivers warm, safe and affordable homes to people in Lower Hutt in desperate need of a home. A key aim is to provide pathways to permanent home ownership for families over time. In 2023 the partnership won a national award for collaborative government action and the overall Supreme Award at the

Taituarā Local Government Excellence Awards. The award acknowledged the special partnership that delivered the quality homes and wrap-around support for people in housing stress. In making the award, the Taituarā judging panel said, “Good housing outcomes make positive outcomes in other areas so much easier to achieve. We regard Takai Here Tāngata as a proof of concept for a highly transferable methodology that has the potential to deliver housing at scale.”

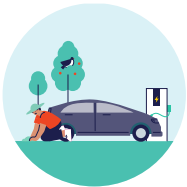
We are pleased to be working with our partners and the Ministry of Housing and Urban Development to deliver real outcomes for our community.

More initiatives are underway through this innovative partnership for those experiencing housing hardship.

# Tiaki taiao

## Caring for and protecting our environment

We are working with our communities to meet the challenges of climate change, and our goal of being carbon zero by 2050. Here are some of our key environmental achievements over the past year.



### We completed the roll-out of electric vehicle charging stations

In collaboration with Meridian Energy we completed the installation of 38 new electric vehicle (EV) charging stations across Te Awa Kairangi ki Tai Lower Hutt, ensuring that most residents now live within 3–4km of an EV charging station.

The 20 direct current and 18 alternating current charging stations were installed over the last two years, with the majority installed in 2022–23. Hutt City Council invested \$830,000 of the total \$1.2 million cost, with \$370,000 co-funded by the government's Low Emission Transport Fund, administered by the Energy Efficiency and Conservation Authority.



### Other highlights

- We secured a Green, Social and Sustainability loan for the Naenae Pool and Fitness Centre from the Local Government Funding Agency.
- We're continuing to phase out gas at our facilities. We changed from a gas boiler to a heat pump at Huia Pool. Work to transition McKenzie Baths Summer Pool from gas to electric water heating.
- We created and distributed a Too Good To Waste board game to help people of all ages understand the journey of recycling in our city.



## Recycling

Over the past year we have ramped up our efforts to maximise the effectiveness of our new kerbside recycling service introduced in 2021.

Through an education campaign and increased bin inspections we've been supporting behaviour change throughout the city to reduce contamination of our recycling. As a result, contamination of recycling has been trending down and 5,865 tonnes of recycling was collected in 2022–23, an increase on the previous year.

A review of Council's new kerbside collection service has shown the service is working well, with a range of positive outcomes. These include an increase in recycling volume collected, a reduction in emissions, and improvements to health and safety. In our latest Resident Satisfaction Survey, 77% of residents were satisfied or very satisfied with their recycling collection and 78% satisfied or very satisfied with rubbish collection.

# Taunaki ōhanga auaha, tāone whakapoapoa

## Supporting an innovative, agile economy and attractive city

We're investing to drive economic growth and harnessing the talents of business, education, research, and science communities in Te Awa Kairangi ki Tai Lower Hutt to make our city an attractive place to work and invest. Here are some of our key economic achievements over the past year.



### We progressed work on Te Wai Takamori o Te Awa Kairangi

A once in a lifetime opportunity to transform and revitalise our city centre has moved forward in partnership with iwi Taranaki Whānui ki Te Upoko o Te Ika and Ngāti Toa Rangatira, Greater Wellington Regional Council, Waka Kotahi NZ Transport Agency, Hutt City Council, AECOM and Fletcher Construction.

Te Wai Takamori o Te Awa Kairangi (RiverLink) is set to be the largest infrastructure project in the history of the Hutt Valley. It will create a more resilient CBD in the face of increasing severe weather events and delivering a more connected and vibrant city centre with Te Awa Kairangi (Hutt River) at its heart. It will stimulate greater economic growth and development, allow more housing, and revitalise our city centre, as well as providing commercial opportunities for our local businesses to be involved in the project.

The project includes crucial flood protection and river restoration work, improvements to public transport, walking and cycling routes, local roads, and the State Highway 2 Melling Interchange, as well as urban revitalisation of the Lower Hutt city centre.

The name Te Wai Takamori o Te Awa Kairangi – The Soothing Waters of Te Awa Kairangi and cultural narrative was formally gifted to the Alliance at a pōwhiri in April 2023 by Mana Whenua partners Taranaki Whānui ki te Upoko o te Ika and Ngāti Toa Rangatira.

The narrative acknowledges the story of the tupua Ngake and how the whipping and lashing of his tail created Te Awa Kairangi – Hutt River. The new name, Te Wai Takamori o Te Awa Kairangi refers to the many waterways that came together to heal and soothe the scars that Ngake left on the land. These waterways feed the river and continue to shape the landscape of the Hutt Valley. The name is a reminder about the importance of caring for the environment.

The resource consent process was awarded a New Zealand Planning Institute's Best Practice Award in April 2023 for Integrated Planning and Investigations, recognising the careful planning and commitment to collaboration from all partners.

In May 2023, the Interim Project Alliance Agreement was signed with AECOM and Fletcher Construction as the lead designers and constructors on the project. Once the final detailed design, cost and construction approach is agreed upon, a Project Alliance Agreement will be signed later in 2023, with main construction to follow.



### **We helped highlight Māori-owned businesses**

In November 2022 we joined forces with Te Matarau a Māui and Amotai to organise a meet-and-greet event between Māori-owned businesses and large-scale organisations in the greater Wellington region. Over 200 Māori business owners attended the event and were able to connect with representative from large-scale organisations, government agencies, and other councils from the region.



### **We supported the establishment of a new Jobs and Skills Hub**

Council joined the Ministry of Social Development and other regional partners to help establish the Hutt Valley Jobs and Skills Hub and its working group to support its programmes and services.

The focus of the new hub will be on enabling the Hutt Valley's current and future workforce to meet skills demand for the construction and infrastructure sector ahead of major works over the next decade, such as Te Wai Takamori o Te Awa Kairangi, which are expected to create around 4,500–6,570 jobs. Project partners working on Te Wai Takamori o Te Awa Kairangi have agreed to utilise the hub as a key source of recruitment for their programme of works.



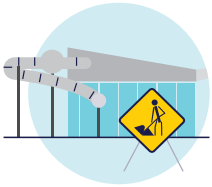
### **We refreshed our destination website**

Destination content previously on our HuttValleyNZ website was moved onto the refreshed regional WellingtonNZ.com in 2023, more than tripling the viewership and enhancing the promotion of businesses and experiences across Lower Hutt.

# Tūhono hāpori

## Connecting communities

We're investing to connect neighbourhoods and communities so they can thrive and remain safe, connected, healthy, inclusive, and resilient. Here are some of our key community achievements over the past year.



### **We started construction on Naenae Pool and Fitness Centre**

Construction work on the significant project to rebuild the beating heart of the Naenae community has began, following a Te Huringa-Nuku (dawn ceremony) in June 2022.

The main contractor, Apollo Projects, completed ground remediation in August 2022, and then laid the foundations for the pool halls. The first concrete pour took place in December 2022, followed by the steel and concrete frame and timber beams in January. Currently the team are working on completing the roof structure, installation of the pool tanks, and internal pool water services. The pool is on track to open in 2024.

The project is also delivering on the wider positive social, economic, and environmental outcomes sought. It remains on target to source 80% of the sub-contracts for supply and labour locally. Examples include parts for the zoom tubes being made in Taitā and the structural steel frame being made in Petone. The building is on track to achieve a five-star rating under the New Zealand Green Building Council's Green Star rating system for sustainability. It is creating community connections through initiatives that include community salvage days and public art.



### **We continued the revitalisation of Naenae town centre**

Following the refurbishment of the library in July 2022, work shifted to the new community centre housed in the former post office building. A blessing was held on the site in January 2023.

Main contractor Duncan Commercial began the seismic upgrade work in February. Work is progressing as they take care to protect existing historical features of the Category 1 listed historic place, including the iconic clock tower. Internal fit-out of the building has commenced and refurbishment of the clock tower will commence shortly.

Designed in consultation with the community, the building is being earthquake strengthened and refurbished to be a flexible space for the community to gather and connect, further breathing new life into the town centre.



## We opened a new library in Maungaraki

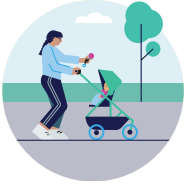
In partnership with Maungaraki School and the community a new purpose-built library was opened on the school grounds in March 2023. Part of the new Maungaraki Community Precinct, it's a once-in-a-generation refresh of community and school assets in response to the significant growth of young families in the area.

The library and community space is a first for the city, following a new operating model developed by the school's management team and Board of Trustees, the Maungaraki Community Association and Hutt City Libraries. The library is operated by school and Council staff as well as community volunteers, and is open to the public out of school hours.

Through the community-led partnership, Council has been able to bring library services to residents in the Western Hills. The new library gives local access and support to Hutt City Libraries' vast print and online collections, including eBooks, eMagazines, audiobooks, and online learning.

Hutt City Libraries also provides professional librarian services, helping to establish the new library and community space, as well as developing a comprehensive collection for all ages.

## Connecting communities continued

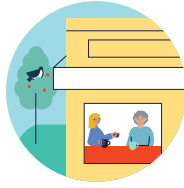


### Wainuiomata town centre

In June 2023, the long-awaited redevelopment of Wainuiomata's civic heart was officially handed back to the community following COVID-19 delays, the wettest winter on record and an unexpected upgrade required to a burst water pipe along Queen Street.

Based on the community's vision to make the town centre a safe and attractive place for everyone the upgrade introduced a half basketball court, significant pavement improvements, new seating, decking, and improved lighting. Locally connected artist, Tiaki Dahm, was engaged in the design process, and elements of their work can be seen through the cultural narrative introduced as part of the upgrade.

While the ultimate goal of the project was to deliver a high-quality upgrade to the town centre, both the contractor and Council aimed to have a deeper impact on the wider community throughout the project. Where possible the contractor partnered with local businesses and worked with five local Māori-owned businesses, supporting each in a variety of upskilling and development initiatives. A number of recently graduated local students were also employed on apprenticeships, with two recruits now in full-time employment with the contractor.



### Other highlights

- A nationwide quality of life survey released in October 2022 indicated that Lower Hutt residents have a relatively high quality of life compared to many other cities in New Zealand.
- We invested \$350,000 in the refurbishment of a new home for Ignite Sport Centre in Waiwhetū which opened in April 2023.
- A partnership between Te Awa Kairangi Kai Collective and Hutt City Council won a prestigious national award from Local Government New Zealand in July 2022.
- We joined the Welcoming Communities programme from Immigration New Zealand in January 2023, which is designed to create inclusive environments where all residents can thrive and belong.





# Whakauka ahumoni

## Financial sustainability

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

Being accountable to residents and ratepayers for the management of our finances, both in the short term and the long term, is a key responsibility of Council. This section aims to provide a brief overview to help you understand our finances. In particular, it shows where we have spent the money that we have received and how we have invested for the future of our city.

### Our financial strategy

Council's financial strategy is based on important principles that provide the foundation for prudent sustainable financial management. These principles can be summarised as:

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

The financial strategy focuses on strong fiscal management while addressing growing demands for increased capital investment in core infrastructure assets. The financial strategy can be read in full in the Long-Term Plan 2021–31, [available on our website](#). It sets limits on the amount of debt we can take on compared to revenue (the net debt to revenue ratio). It also forecasts net debt (the money we owe lenders, less cash) and when we will balance the budget. The Council budgets are balanced when everyday revenue pays for everyday expenses.

### Investment in infrastructure

Te Awa Kairangi ki Tai Lower Hutt is projected to continue growing, and our infrastructure (from transport and water network to libraries and playgrounds) needs to support this growth. In addition, we have ageing assets across our three waters network that need to be replaced.

This year we continued work to improve the transport network, future-proofed and expanded our water networks and protected and restored parks and reserves. We also progressed renewal of Council facilities for residents to enjoy. In 2022–23, total capital investment by Council was \$156.3 million compared to a budget in the Annual Plan of \$177.5 million. Including Urban Plus Ltd investment into the wider group, total capital investment was \$156.8 million (2021–22 \$76 million). This increased investment of \$83 million is the continuation of a step-up in our capital investment programme to implement the objectives of the 10-Year Plan (see Graph 1).

Some of our key highlights and spend for the year were:

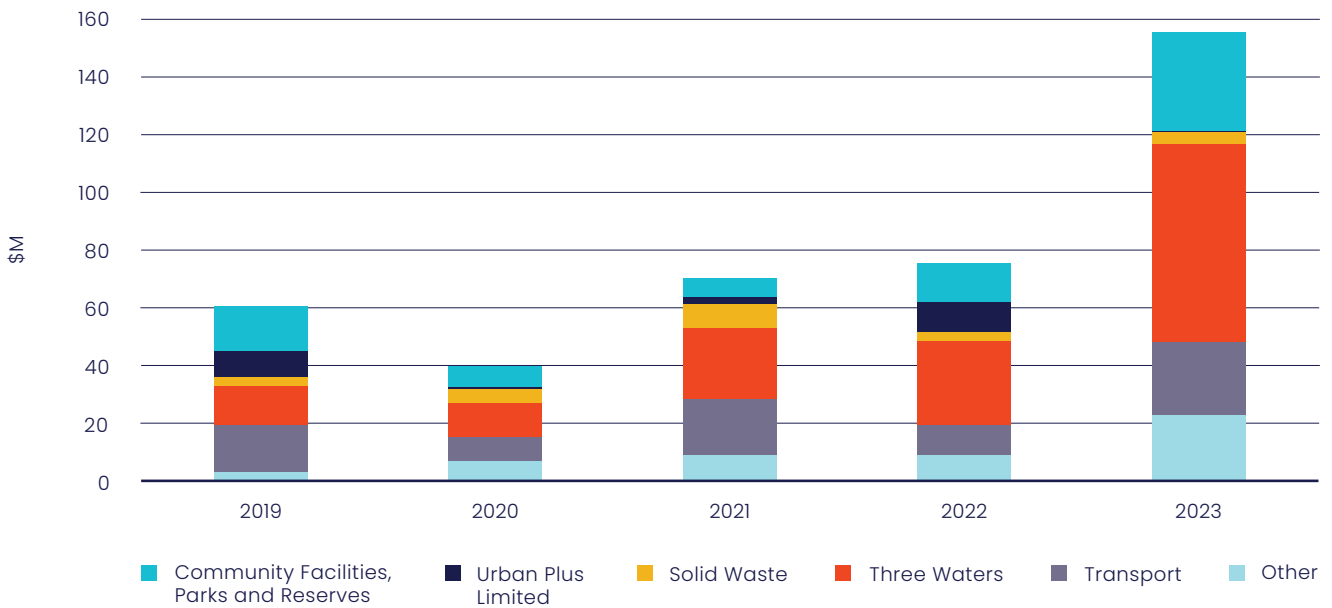
- \$69.5 million on three waters infrastructure. Network renewals equates to \$55.5 million of the total spend. This includes replacement of ageing galvanised water supply pipes and replacement of the main trunk sewer for the Barber Grove to Seaview Wastewater project, as well as some unplanned watermain work due to the Point Howard slip, and water infrastructure renewals for the Wainuiomata town centre development. The total spend for the year includes some work brought forward, some unplanned but necessary work and some increases. There was a resulting \$27.7 million overspend against the Annual Plan budget.
- \$26.3 million to continue works on the new Naenae Pool and Fitness Centre.
- \$25.8 million on transport projects. The Transport renewals spend of \$6.9 million and capital improvement spend of \$18.7 million enabled easier connections for people to get to the places they want to go while also encouraging more sustainable transport options. These included projects like Tupua Horo Nuku (Eastern Bays Shared Path)\* and the Micromobility Programme\*.
- \$7.4 million on Wainuiomata town centre development.
- \$5.6 million on Te Wai Takamori o Te Awa Kairangi (RiverLink) as this project gets underway with our project partners Greater Wellington Regional Council and Waka Kotahi.
- \$4.9 million on various parks and reserves projects such as Manor Park cycle trail, playgrounds, parks building renewals\* etc.

\* Refer to the Activity statements under Section 2 of this report for detailed spend and budgets for these projects.

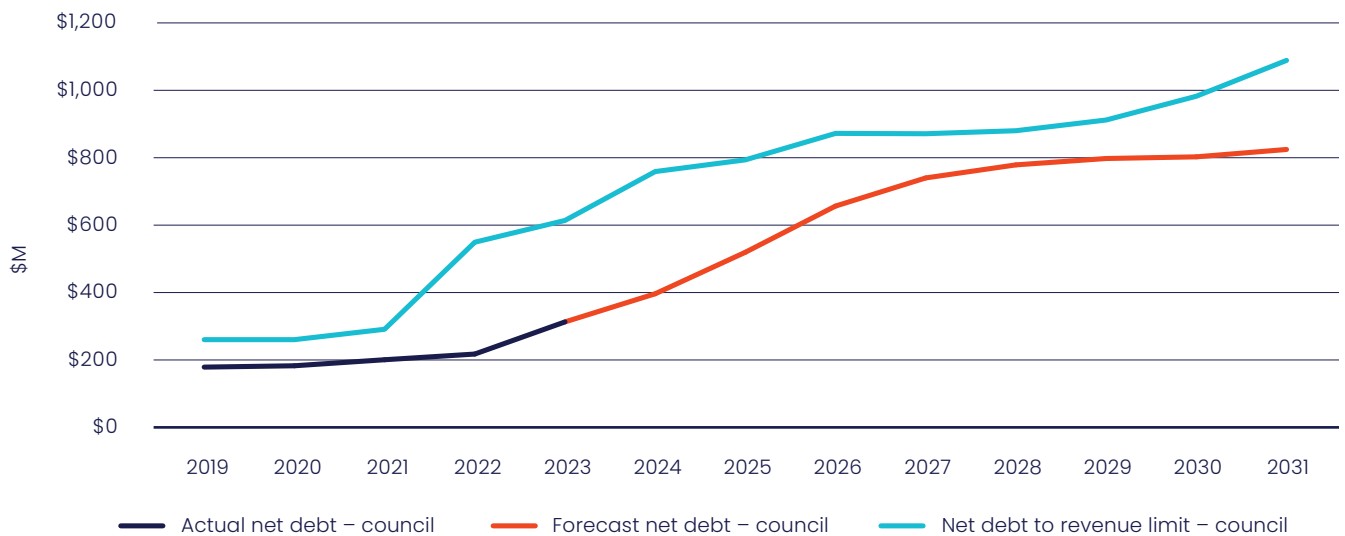
Our investment plans and ability to implement the capital programme have been impacted by supply chain constraints and the availability of contractors and staff. This is partly due to the lingering impacts of COVID-19 and partly due to reprioritisation of staff and contractors to deal with adverse weather events experienced during 2022–23 in the Hutt Valley and wider North Island.

Key areas of underspend in 2022–23 mainly related to delays for Tupua Horo Nuku (Eastern Bays Shared Path) and Te Wai Takamori o Te Awa Kairangi (RiverLink), with work progressing into 2023–24.

**Graph 1: Council capital investment five-year trend**



**Graph 2: Council net debt**

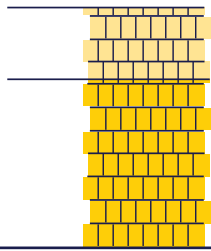


# \$307M

Group net debt  
(ratio of 126% of revenue)

# \$96M↑

Increase in  
group net  
debt in 2022–23



# \$2794.05

Per resident/person in  
net group borrowings (or  
\$7457.27 per rateable unit)



# AA

credit rating

AAA
<b>AA</b>
A
BBB
BB
B
CCC
C
D

## Prudent debt management

We use debt to help finance our capital investment for assets with long lives. This helps spread the cost of the assets across the generations that will benefit from them. Our set borrowing limit requires us to keep within our net debt to revenue ratio of 250%, so we are allowed to borrow up to that limit. This means the debt we take on remains affordable for us to repay.

In this financial year Council net debt increased by \$96 million to \$307 million (ratio of 126% of revenue). The increase is in line with the planned net debt of \$308 million (see Graph 2). In the next five years, we expect our net debt to revenue ratio to increase to around 221% as we lift our investment in core infrastructure (including three waters) over the coming years.

## Credit rating

We retained a strong credit rating of AA from Standard and Poor’s Credit Rating Agency. The long-term outlook was revised from a stable outlook to negative on 11 August 2023. The rating reflects the prudent manner in which we manage our debt and finances, but it also signals the projected weakening impact of the significant increases in our infrastructure investment over the next three years on our debt and liquidity ratios. Maintaining our credit rating enables easier access to liquidity markets and reduces our cost of debt.

## Revenue

We fund our services and operations through a mix of rates and non-rates revenue. Like all councils we have a high reliance on rates as an income stream (see Graph 3). Total group revenue for 2022–23 was \$263 million (excluding revenue on the revaluation of financial instruments) and is trending up (see Graph 4). Rates revenue at \$140 million represents just over a half of our revenue at a group level. Rates revenue increased by \$9.4 million in the current year, reflecting the rates revenue increase approved by Council to fund our services.

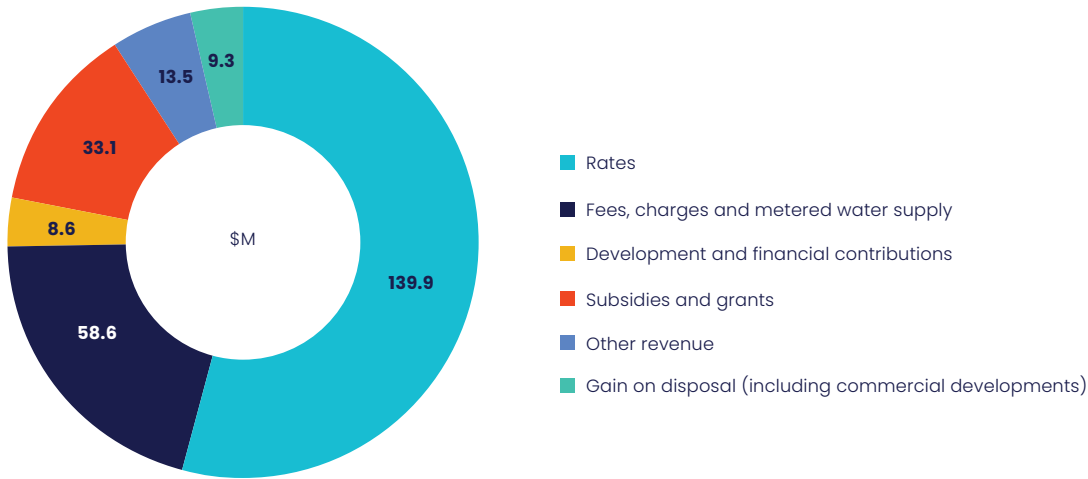
Subsidy and grant revenue is \$22 million lower than budgeted. This reflects the lower than planned achievement of Council’s capital programme resulting in lower related subsidy and grant revenue, including \$12.7 million less in Waka Kotahi capital subsidies.

Fees and charges are \$5.4 million more than budgeted, largely due to higher commercial waste volumes at the landfill.

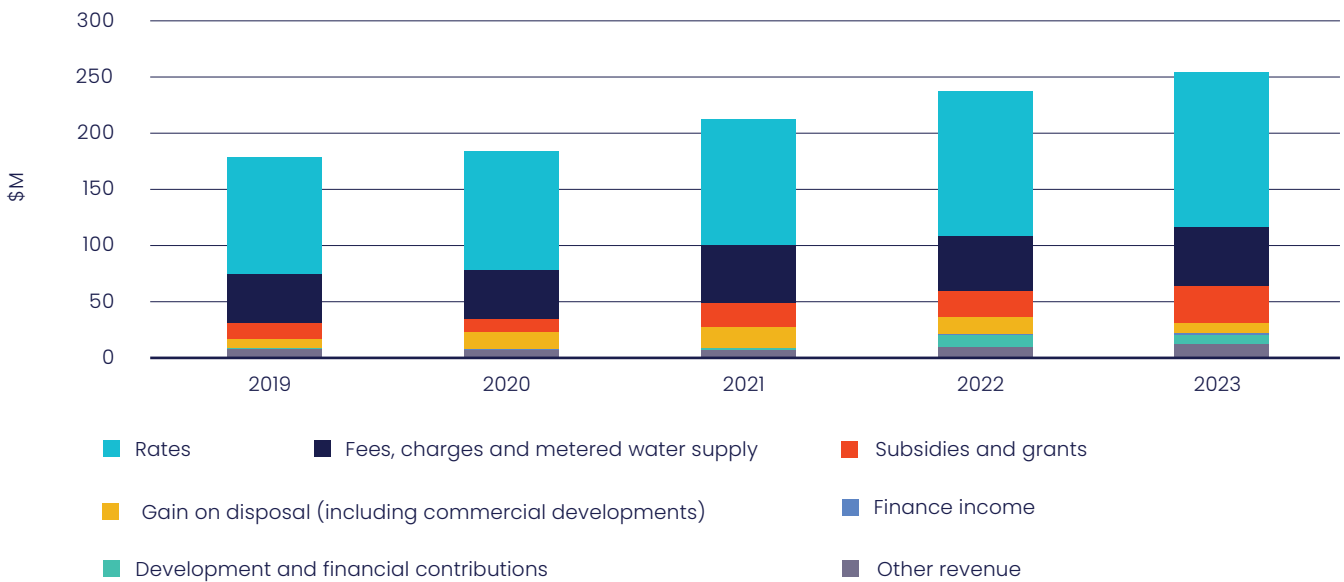
## Expenditure

Our operating expenditure is what it takes to deliver our day-to-day services. It includes things like paying our staff, maintaining our assets, and providing a wide range of services and support to the community. Across the group, total costs for 2022–23 were \$253.9 million. Graphs 5 and 6 show how the group’s spending is spread across the different services and the trend over the past five years. Council’s operating costs were higher than budget by \$3.2 million. The overspend is largely driven by \$1.6 million higher resourcing and compliance costs to aid in processing consent applications received, increased costs of \$5.9 million largely for roading reactive storm maintenance and related slip repairs following adverse weather events, and \$1 million repairs and maintenance for parks and reserves activities. Depreciation costs were \$3 million lower than planned, largely due to the 2021–22 year-end asset revaluation being lower than planned and changes in the capital delivery programme.

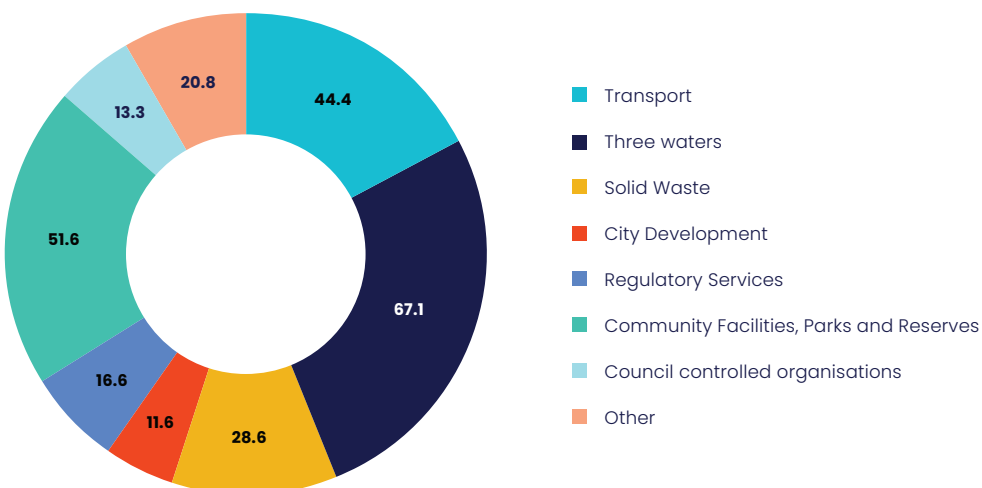
**Graph 3: Group revenue by source in 2022–23**



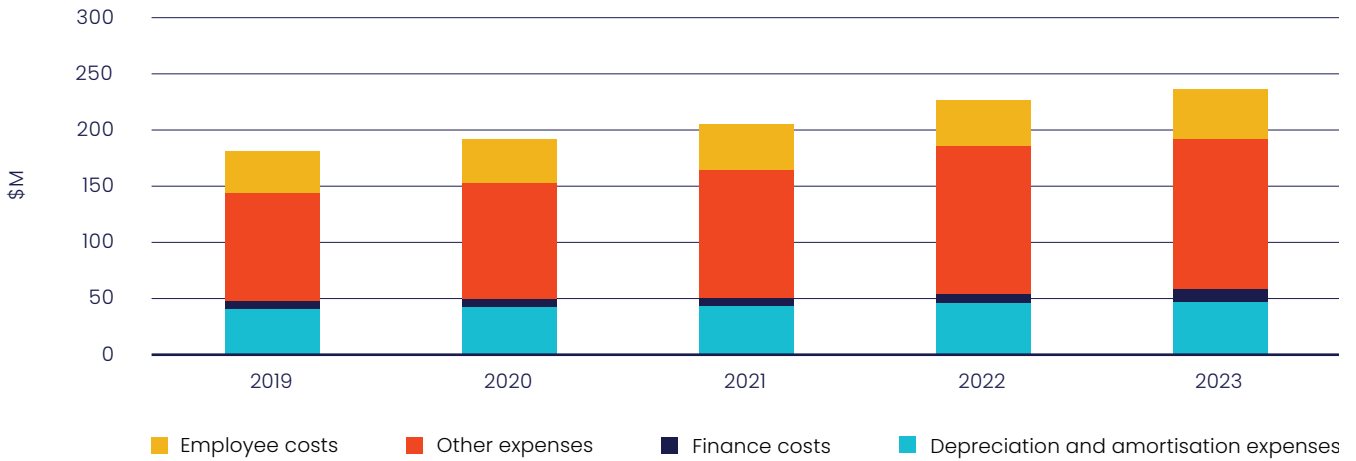
**Graph 4: Group five-year revenue trend (excluding gains on the revaluation of financial instruments)**



**Graph 5: Group expenditure by activity in 2022–23**



**Graph 6: Group five-year expenditure trend (excluding losses on revaluation of financial instruments)**



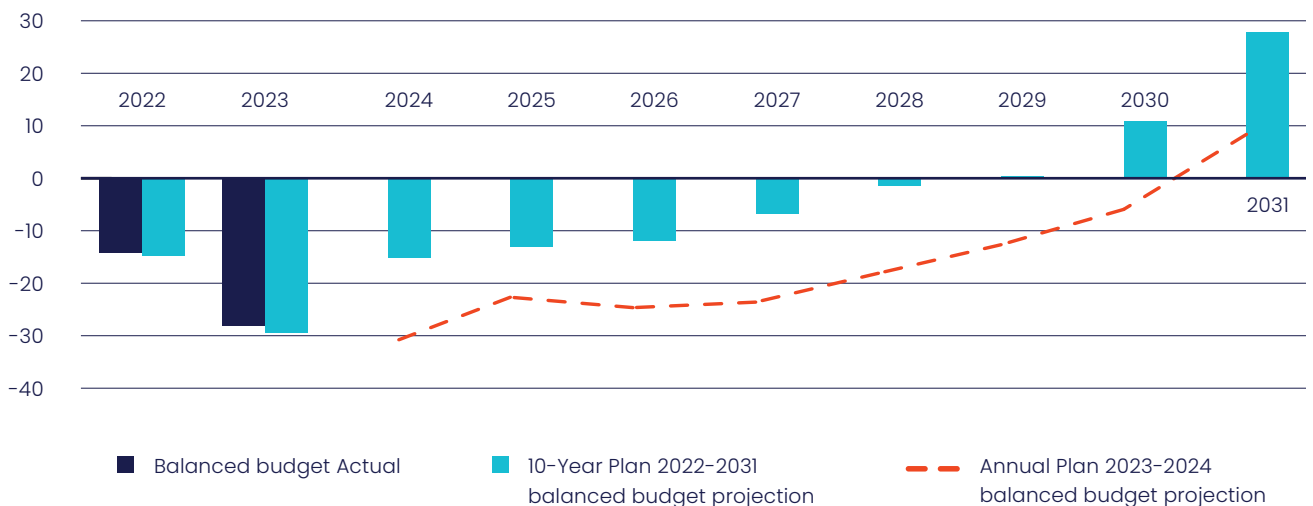
### Balanced budget

An important part of our financial strategy is our balanced budget target.

A balanced budget reflects that everyday costs are paid for by everyday income; effectively, operating costs are paid for by operating revenue. We don't want to be taking on debt to pay for everyday expenses, but it's reasonable (and in fact a good idea) to take on debt for big investments. In our 10-Year Plan we set out our approach for measuring whether we are achieving a balanced budget which has been reviewed and updated through the current Annual Plan 2023–24.

While there is a need to achieve a balanced budget for the long-term sustainability of Council services, this has to be weighed against the significant increase in capital investment requirements. To ensure that this is done in a way that is affordable to ratepayers, Council will move towards a balanced budget over several years. Council is forecasting to return to a balanced budget by 2030–31 based on the latest Annual Plan 2023–24. In 2022–23, our balanced budget result was a deficit of \$28.1 million, which was \$1.3 million better than the budgeted \$29.4 million deficit. Graph 7 shows the actual balanced budget trend to date and the future forecast.

**Graph 7: Council actual and projected balanced budget outlook**



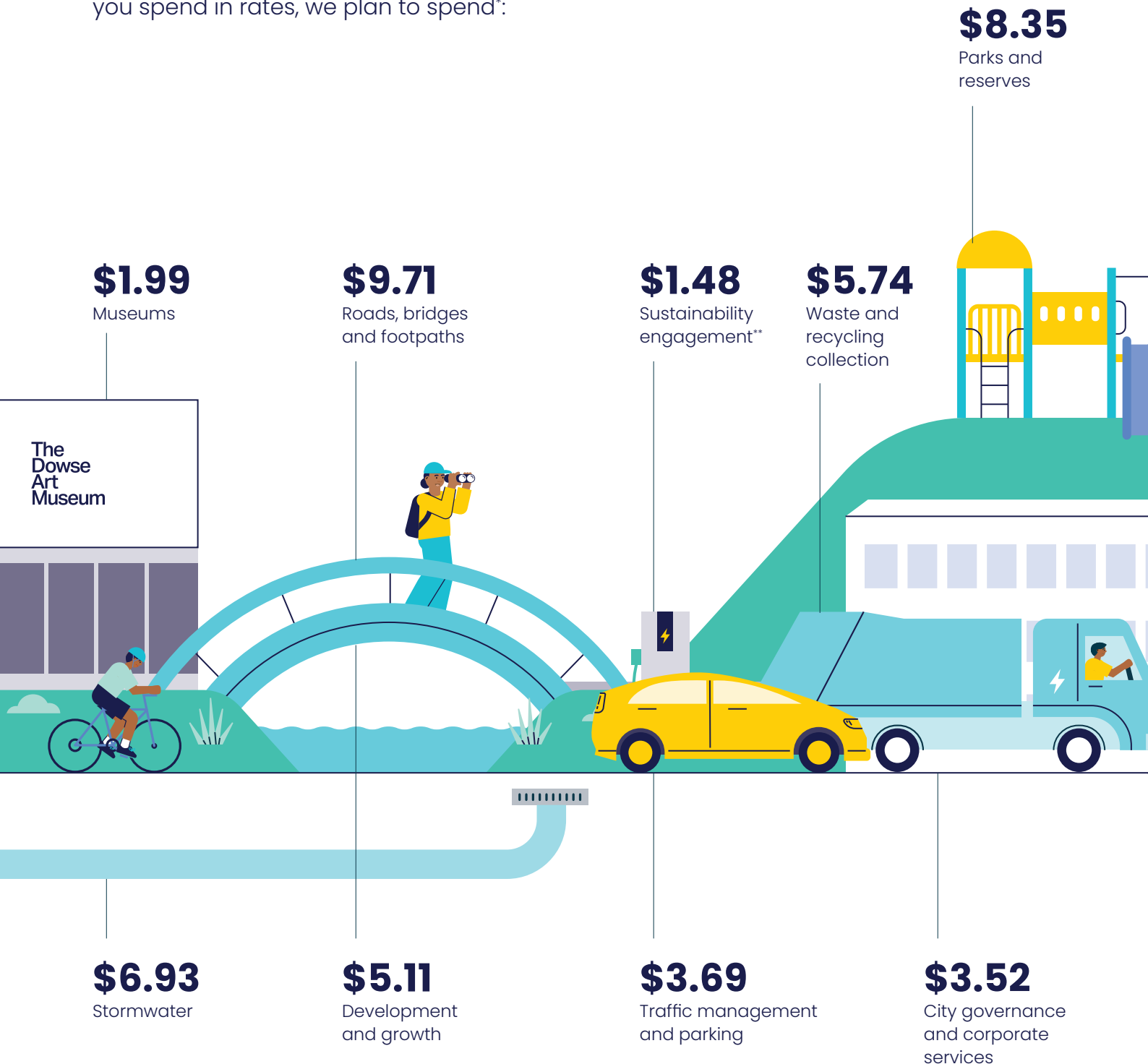
The Hutt City Council balanced budget target is defined as the Local Government (Financial Reporting and Prudence) Regulations 2014 definition, modified to exclude from the definition of revenue Waka Kotahi NZ Transport Agency's Capital improvement subsidies, Infrastructure Acceleration Fund grants and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



# Ki hea tohaina ai hāku rēti?

## Where will my rates be spent?

Over the next eight years for every \$100 you spend in rates, we plan to spend\*:



\* The average costs over the remaining eight years of the 10-Year Plan are presented here.

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

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



**\$4.89**

Pools

**\$0.11**

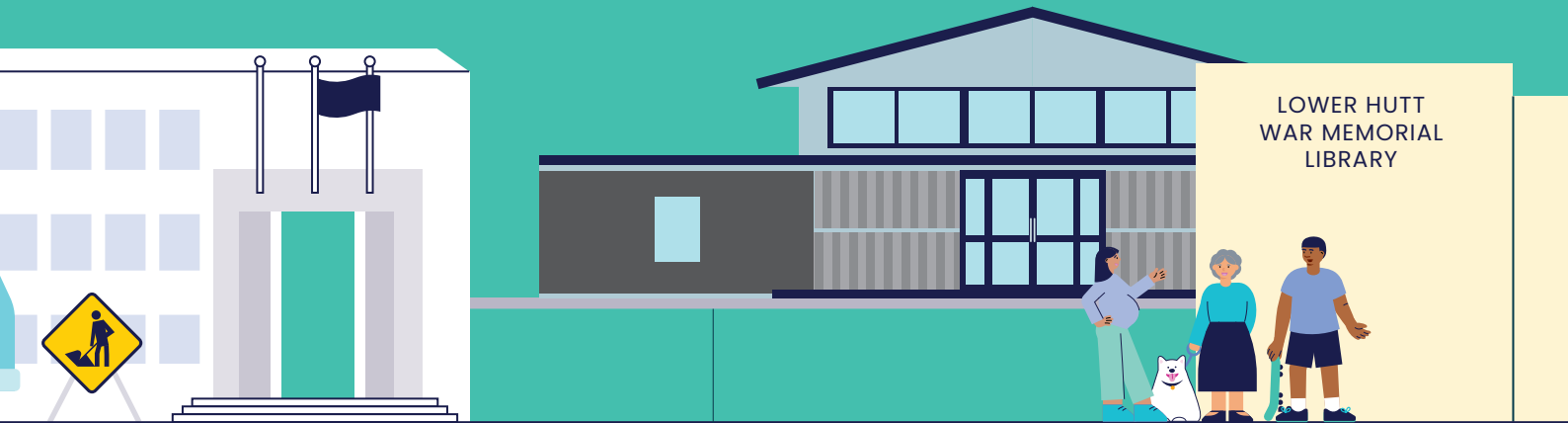
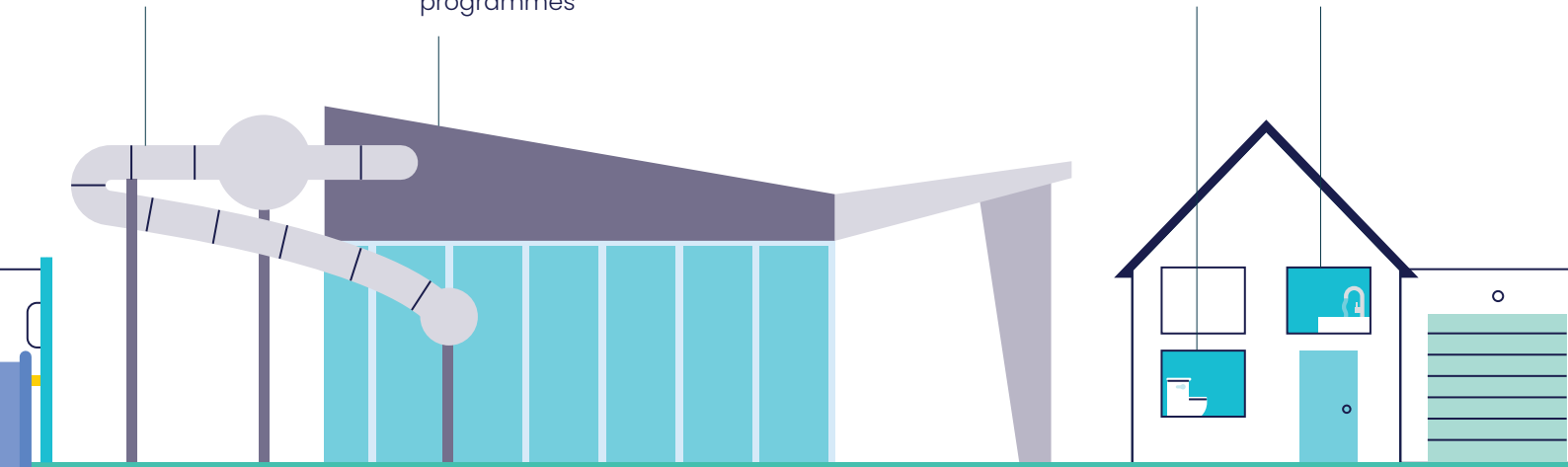
Recreation programmes

**\$20.06**

Wastewater

**\$19.03**

Water supply



**\$3.07**

Road maintenance and street cleaning

**\$2.22**

Consents and regulatory

**\$2.05**

Halls and venues

**\$4.49**

Community partnering

**\$3.58**

Libraries

We expect to receive -\$6.02 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.

# Pūrongo pūtea

## Summary financial statements

### Summary statement of comprehensive revenue and expenses

For the year ended 30 June 2023	Council			Group	
	Actual	Budget	Actual	Actual	Actual
	2023 \$000	2023 \$000	2022 \$000	2023 \$000	2022 \$000
Total revenue	252,500	253,369	242,212	266,592	261,353
Finance costs	(11,197)	(10,613)	(7,784)	(11,197)	(7,784)
Loss on revaluation of financial instruments	-	-	-	-	-
Other operating expenditures	(229,444)	(226,869)	(208,094)	(242,749)	(222,224)
Share of associate's surplus / (deficit)	-	-	-	(300)	507
<b>Surplus / (deficit) before tax</b>	<b>11,859</b>	<b>15,887</b>	<b>26,334</b>	<b>12,346</b>	<b>31,852</b>
Income Tax expense	68	-	14	348	904
<b>Surplus / (deficit) after tax</b>	<b>11,791</b>	<b>15,887</b>	<b>26,320</b>	<b>11,998</b>	<b>30,948</b>
Gain/(losses) on property revaluations	-	-	180,310	(3,729)	197,725
Impairment gain/(losses) on revalued property	-	-	-	-	-
Deferred tax on revaluation	-	-	-	844	300
<b>Total other comprehensive revenue and expenses</b>	<b>-</b>	<b>-</b>	<b>180,310</b>	<b>(2,885)</b>	<b>198,025</b>
<b>Total comprehensive revenue and expenses attributable to Hutt City Council</b>	<b>11,791</b>	<b>15,887</b>	<b>206,630</b>	<b>9,113</b>	<b>228,973</b>

### Summary statement of changes in equity

For the year ended 30 June 2023	Council			Group	
	Actual	Budget	Actual	Actual	Actual
	2023 \$000	2023 \$000	2022 \$000	2023 \$000	2022 \$000
Equity at the beginning of the year	1,592,966	1,514,647	1,386,336	1,655,205	1,426,232
Total comprehensive income	11,791	15,887	206,630	9,113	228,973
Net assets on Amalgamation of Hutt City Community Facilities Trust	-	-	-	-	-
<b>Equity at the end of the year</b>	<b>1,604,757</b>	<b>1,530,534</b>	<b>1,592,966</b>	<b>1,664,318</b>	<b>1,655,205</b>

### Summary statement of financial position

As at 30 June 2023	Council			Group	
	Actual	Budget	Actual	Actual	Actual
	2023 \$000	2023 \$000	2022 \$000	2023 \$000	2022 \$000
Current assets	61,710	33,307	53,982	100,859	73,694
Non-current assets	1,979,898	1,898,536	1,845,154	2,002,827	1,892,531
<b>Total Assets</b>	<b>2,041,608</b>	<b>1,931,843</b>	<b>1,899,136</b>	<b>2,103,686</b>	<b>1,966,225</b>
Current liabilities	125,236	147,513	77,112	126,245	79,312
Non-current liabilities	311,615	253,796	229,058	313,122	231,708
<b>Total liabilities</b>	<b>436,851</b>	<b>401,309</b>	<b>306,170</b>	<b>439,368</b>	<b>311,020</b>
<b>Net assets</b>	<b>1,604,757</b>	<b>1,530,534</b>	<b>1,592,966</b>	<b>1,664,318</b>	<b>1,655,205</b>
<b>Total equity</b>	<b>1,604,757</b>	<b>1,530,534</b>	<b>1,592,966</b>	<b>1,664,318</b>	<b>1,655,205</b>

## Summary statement of cash flows

For the year ended 30 June 2023	Council			Group	
	Actual	Budget	Actual	Actual	Actual
	2023 \$000	2023 \$000	2022 \$000	2023 \$000	2022 \$000
Net cash flow from operating activities	39,907	65,878	50,773	45,736	53,687
Net cash flow from investing activities	(168,494)	(146,478)	(69,432)	(149,874)	(72,221)
Net cash flow from financing activities	115,000	80,600	40,000	115,000	40,000
<b>Net cash flow for the year</b>	<b>(13,587)</b>	<b>-</b>	<b>21,341</b>	<b>10,862</b>	<b>21,466</b>

## Group results at a glance

For the year ended 30 June	Actual	Actual	Actual	Actual	Actual
	2023 \$M	2022 \$M	2021 \$M	2020 \$M	2019 \$M
	Net Surplus / (Deficit)	12.0	30.9	19.8	(18.2)
Total assets	2,103.7	1,966.2	1,717.1	1,718.2	1,607.7
Total liabilities	439.4	311.0	290.9	313.6	260.6
<b>Total equity</b>	<b>1,664.3</b>	<b>1,655.2</b>	<b>1,426.2</b>	<b>1,404.6</b>	<b>1,347.1</b>

### Notes:

1. This Summary Annual Report has been extracted from the full Annual Report and is designed to give an overview for the year to 30 June 2023 of the Council's operations as a legal entity and also those for its "group", including its subsidiary and Council controlled organisations. The Annual Report contains detailed information about our finances and service performance and was adopted by Council and approved for issue on 30 October 2023.
2. This summary report has been prepared in accordance with PBE FRS 43: Summary Financial Statements. It cannot be expected to provide as complete understanding as provided by the full financial report of the financial and service performance, financial position and cash flow of the Council.
3. The full financial statements for the year ended 30 June 2023 have been prepared in accordance with NZ GAAP. They comply with NZ PBE IPSAS Tier 1, and other applicable Financial Reporting Standards, as appropriate for public benefit entities. The functional and presentation currency of Hutt City Council is New Zealand dollars with all values rounded to the nearest thousand dollars. The Council of Hutt City confirms that all other statutory requirements relating to the Annual Report have been complied with.
4. Audit New Zealand has audited the full financial statements and issued an unmodified on the audited information, excluding the statement of service provision. A qualified opinion was issued relating to the statement of service provision with respect verifying the number of complaints relating to the wastewater system, drinking water supply, and performance of the stormwater system. This Summary has been examined by Audit New Zealand for consistency with the full Annual Report.
5. The full Annual Report can be obtained from our website [hutt.city/annualreport](http://hutt.city/annualreport)

# Whakarāpopoto tātaritanga

## Our performance at a glance

**29**  were achieved

**54** did not achieve the targets set

**3** measures could not be reported on

Of the 86 Key Performance Indicators (KPIs) set in our 2022–23 Annual Plan: Council's performance results are similar to last year. We achieved 29 of our performance goals (32 in 2022). We have work to do in some areas to meet more of our targets. We expect our continued focus on water infrastructure investment (\$69.5 million in 2023) will see these metrics improve in the future. For example, we renewed 14.5km of pipes during the year, more than any other Council in the region.

This year we faced challenges in meeting some of our transport targets, including the accuracy of travel times, a decline in average road condition, maintenance shortfalls, and improving resident satisfaction with the overall network. Our performance in the transport area was significantly impacted by severe weather events which resulted in a reprioritisation of work.

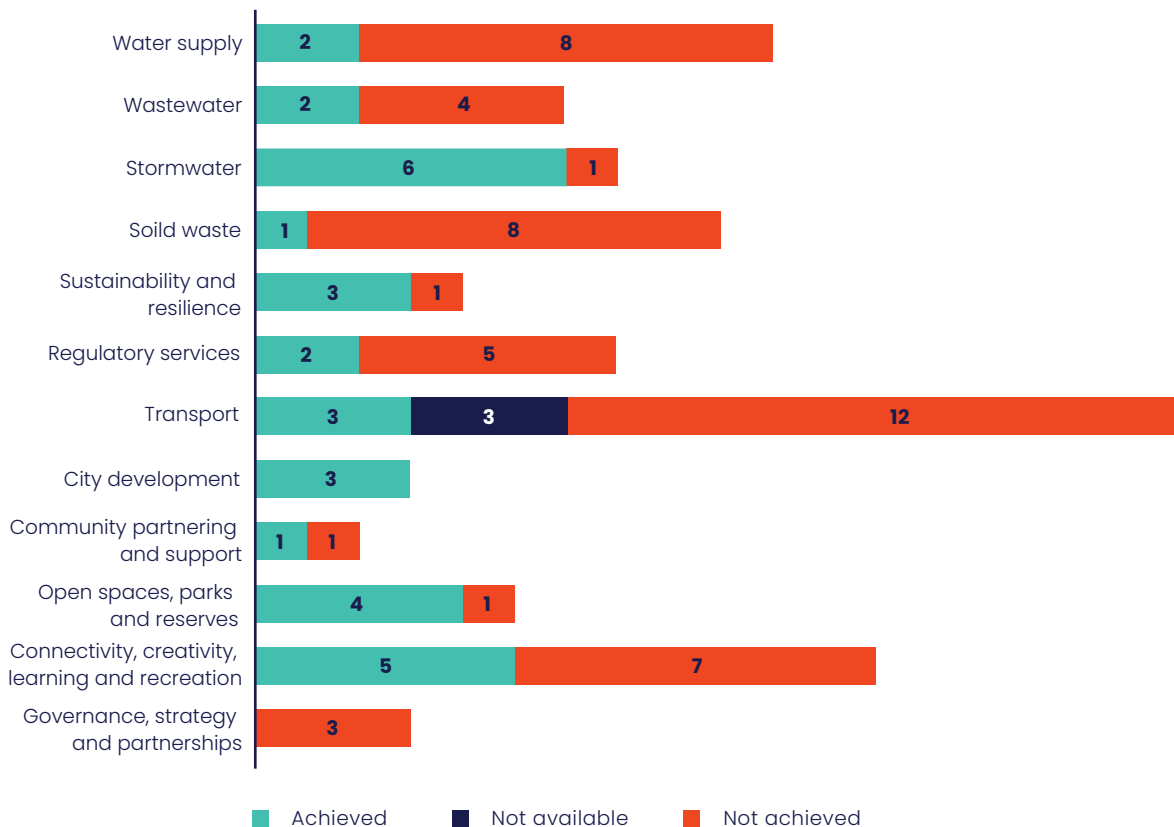
Our recent Resident Satisfaction Survey showed significant increases in satisfaction with Council facilities and outdoor spaces compared to last year. Most visitor number targets for libraries, pools, museums and hubs were not met this year. While visitor numbers at our facilities have not returned to pre-COVID-19 levels, it's heartening to see that satisfaction rates for our libraries and hubs, pools and museums are high: libraries 91% (83% in 2022); swimming pools 88% (81% in 2022); and museums 92% (80% in 2022).

During and following the pandemic our business pivoted to meet community expectations in different ways. We continue to see this trend with electronic loans from libraries more than doubling over the last three years. There were over a quarter of a million instances of people accessing the Wi-Fi at libraries and hubs, and a steady increase of computer usage by our community. Local initiatives supported by council such as the new library at Maungaraki are key in providing greater access to our services in more publicly accessible ways.

We know that challenges remain. A surge in building consent submissions due to new regulations in last part of the year strained our processing capacity, leading to delays and a drop from 91% to 54% of processing consents within the statutory timeframes.

We are reviewing all of our performance measures as part of the preparation of the 2024–2034 Long-Term Plan, with an aim to continue improving our accountability and performance.

## KPI measure achievement by activity areas:



Note: We have corrected an error in applying the DIA guidance to the methodology used to measure the attendance and resolution times for water supply, wastewater and storm water. These changes relate to excluding records that were previously included, the most significant of which was the inclusion of duplicate records (where multiple people reported the same incident). Due to the treatment of this data, duplicate records are closed before the job is complete, impacting the results. We have also removed additional jobs that were not strictly in line with the performance measure guidelines. The times for the 2021–22 Financial Year have been restated.

Council's Service Performance Indicators are found in the "Our Performance" section of the full Annual Report. Key performance indicators for the Council can be found on pages 39–119.

## Te Whakahoutanga o Ngā Wai e Toru Three Waters Reform

The New Zealand Government is implementing a water services reform programme that is intended to ensure all New Zealanders have safe, clean and affordable water services. The Government believes this will be achieved by establishing new public entities to take on the delivery of drinking water, wastewater and stormwater services across New Zealand. The reform will be enacted by three pieces of legislation:

- The Water Services Entities Act 2022, which (as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023) establishes ten publicly owned water services entities and sets out their ownership, governance and accountability arrangements. A water services entity is established (for transitional purposes)

on the date on which the appointment of the entity's establishment board takes effect, and its establishment date (operational date) will be a date between 1 July 2024 and 1 July 2026.

- The Water Services Legislation Act 2023, which amended the Water Services Entities Act 2022 on 31 August 2023 to provide for the transfer of water services assets and liabilities to the water services entities.
- The Water Services Economic Efficiency and Consumer Protection Act 2023, which provides the economic regulation and consumer protection framework for water services. The consumer protection framework will come into force on 1 July 2024 and the rest of the Act came into force on 31 August 2023. Pūrongo Kaitātari Kaute

# Pūrongo Kaitātari Kaute

## Independent Auditor's report

### To the readers of Hutt City Council's summary of the annual report for the year ended 30 June 2023

The summary of the annual report was derived from the annual report of the Hutt City Council (the City Council) and Group for the year ended 30 June 2023.

The summary of the annual report comprises the following summary statements on pages 33 to 36:

- the summary statement of financial position as at 30 June 2023;
- the summaries of the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended 30 June 2023;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary of statement of service provision.

### Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: Summary Financial Statements.

However, the summary statement of service provision includes a limitation in scope to the equivalent extent as the full audited statement of service provision. This limitation is explained below in the full annual report and our audit report thereon section.

### Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

### The full annual report and our audit report thereon

We expressed a qualified opinion on the statement of service provision and an unmodified opinion on the other audited information in the full annual report for the year ended 30 June 2023 in our auditor's report dated 30 October 2023. The basis for our qualified opinion on the statement of service provision in the full audit report is explained below.

### Basis for our qualified opinion

We identified issues with some of the performance measures in relation to water supply, wastewater and stormwater as described below.

#### *Total number of complaints received – Water supply, Wastewater, and Stormwater*

The City Council is required to report against the performance measures set out in the Non-Financial Performance Measure Rules 2013 (the Rules) made by the Secretary for Local Government. These include mandatory performance measures relating to the number of complaints received.

The Department of Internal Affairs has issued guidance to assist local authorities in applying the Rules, including how to count complaints. The City Council and its afterhours call centre provider have not been classifying complaints in accordance with this guidance and the method of recording was likely to have understated the actual number of complaints received. Our opinion on these performance measures was also qualified for the 2022 performance year.

Additionally, our auditor's report on the full annual report also includes emphasis of matter paragraphs drawing attention to the following matters in the full annual report.

### *Inherent uncertainties in the measurement of greenhouse gas emissions.*

The City Council has chosen to include a measure of its greenhouse gas (GHG) emissions in its performance information. In considering the public interest in climate change related information, we draw attention to page 60 of the statement of service provision in the full annual report, which outlines the inherent uncertainties in the reported GHG emissions. Quantifying GHG emissions is subject to inherent uncertainties because the scientific knowledge and methodologies to determine the emissions factors and processes to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards.

### *Uncertainty over the water services reform programme*

Note 1 on page 136 and note 31 on page 195 to the full annual report outlines developments in the Government's water services reform programme. The Water Services Entities Act 2022, as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023 and the Water Services Legislation Act 2023 on 31 August 2023, establishes ten publicly owned water services entities to carry out responsibilities for the delivery of three waters services and related assets and liabilities currently controlled by local authorities. Water services entities' establishment dates are staggered, with all the water services entities becoming operational between 1 July 2024 and 1 July 2026. The financial impact of the water services reform on the City Council remains uncertain until the relevant water services entity's establishment date is known, and the allocation schedule of assets, liabilities, and other matters to be transferred is approved.

Information about this matter is also disclosed on page 36 of the City Council's summary annual report

## **Council's responsibility for the summary of the annual report**

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS 43: Summary Financial Statements.

## **Auditor's responsibility**

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have carried out engagements in the areas of a limited assurance engagement related to the City Council's debenture trust deed, which is compatible with those independence requirements. Other than these engagements, we have no relationship with, or interests in, the City Council or its subsidiaries and controlled entities.



### **John Whittal**

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

## **AUDIT NEW ZEALAND**

Mana Arotake Aotearoa

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