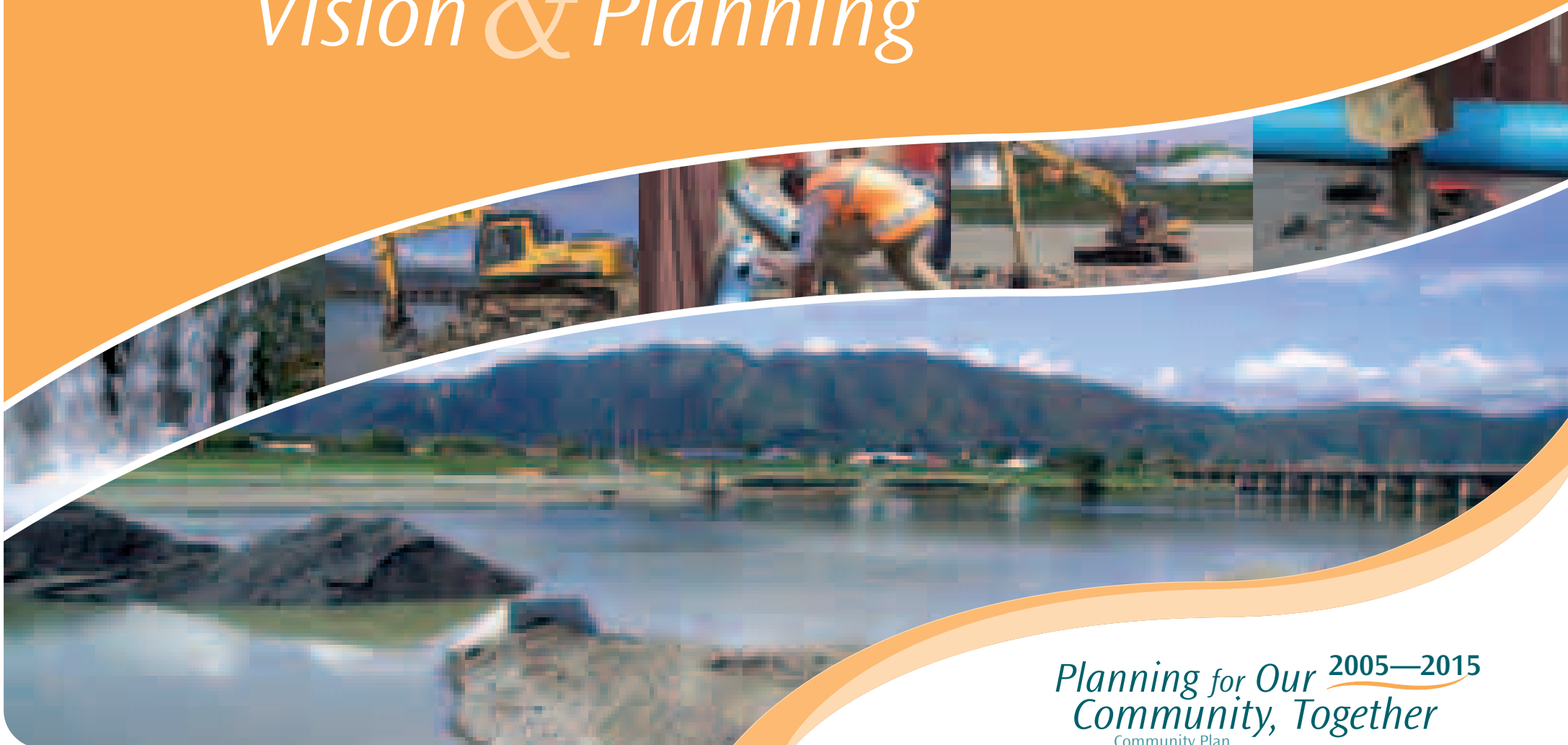


Amended Long Term Council Community Plan (LTCCP) 2003/2013 (incorporating 2004 amendments) and Annual Plan 2005/2006 and, 2005 Hutt City Council Assessment of Water and Sanitary Services, called the Community Plan.

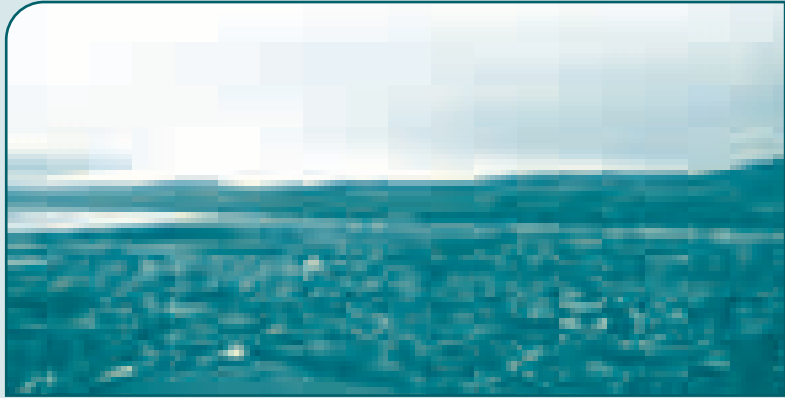


Community Plan

# *Vision & Planning*



*Planning for Our* **2005—2015**  
*Community, Together*  
Community Plan



*We live, work and play in Hutt City.*

*We care about the future of our children,  
our family, and our community*

*and we want to know that*

*Hutt City is a place of the future.*

# Hutt City Council

## Long Term Council Community Plan

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*Vision for  
Hutt City*





# Contact Us

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Website: [www.huttcity.info](http://www.huttcity.info)

## COUNCIL SERVICE CENTRES

### Eastbourne Community Library and Service Centre

Address: Rimu Street,  
Eastbourne

Telephone: (04) 562 8042

### Naenae Community Library and Service Centre

Address: Hillary Court,  
Naenae

Telephone: (04) 567 2859

### Petone Community Library and Service Centre

Address: Britannia Street,  
Petone

Telephone: (04) 568 6253

### Stokes Valley Community Library and Service Centre

Address: Scott Court,  
Stokes Valley

Telephone: (04) 562 9050

### Wainuiomata Community Library and Service Centre

Address: Queen Street,  
Wainuiomata

Telephone: (04) 564 5822

# *Vision* for Hutt City

**A great place to live, work and play.**

**The Community Plan 2005–2015 provides direction for Council’s plans, policies and strategies and gives a long term focus to all Council’s activities.**

**The Community Plan has five key areas:**

## **PEOPLE**

### **Hutt City Council Strategic Goals**

- A vibrant and diverse city.
- Accessible and high quality leisure activities and facilities.
- A connected, safe and healthy community.

## **UTILITY SERVICES**

### **Hutt City Council Strategic Goal**

- Affordable, sustainable, accessible and high quality services.

## **ENVIRONMENT**

### **Hutt City Council Strategic Goal**

- A clean, healthy, attractive and sustainable environment.

## **ECONOMY**

### **Hutt City Council Strategic Goal**

- A strong, enterprising and diverse economy.

## **ORGANISATION**

### **Hutt City Council Strategic Goals**

- A best practice organisation that provides value for money and prudent management.
- An organisation that values its customers and staff.



# Welcome

to Hutt City Council's Long Term Council Community Plan 2003/2013 (incorporating 2004 amendments and proposed 2005 amendment), Annual Plan 2005/06 and the Summary of the Hutt City Council 2005 Water and Sanitary Service Assessments.

**Long Term Council Community Plan 2003/2013 (incorporating 2004 amendments and proposed 2005 amendment), Annual Plan 2005/06 and the Summary of the Hutt City Council 2005 Water and Sanitary Services Assessments is a cumbersome term, so from now on we will call this the Community Plan.**

## WHAT IS A COMMUNITY PLAN?

As the name suggests, a Community Plan is a document put together by the community and Council that sets the strategic direction for the city over the next 10 years. The diagram on this page shows the major components of the Community Plan and highlights the links between Community Outcomes, Council's strategies and the three-year work plan together with a partnership approach to achieving the Community Outcomes.

The Outcomes identified by the community indicated how the city should grow socially, culturally, economically and environmentally. The end result is an all-encompassing document that outlines the community's expectations and shows how Council, with the help of the community and other organisations, will work together to achieve these.

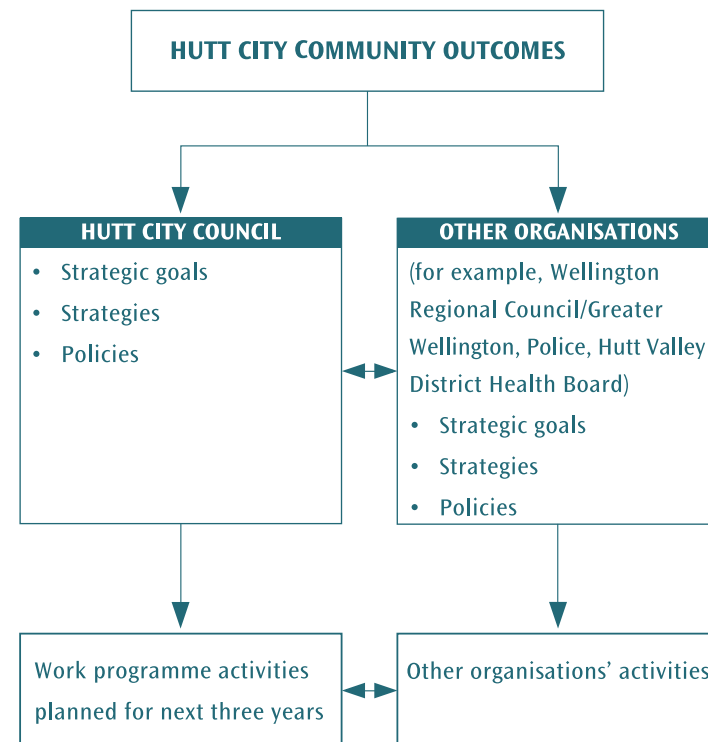
Under the Local Government Act 2002, Hutt City Council is required to produce, once every three years, a Community Plan covering the next 10 years. The first Community Plan was produced in 2003, this was updated last year to cover the period until 2014 and this takes us further focusing on the period until 2015. Council will prepare a Community Plan every year that will provide an update on how the city is progressing and include any changes that may occur along the way.

The Community Plan must be reviewed and evaluated once every three years, and the Community Outcomes contained within the document reviewed and evaluated once every six years to ensure that Council is on track. A summary document outlining progress will be distributed annually to residents, as part of the planning process.

## THE DOCUMENT YOU ARE READING IS THE COMMUNITY PLAN

The Community Plan sets out the direction the city will take over the next 10 years.

It is important to understand that the Community Plan is not something made up by Council. It reflects what Hutt City residents and ratepayers have told Council about what they want for the city now and in the future. To find out more about how Council gathered input for the Draft Community Plan see page 10.





## WHAT IS THE DIFFERENCE BETWEEN THIS YEARS COMMUNITY PLAN AND LAST YEAR'S COMMUNITY PLAN?

### **Amendments to the Community Plan 2005 include:**

Amendments to the Funding Impact Statement Policy, refer to Section on 'Policies', page 222.

Changes to the commentary in relation to the Community Outcomes, Statement of Commitments and the inclusion of an additional section called Draft Financial Strategy, refer to Section on 'Vision for Hutt City', page 4.

Changes to the commentary in relation to the Strategic Measures, on page 47, to certain performance measures for Council's Significant Activities, refer to Section on 'What Council is Planning for the City', page 55 and Asset Management Planning on page 127.

The addition of a further year (2015) to the LTCCP, refer to Section on 'Forecast Financial Statements', page 155.

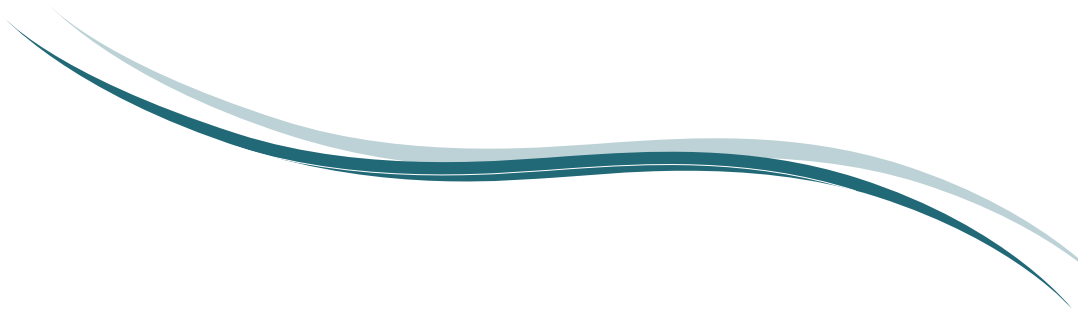
Updated commentary in relation to the Statement of Accounting Policies in 'Policies' Section, updated projections of future Operating Revenues, Costs, and Capital Expenditure to reflect current estimates and Council decisions.

### **Amendments to the Annual Plan for 2005/06 include:**

Revised Capital and Operating Projects, refer to Section on "What Council is planning for the City", page 55.

Increases to certain fees and charges, refer to Section on "Fees and Charges", page 237

A list of all proposed changes to Hutt City Council's Draft Community Plan may be viewed online at: [www.huttcity.info/](http://www.huttcity.info/) or at any Hutt City Council Library or Service Centre, listed on page 3 of this document.





## From *the Mayor*

This document is called the Long Term Council Community Plan and it sets out the proposed activities of the Hutt City Council over the next ten years from July 2005. It provides a longer term view about the council's vision, objectives and priorities for the city and sets out our programme of activities, expenditure and charges. It replaces the previous Annual Plan as a result of changes to the Local Government Act.

Over a thousand citizens have made written submissions on the draft plan, and a large number presented them in person. Council has carefully taken these submissions into account in its decisions. The quality of the decisions that the council has made has been improved by the public participation and there have been a number of changes from the draft Long Term Council Community Plan issued in March this year.

This is a plan with good news for ratepayers. The major points are:

- More money for the stormwater system. An extra \$4m has been budgeted in addition to the \$13m that was already in the plan to take the total expenditure to \$17m over the next ten years.
- The significant redevelopment of Hutt Park has been put on hold.
- Rates will be held to below the rate of inflation.
- Debt is forecast to fall to \$24m over the next ten years compared to the forecast in last year's plan of \$52m in ten years time.
- Interest payments will also drop by \$6m over the next ten years.

The good news for ratepayers is that by 2010, average rates in Hutt City will be below the average of other city councils. Last year, they were eight per cent higher.

This means that the Council will be able to borrow in future years should we need to finance major infrastructure projects.

This is the first Community Plan of the new council, and we are working hard to make Hutt City a better place in which to live, work and play.

The council as a whole has heard and acted on the public's views. This is a better plan because of the public input and the careful consideration of the issues by the council.

I want to praise and thank councillors for the constructive manner in which they have deliberated on the plan and to draw attention to the high level of interest from the public reflected in the over 1,000 submissions received. I also want to acknowledge and thank the council officers and staff who have worked hard to ensure that we get a plan that is realistic, affordable and reflects our long-term goals.

Now the challenge is to achieve the goals we have set for ourselves as a community. We welcome the support and participation of our citizens in this work.

**David Ogden**  
**Mayor, Hutt City Council**

# From the CEO

Welcome to Hutt City Council's 2005–2015 Long Term Council Community Plan (LTCCP). This plan outlines Council spending over the next ten years, and provides a framework from which to view our long term goals and objectives for the city.

This LTCCP continues Council responsible approach to financial management, while also recognising the need to invest in the city's infrastructure. It also continues a financial commitment to growth projects such as the upgrade of the CBD. This project and others, like the entrance works to the important manufacturing area that is Wingate, will help ensure the recent economic growth Hutt City has enjoyed continues – the latest Statistics NZ figures showed we had the highest GDP growth of all cities in the region in 2004.

Stormwater issues rated highly amongst residents concerns in the submissions we received and a telephone survey conducted as part of the consultation process. Council will spend \$17 million over the next ten years to upgrade the city's stormwater capacity. This is in addition to maintenance spending and represents a three fold increase in stormwater capital investment over 2003/04 levels.

Council will also increase expenditure on road maintenance by \$9 million over the next ten years.

These investments reflect community concerns and a view that greater emphasis should be placed on providing high quality infrastructure for current and future generations of Hutt City residents and businesses.

Council has made these investments and others contained in this Plan, with an increase in average rates that, at 2.78 percent, is less than the current rate of inflation.

Council has also developed a new Financial Strategy containing targets that will direct future decision making within Council.

The Strategy will result in:

- Average annual rate increases below the level of inflation (after adjusting for growth in the rating base)
- Debt reduced to below \$30 million by 2015.

Continuing the focus on reducing the city's debt will result in significant savings on interest costs and leave the city in a much stronger position should the need for any large infrastructure investments become apparent in future years.

Council's management approach received external endorsement recently when it achieved a Bronze Award from the New Zealand Business Excellence Foundation. This award was given after a thorough assessment by the Foundation covering all aspects of Council's operation and results.

This level of recognition has only ever been exceeded by one other local authority and seven other private sector organisations. In the coming years we will seek to improve on this result and demonstrate that the community is being well served by its Council.



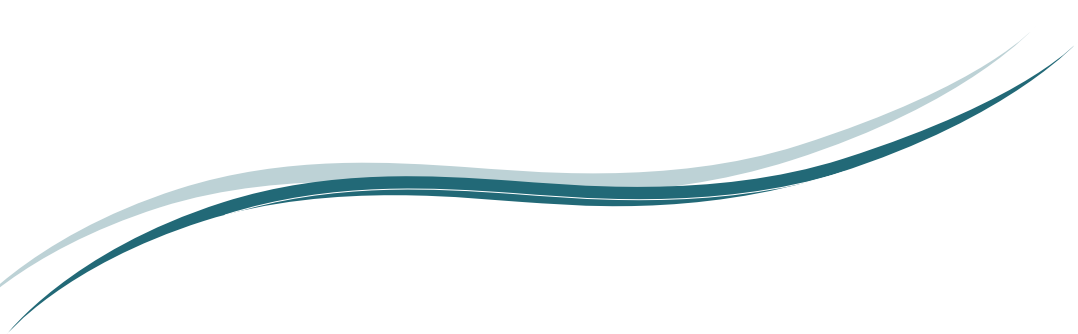
**Rik Hart**  
**Chief Executive Officer**  
**Hutt City Council**

Over the next year this Council will also continue to work with other councils in the greater Wellington region as part of the Wellington Regional Strategy Forum that aims to build the international competitiveness of the Wellington area.

In the future we are hopeful that the region will ultimately contribute to a cross-valley link, connecting Seaview and Gracefield with the new Dowse interchange and perhaps a Petone-Grenada link. This will make the city more accessible to businesses, residents and visitors and cement this city's position as a transport hub able to effectively service the rest of New Zealand. It will also reinforce Council's vision of Hutt City as a great place to live, work and play.

# Community Outcomes *for 2005–2015*

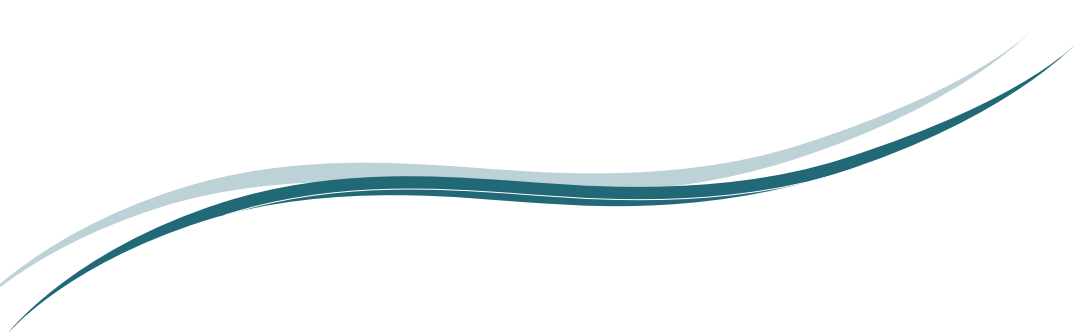
<b>COMMUNITY OUTCOME – CLEAN AIR, WATER AND LAND</b>	
<b>Objectives</b> What Council wants to achieve	1. Ensure that the quality of air, water and soil is kept within acceptable levels in the district.
<b>Strategy</b> How we will achieve our objectives	<ul style="list-style-type: none"> <li>• Provide a District Plan that manages the effects of land use on air, water and soil quality</li> <li>• Ensure that the Waste Management Plan considers options for reduction, reuse, recycling, recovery, treatment and disposal of waste in the district</li> <li>• Provide public education on environmental initiatives</li> <li>• Promote enhanced water quality in the city's waterways</li> <li>• Advocate on sustainability issues in conjunction with Greater Wellington and other environmental agencies.</li> </ul>
<b>Tactics</b> Programmes and projects currently being undertaken by Council, contributing to the achievement of this Outcome.	<ul style="list-style-type: none"> <li>– District Plan</li> <li>– Resource Consents that mitigate effects</li> <li>– Environmental monitoring (State of the Environment Reporting)</li> <li>– Resource conditions enforcement</li> <li>– District Plan provisions enforcement</li> <li>– Landfill management</li> <li>– Wastewater (stormwater; effluent treatment) (Resource Consents)</li> <li>– Trade Waste (Bylaw)</li> <li>– Assessment of Water Services (S125 LGA)</li> <li>– Wastewater Infiltration and Inflow Programme</li> <li>– Water Conservation Programme (Private Drains policy in development)</li> <li>– Sanitary Services assessment (S125 LGA)</li> <li>– Recycling initiatives</li> <li>– Earthlink</li> <li>– Environmental education</li> <li>– EnviroSchools Programme</li> <li>– BusinessCare Programme</li> <li>– Wellington Regional Environmental Agency participation</li> <li>– Annual Household Hazardous Waste Collection</li> </ul>



<p><b>Key indicators</b> Key indicators that demonstrate progress made in the achieving Outcomes. Note: there may be a series of desired indicators only a few of which will be included in the LTCCP</p>	<ul style="list-style-type: none"> <li>• Air quality (24 hour average PM10 Concentration) – Measure against national guideline of 50 µg/m3.</li> <li>• Water quality (Macroinvertebrate Index (MCI)). MCI &gt; 120 indicates clean water; 100–119 indicates moderate enrichment; 80–99 indicates probable moderate pollution; &lt;80 indicates probable severe pollution.</li> <li>• Soil Quality – Hazardous Waste Collection, a measure of the amount of hazardous waste removed permanently from potentially harmful effects of spillage.</li> </ul>
<p><b>An Example:</b></p>	<p><b>Hazardous Waste Collection and Containment</b> Each year Council undertakes jointly with Upper Hutt City Council a Household Hazardous Waste Collection to provide residents with an environmentally acceptable way of disposing of household hazardous waste.</p> <p>Attendance has steadily increased each year with 542 households taking advantage of collections in 2004. A feature of 2004 was that almost twice the quantity of the most hazardous wastes, which have to be sent overseas for treatment, were collected.</p> <p>A large proportion of waste collected is able to be recycled including paints, oil and batteries. Collections are held in late August/early September each year.</p> <p><b>Silverstream Landfill</b> A new stage of the Silverstream Landfill is currently being constructed which incorporates the latest technology for containment of leachate (liquid that seeps out of the refuse) within the landfill area. This will minimise the effect of the landfill on the surrounding environment.</p>

<b>COMMUNITY OUTCOME – EVERYONE HAS AFFORDABLE ACCESS TO SERVICES THAT IMPROVE HEALTH</b>		
<b>Objectives</b> What Council wants to achieve	1. A healthy urban environment	2. Increased community awareness and involvement in health issues
<b>Strategy</b> How we will achieve our objectives	<ul style="list-style-type: none"> <li>• Ensure high standards of licensed food and alcohol premises</li> <li>• Provide essential services to residents and businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Promote opportunities for community access to health information</li> <li>• Identify and address barriers in accessing health services</li> <li>• Access central government funds and programmes</li> <li>• Participate in health related projects</li> </ul>
<b>Tactics</b> Programmes and projects currently being undertaken by Council, contributing to the achievement of this Outcome.  * (P) indicates Proposed or Potential tactics identified.	<ul style="list-style-type: none"> <li>– Food premises inspections</li> <li>– Liquor licences</li> <li>– Cemetery services under the Health Act</li> <li>– Sewage and refuse disposal services</li> <li>– Rubbish and recycling collection service</li> <li>– Water Supply</li> </ul>	<ul style="list-style-type: none"> <li>– Work closely with the Hutt DHB</li> <li>– Facilitation/Collaboration with community and government agencies</li> <li>– Healthy Housing Index project</li> <li>– PHO establishment assistance</li> <li>– Health promotion</li> <li>– Health information at libraries</li> <li>– Alcohol projects (accord and access to alcohol) (P)</li> <li>– Drug education assistance (responding to P) (P)</li> <li>– Diabetes reference group (P)</li> </ul>
<b>Key indicators</b> Key indicators that demonstrate progress made in the achieving Outcomes.  Note: there may be a series of desired indicators only a few of which will be included in the LTCCP	<b>Indicators that we can measure</b> <ul style="list-style-type: none"> <li>• Percentage of population currently enrolled with Hutt City PHO(s) and comparative rates of ethnic groups enrolled.</li> <li>• Number of FTE GPs in Hutt City</li> <li>• The number of available publicly funded beds for the elderly</li> </ul> <b>Indicators that we would like to measure</b> <ul style="list-style-type: none"> <li>• Number of school health visits carried out each year by school nurses.</li> <li>• Number of preventable (total/via primary care) hospital admissions per year (young, old, men, women, Maori, Pacific, Asian, European)</li> <li>• Number of notifiable diseases cases per year</li> </ul>	

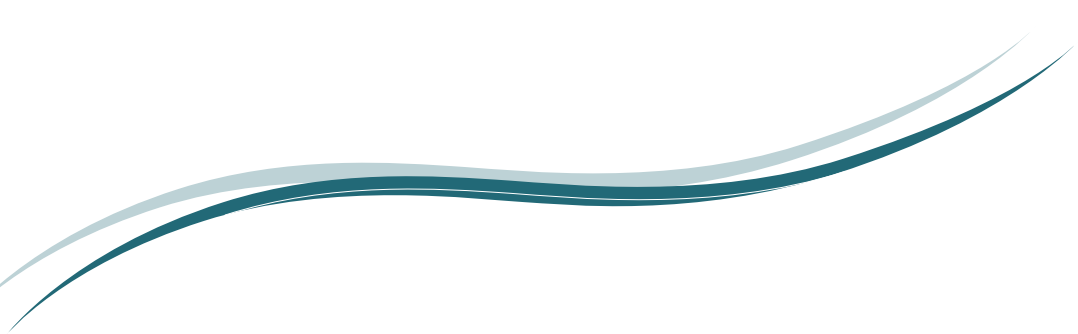




**An Example:**

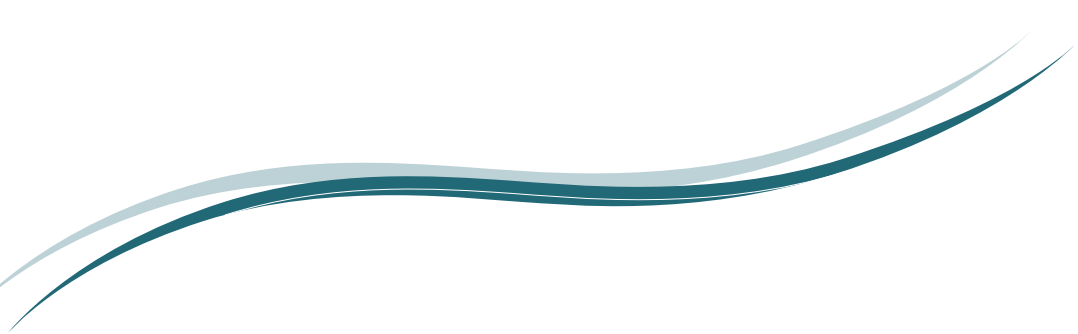
**Council Inspections and Enforcement Division**  
Council's Inspections and Enforcement officers routinely provide education and enforce regulations designed to improve, promote, and protect the public health of people in the city. They also respond to general health complaints over a wide range of issues, from food safety and recreational water quality, to pollution control, disease outbreak and excessive noise. Major issues recently included flood and sewage damage to homes, and improving housing environments in the City. Immediately after the floods, regulatory officers managed health related responses, systematically inspected water and sewage damaged homes and buildings, and provided health and welfare advice.

<b>COMMUNITY OUTCOME – A CITY THAT IS SAFE, FRIENDLY AND WELCOMING, WHERE PEOPLE EXPERIENCE A SENSE OF BELONGING</b>		
<b>Objectives</b> What Council wants to achieve	1. A safe place for residents, businesses and visitors	2. A place where people feel a sense of belonging
<b>Strategy</b> How we will achieve our objectives	<ul style="list-style-type: none"> <li>• Assist in reducing crime levels and accident levels</li> <li>• Provide and develop safe public places including neighbourhood based safety projects</li> <li>• Assist in increasing perceptions of safety</li> <li>• Access central government funds and programmes</li> <li>• Promote personal safety activities and initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>• Welcome residents, businesses and visitors</li> <li>• Promote friendly local government</li> <li>• Provide opportunities for involvement in city life</li> <li>• Support and build/enhance local communities and community interests</li> <li>• Provide opportunities for communities to work in partnership with Council</li> <li>• Celebrate communities and individuals achievements</li> <li>• Recognise different communities</li> <li>• Recognise and support tangata whenua</li> <li>• Assist in mitigating effects of deprivation and social isolation</li> </ul>
<b>Tactics</b> Programmes and projects currently being undertaken by Council, contributing to the achievement of this Outcome.  * (P) indicates Proposed or Potential tactics identified.	<ul style="list-style-type: none"> <li>– Safety initiatives and projects</li> <li>– Neighbourhood support services assistance</li> <li>– Liquor bans</li> <li>– Road Safety Strategy, Coordinator and other associated programmes</li> <li>– Animal control activities</li> <li>– Emergency management services</li> <li>– School programmes (injury prevention and fire safety)</li> <li>– Safety audits</li> <li>– Road and amenity cleaning and vegetation control</li> <li>– Elderly Residents injury prevention project</li> <li>– Crime Prevention Action Plan</li> <li>– Bylaw reviews (Liquor, dog, road speed)</li> <li>– Safe City Strategy (P)</li> <li>– CPTED and DV projects (P)</li> <li>– Family safety team facilitation (P)</li> </ul>	<ul style="list-style-type: none"> <li>– HCC Consultation Policy</li> <li>– Community Development Funding and grants</li> <li>– Community Development assistance</li> <li>– Community Houses</li> <li>– Ceremonies and events (Civic Honours, ANZAC Day, Volunteer, International Students)</li> <li>– Physical works projects (Naenae, CBD, Suburban shopping)</li> <li>– Policy projects (Governance Group, Naenae community)</li> <li>– Anti graffiti response</li> <li>– Hutt City Promotion Campaign</li> <li>– Migrant information at libraries</li> <li>– Training of community groups</li> <li>– Pacific Island Network facilitation</li> <li>– PWB Migrant programme</li> <li>– Welcome packs</li> <li>– Community events</li> <li>– Real estate agent education sessions</li> <li>– Consultation/Forum opportunities (Youth, Elder person, Disability, ethnic minority) (P)</li> </ul>



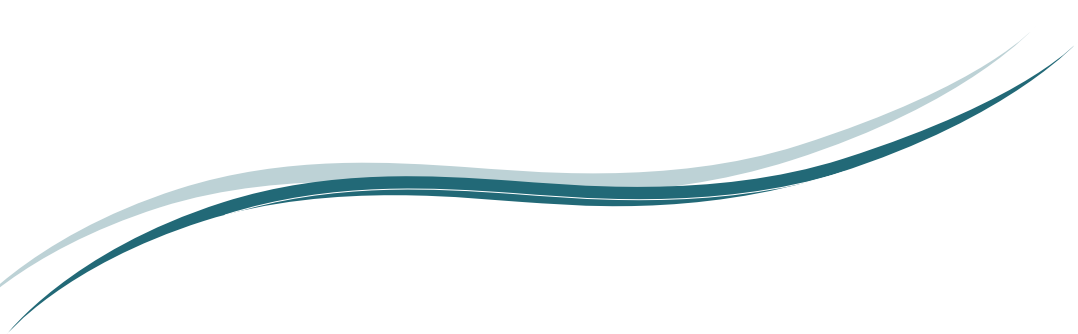
<p><b>Tactics (continued)</b></p>	<ul style="list-style-type: none"> <li>– Youth strategy review (P)</li> <li>– Hutt City Promotion Campaign (yr 2 and 3)</li> <li>– Citizens pack (P)</li> <li>– Graffiti prevention plan (P)</li> <li>– Regional Settlement Strategy implementation (P)</li> <li>– Youth festival coordination (P)</li> <li>– Family Start initiative (P)</li> </ul>
<p><b>Key indicators</b> Key indicators that demonstrate progress made in the achieving Outcomes.</p> <p>Note: there may be a series of desired indicators only a few of which will be included in the LTCCP</p>	<ul style="list-style-type: none"> <li>• The percentage of residents who feel safe in the city in general.</li> <li>• The percentage of residents who feel safe in the central city.</li> <li>• The percentage of residents who think that the community works together and people support each other.</li> <li>• The percentage of residents who believe that increasing diversity in the city is a positive factor.</li> <li>• The number of crimes recorded in Hutt City.</li> <li>• Total number of ACC claims in Hutt City – specifically, entitlement claim rate per 100,000 population broken down by work, home, sports/recreation, home/community, other. Source is ACC Scheme Analysis, Scheme Performance Division</li> <li>• Total number of crimes recorded in Hutt City in the areas of (Violence, Sexual Offences, Drugs &amp; Antisocial, Dishonesty, Property Damage, Property Abuses, Administrative). Source is Police <a href="http://www.police.govt.nz/service/statistics/2003/stats_wellington_detailed_20021231.xls">http://www.police.govt.nz/service/statistics/2003/stats_wellington_detailed_20021231.xls</a></li> <li>• Alcohol monitoring – Last Drinks Survey</li> <li>• Employment/welfare stats</li> </ul>
<p><b>An Example:</b></p>	<p><b>City Safety and Crime Prevention</b></p> <p>HCC plays a significant role in the safety of its residents both now and in the future. Currently Council commits \$200,000 annually to Safe City Initiatives and employs a Safe City Officer. Funding is also received by council from the Crime Prevention Unit. Initiatives include CCTV coverage, support for City Controls and Neighbourhood Support, Crime Prevention through Environmental Design planning and surveys, and work to limit alcohol related harm. Strong relationships and multi-agency projects with the Police, District Health Board, Child Youth and Family, ACC and other community organisations ensure a co-coordinated and multi-faceted approach to crime prevention and reduction.</p>

<b>COMMUNITY OUTCOME – EVERYONE HAS AFFORDABLE ACCESS TO EXCELLENT EDUCATIONAL SERVICES</b>	
<p><b>Objectives</b> What Council wants to achieve</p>	<p>1. An increase in the knowledge capacity of the community</p>
<p><b>Strategy</b> How we will achieve our objectives</p>	<ul style="list-style-type: none"> <li>• Advocate for the local community</li> <li>• Provide a supportive environment for education providers to exist here</li> <li>• Provide education needs for our communities</li> <li>• Increase residents ability to access knowledge electronically</li> <li>• Support the implementation of employment and training initiatives that offer improved employment, skill and income opportunities</li> <li>• Recognise and support education opportunities and excellence in the city</li> </ul>
<p><b>Tactics</b> Programmes and projects currently being undertaken by Council, contributing to the achievement of this Outcome.  * (P) indicates Proposed or Potential tactics identified.</p>	<ul style="list-style-type: none"> <li>– Early Childhood Centres operating on reserves</li> <li>– Education programmes (Community Development, museums, learn to swim, water safety, general info, literacy)</li> <li>– Library services throughout the city</li> <li>– Homework centres/computers</li> <li>– Internet and electronic database access at libraries</li> <li>– Rates differential and district plan guidelines for education premises</li> <li>– Youth leadership activities and youth workers network</li> <li>– JobTrack project</li> <li>– OSCAR projects</li> <li>– Wainuiomata Project</li> <li>– Trade Information Centre</li> <li>– Youth Transition Scheme</li> <li>– Scholastic Awards to local students</li> <li>– Scholarships to local students</li> <li>– Project K funding</li> <li>– District truancy service assistance</li> <li>– Community ICT strategy plan participation (P)</li> </ul>



<p><b>Key indicators</b> Key indicators that demonstrate progress made in the achieving Outcomes.</p> <p>Note: there may be a series of desired indicators only a few of which will be included in the LTCCP</p>	<p>Hutt City figures compared with the national average:</p> <p><b>Early Childhood Education</b></p> <ul style="list-style-type: none"><li>• Percentage of 3–5 year olds enrolled in early childhood education ( Including Kohanga Reos and Pacific Island Nests)</li></ul> <p><b>Secondary Schools</b></p> <ul style="list-style-type: none"><li>• Percentage of school leavers who leave school without a qualification,</li><li>• Percentage of students with a qualification enrolling in tertiary institutions</li></ul>
<p><b>An Example:</b></p>	<p><b>Hutt City Libraries WordZone homework centres</b></p> <p>Each Community Library has a homework centre, or WordZone. Internet access and standalone PC's are available and students of all ages can do their homework, prepare a CV or develop their learning and IT skills.</p> <p>The Learning Centre in the Central Library (based in the War Memorial Library Building) provides PC's with Microsoft office products, Encarta, and internet access, as well as books and guides, study space and library staff support. All facilities are free and available for individual or group use. Use of the Learning Centre includes students learning online from a multimedia encyclopaedia, developing skills for assignments and job applications as well as individual and group training sessions to improve PC skills.</p>

<b>COMMUNITY OUTCOME – EVERYONE HAS A QUALITY STANDARD OF AFFORDABLE HOUSING</b>		
<b>Objectives</b> What Council wants to achieve	1. A range of housing and provider options within Hutt City	2. High quality of new and renovated housing
<b>Strategy</b> How we will achieve our objectives	<ul style="list-style-type: none"> <li>• Provide social housing</li> <li>• Encourage other agencies to provide housing options</li> <li>• Encourage a sufficient supply of rental housing</li> <li>• Encourage a sufficient supply of properties for home ownership</li> </ul>	<ul style="list-style-type: none"> <li>• Manage building controls to meet specific requirements of the city</li> <li>• Ensure houses are built and renovated to meet the requirements of the Building Act</li> <li>• Provide good service to property developers</li> </ul>
<b>Tactics</b> Programmes and projects currently being undertaken by Council, contributing to the achievement of this Outcome.  * (P) indicates Proposed or Potential tactics identified.	<ul style="list-style-type: none"> <li>– Elderly Housing Options in Wainuiomata project</li> <li>– Elderly and socially disadvantaged housing facilities</li> <li>– Housing NZ relationship management</li> <li>– Residential rates remission fund</li> <li>– HNZ housing maintenance fund (P)</li> <li>– Availability of land for housing review (P)</li> <li>– Emergency housing options review (P)</li> </ul>	<ul style="list-style-type: none"> <li>– Building inspections</li> <li>– Flood mapping services</li> <li>– Building and resource consents</li> <li>– District Plan</li> <li>– District Plan reviews (when and where necessary)</li> <li>– Retro fitting project with DHB (P)</li> <li>– Consult on section size analysis (P)</li> </ul>
<b>Key indicators</b> Key indicators that demonstrate progress made in the achieving Outcomes.  Note: there may be a series of desired indicators only a few of which will be included in the LTCCP	<p>Indicators must address both quality and affordable aspects of Outcome.</p> <p><b>Affordability</b></p> <ul style="list-style-type: none"> <li>• Median house prices in the City relative to median income.</li> <li>• Waiting list numbers for HCNZ/HCC accommodation.</li> <li>• Median rental price of accommodation as a percentage of average income.</li> </ul> <p><b>Quality</b></p> <ul style="list-style-type: none"> <li>• Number of complaints received by Council regarding poor standard accommodation</li> <li>• Percentage of residents who think there is sufficient access to affordable and quality housing in Hutt City</li> <li>• Statistics NZ is currently developing a Housing Statistics Strategy, which will include housing adequacy measures.</li> </ul>	



**An Example:**

**Housing Steering Group**

The Hutt Valley District Health Board (HVDHB) has recently established the Hutt Housing Steering Group. Members include Housing New Zealand, Hutt City Council, EnergySmart, Hutt Mana Charitable Trust and the Wellington School of Medicine. As part of its strategic planning the HVDHB identified housing and health as a priority public health issue in the Hutt Valley. Housing is a key determinant of population health and improving the condition and state of housing will enable improvements to health and well being, and the prevention of hospital admissions.

The purpose of the Hutt Housing Steering Group is to provide a co-ordinated and collaborative approach to housing projects being undertaken in the Hutt. The Housing Steering Group will provide:

- A forum for the various agencies and stakeholders to share information about the initiatives that are being undertaken in the area of housing in the Hutt Valley.
- To ensure that there is a co-ordinated approach and that duplication is not taking place or that areas of high need are not missing out on housing initiatives
- To explore options of collaborative funding and implementation of housing projects in the Hutt.

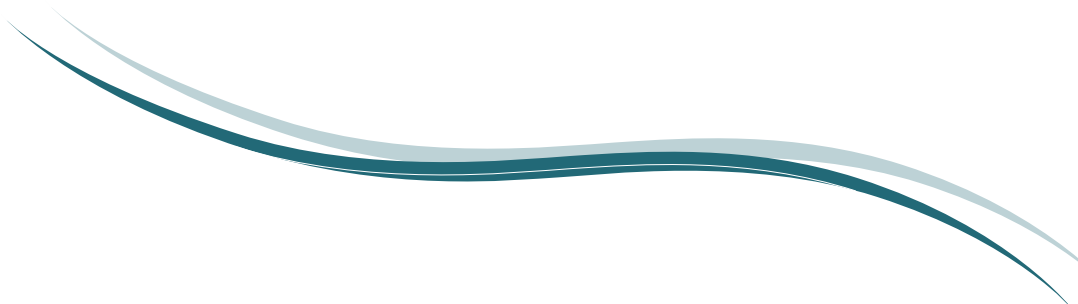
<b>COMMUNITY OUTCOME – A LOCAL ECONOMY THAT IS ATTRACTIVE TO BOTH BUSINESS AND RESIDENTS</b>		
<b>Objectives</b> What Council wants to achieve	1. More businesses operating in Hutt City	2. Recognition of Hutt City as a business location and vibrant city
<b>Strategy</b> How we will achieve our objectives	<ul style="list-style-type: none"> <li>• Retain current businesses</li> <li>• Grow current business</li> <li>• Attract new businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Improve communication between HCC and businesses and within the business community</li> <li>• Build the profile of Hutt City as a place to do business, visit and live</li> </ul>
<b>Tactics</b> Programmes and projects currently being undertaken by Council, contributing to the achievement of this Outcome.  * (P) indicates Proposed or Potential tactics identified.	<ul style="list-style-type: none"> <li>– Hutt City Certificate of Success awards</li> <li>– Business visit programme and followup including inspections &amp; enforcements, street services, environmental</li> <li>– Economic development funds (Small business assistance, Jackson St, CBD+, Development Wainuiomata)</li> <li>– Business group liaison and events (Wingate, Seaview, Petone)</li> <li>– Jackson St strategic plan implementation for 2004–2006</li> <li>– Business care programme</li> <li>– Library information to businesses</li> <li>– PWB grant applications for funding for local businesses</li> <li>– Business retention proposals as required</li> <li>– PWB niche manufacturing cluster and other clusters</li> <li>– Wellington Regional Strategy participation and secretariat</li> <li>– Building consent liaison with businesses and developers</li> <li>– Building inspections and licensing</li> <li>– Street enhancements as required e.g. new footpath/paving, in conjunction with new business development</li> </ul>	<ul style="list-style-type: none"> <li>– Business forum (Business breakfasts, real estate agents, CP business forum, tourism liaison group, user groups)</li> <li>– Business communication (Thrive, business pages at huttcity.info)</li> <li>– Business information database management</li> <li>– Visitor Information Office and website</li> <li>– Hutt City promotion campaign</li> <li>– Events funding and leisure active events programme</li> <li>– Business/location promotion(“Beyond the Zone” Dominion Post article, Gold Awards)</li> <li>– Dowsie liaison and development with local businesses</li> <li>– Dowsie and Petone Settlers Museum</li> <li>– Library events and programmes relevant for businesses</li> <li>– Accelerated programmes to address flood prone areas</li> <li>– Refuge disposal facility (landfills)</li> <li>– Better Together programme with providers</li> <li>– Purchasing policy which includes local supplier aspects</li> <li>– Welcome packs for people settling into Hutt City</li> <li>– Events website update</li> <li>– Education Wellington (EWI) funding</li> <li>– International relations programme including identifying economic development opportunities</li> </ul>



<p><b>Tactics (continued)</b></p>	<ul style="list-style-type: none"> <li>– Food safety programme audits</li> <li>– Environmental protection initiatives as required</li> <li>– Bylaw reviews</li> <li>– Pollution/emergency response for containment of spillages as required</li> <li>– District Plan review(s) when and where necessary</li> <li>– Business attraction package</li> <li>– “One Entity” idea (CBD+ and HVCC) (P)</li> </ul>	<ul style="list-style-type: none"> <li>– Hutt City promotion guides (visitor) and tourism advertising Small business expo (P)</li> <li>– Business media relationship development (P)</li> <li>– Dowse Creative Economy strategy update (P)</li> </ul>
<p><b>Key indicators</b> Key indicators that demonstrate progress made in the achieving Outcomes.  Note: there may be a series of desired indicators only a few of which will be included in the LTCCP</p>	<ul style="list-style-type: none"> <li>• Ratio of registered unemployed to total working age population in Hutt City</li> <li>• The number of businesses in Hutt City</li> <li>• Number of jobs (FTE's)</li> <li>• Registered unemployed</li> <li>• Percentage unemployed</li> <li>• Number of unemployed</li> <li>• Increase in retail spend in Hutt City</li> <li>• Reduction in retail leakage</li> <li>• GDP</li> </ul>	<ul style="list-style-type: none"> <li>• Level of recognition by business of Hutt City as a place to do business</li> <li>• Level of awareness of Hutt City as a tourism destination</li> <li>• Economic benefit of events to Hutt City</li> </ul>

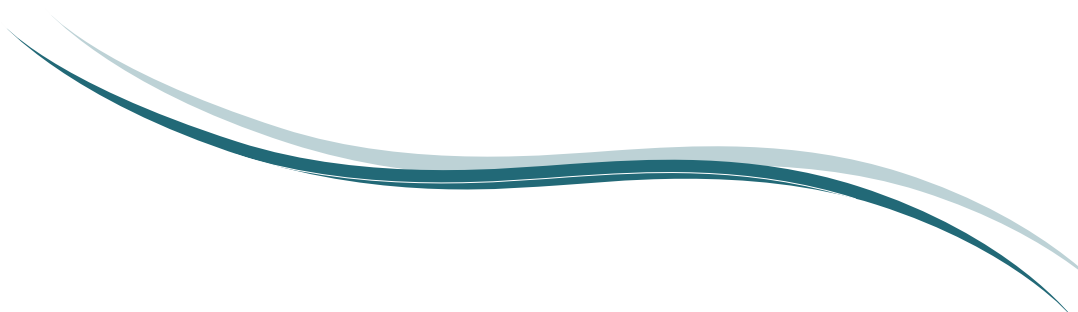
<b>COMMUNITY OUTCOME – A LOCAL ECONOMY THAT IS ATTRACTIVE TO BOTH BUSINESS AND RESIDENTS – CONTINUED</b>		
<b>Objectives</b> What Council wants to achieve	3. Continued investment in current and new business activities	4. An available skilled workforce
<b>Strategy</b> How we will achieve our objectives	<ul style="list-style-type: none"> <li>• Understand, advocate for and assist with city wide investment requirements</li> <li>• Continue develop and advocate for city wide infrastructure that assists in business growth</li> </ul>	<ul style="list-style-type: none"> <li>• Plan, advocate and provide for skills development to meet business needs</li> <li>• Assist with immigration and inbound skill requirements</li> <li>• Access central government funds and programmes particularly those focused on your employment and training</li> </ul>
<b>Tactics</b> Programmes and projects currently being undertaken by Council, contributing to the achievement of this Outcome.  * (P) indicates Proposed or Potential tactics identified.	<ul style="list-style-type: none"> <li>– Local and national rail needs advocacy</li> <li>– HCC and Hutt Valley roading needs and funding advocacy</li> <li>– Cross Valley Link investigations</li> <li>– CBD Master plan</li> <li>– Seaview and Wingate infrastructure developments</li> <li>– Smartlinx3</li> <li>– Suburban shopping centre fund projects and review</li> <li>– Anti graffiti programme</li> <li>– HCC rates remission policy</li> <li>– Broadband ducting as we undertake roading works</li> <li>– PWB Investment Programme</li> <li>– Naenae and Taita suburban shopping centre upgrades</li> <li>– Ongoing infrastructure (roading/water/waste) maintenance and improvement programmes</li> <li>– Wifi in the Central Library</li> <li>– Hutt City accommodation options study (tourism) (P)</li> <li>– Recreation, retail and entertainment facilities in Seaview/Gracefield study (P)</li> <li>– 10 year suburban shopping centre upgrade programme (P)</li> </ul>	<ul style="list-style-type: none"> <li>– PWB migrant attraction programme</li> <li>– Trade Information Centre</li> <li>– Job Track co-ordinator in conjunction with Work and Income</li> <li>– Skills needs assessment through PWB</li> <li>– Work and Income liaison/relationship development</li> <li>– Weltec and HCC MOU and projects</li> <li>– Mayors Taskforce for Jobs</li> <li>– First Foundation scholarship to a local student</li> <li>– Shadow services for Call Centre Certificate participants</li> <li>– Cadetships at HCC</li> <li>– Business employee welcome pack (P)</li> <li>– Dowse Centre Entrepreneurship programme 2005 (exhibition &amp; NZTE – supported youth business workshops) (P)</li> <li>– Youth Transition Scheme</li> </ul>

<b>Tactics (continued)</b>	<ul style="list-style-type: none"> <li>– Dowse Interchange development (P)</li> <li>– SH2 improvements (P)</li> <li>– Dowse business centre facility promotion – meetings, product launches, expo, seminars (P)</li> <li>– Cross Valley Link investigation implementation (P)</li> </ul>	
<b>Key Indicators</b>	<ul style="list-style-type: none"> <li>• Number and value of new residential dwellings</li> <li>• Value of building consents</li> <li>• Reduction in planning constraints</li> <li>• Growth in non-residential building consents (value \$)</li> </ul>	<ul style="list-style-type: none"> <li>• Percentage of population with no qualifications</li> <li>• Percentage of population with higher qualifications</li> <li>• Increase in number of residents</li> <li>• Number of households</li> <li>• Increase in household income</li> <li>• Increase in per capita income</li> </ul>
<b>An Example:</b>	<p><b>CBD Masterplan</b></p> <p>The purpose of the CBD Masterplan is to ensure that future development of the CBD is consistent with the overall strategic vision for the centre of the City. The vision is to give the CBD a stronger heart – achieved through strengthening business performance and improving the CBD’s “sense of place”. This will be achieved by enhancing the following elements of the City:</p> <ul style="list-style-type: none"> <li>– <b>Compactness</b> – a CBD with compact form</li> <li>– <b>Diversity</b> – a CBD with diverse character</li> <li>– <b>Connections &amp; Walkability</b> – a CBD that promotes and supports pedestrian experiences</li> <li>– <b>Accessibility</b> – a CBD which is accessible for all modes of traffic</li> <li>– <b>Wayfinding</b> – a CBD with a strong sense of orientation, where main routes and key destinations are easily found</li> <li>– <b>Image and Identity</b> – a CBD with a memorable atmosphere and distinctive identity.</li> </ul> <p>These elements will be enhanced, and the vision achieved, by the Council undertaking a long term programme of initiatives that will include:</p> <ul style="list-style-type: none"> <li>– <b>Gateways</b> – enhancement to the primary entries to the CBD</li> <li>– <b>Boulevards</b> – treat Queens Dr., Daly St. and Rutherford St as tree-lined boulevards giving these streets a distinctive image, improving way finding.</li> <li>– <b>The “Spine”</b> – a main pedestrian cross link from the Hutt River to the Dowse and back to the Civic Centre.</li> <li>– <b>The “Main Street”</b> – enhancement to the traditional pedestrian shopping area along High St and creating a strong link to the redeveloped Queensgate mall.</li> </ul>	

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|  | <ul style="list-style-type: none"><li>– <b>The “Main Street”</b> – enhancement to the traditional pedestrian shopping area along High St and creating a strong link to the redeveloped Queensgate mall.</li><li>– <b>The “Retail Connector”</b> – a strong pedestrian link between the traditional shopping areas and the Queensgate mall.</li><li>– <b>Hearts and Focal Areas</b> – development of a series of ‘hearts’/focal points including a large city icon near the river, the cultural heart at the Dowse, the urban plaza at Andrews Ave.</li></ul> |
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## COMMUNITY OUTCOME – AFFORDABLE ACCESS TO COMMUNITY FACILITIES THAT INCLUDE ARTS, CULTURAL AND RECREATIONAL OPTIONS

<p><b>Objectives</b> What Council wants to achieve</p>	<p>1. Increased awareness of and participation in arts, cultural and recreational activities in the city</p>
<p><b>Tactics</b> Programmes and projects currently being undertaken by Council, contributing to the achievement of this Outcome.  * (P) indicates Proposed or Potential tactics identified.</p>	<ul style="list-style-type: none"> <li>• Provide a range of arts, cultural and recreational facilities throughout the city</li> <li>• Encourage and help coordinate for others to provide arts, cultural and recreational facilities</li> <li>• Reduce constraints and barriers to participation</li> <li>• Locate HCC recreational facilities throughout the city</li> <li>• Increase the perception of the city as a busy place</li> <li>• Increase the events profile of the city</li> </ul>
<p><b>Tactics</b> Programmes and projects currently being undertaken by Council, contributing to the achievement of this Outcome.</p>	<ul style="list-style-type: none"> <li>– Dowse and Petone Settlers museums</li> <li>– Sports grounds (29) and sports fields (200)</li> <li>– Hutt Park Northern Zone developments</li> <li>– Playgrounds (54)</li> <li>– Discounted fees for turf sports</li> <li>– Walter Nash stadium funding</li> <li>– Arts and cultural events funding</li> <li>– Community halls</li> <li>– Libraries (8) – providing programmes, displays and events</li> <li>– Swimming pools (6)</li> <li>– Swim city programmes at our pools including programmes for older residents</li> <li>– School holiday programmes in pools and libraries</li> <li>– Creative communities funds and grants</li> <li>– Phonic Youth Centre funding</li> <li>– Dowse museum extension</li> <li>– Pacific Island network and movement programme</li> <li>– Hutt City Council Events programme and Eventlink</li> <li>– Visitor Information Office (VIO) and website</li> <li>– Work with YMCA to provide recreational and other programmes (P)</li> <li>– Hutt Park Southern Zone development (P)</li> <li>– Eastern Hills downhill mountain bike track (P)</li> <li>– Walter Nash Stadium ownership (P)</li> <li>– Little Theatre facilities usage (P)</li> </ul>



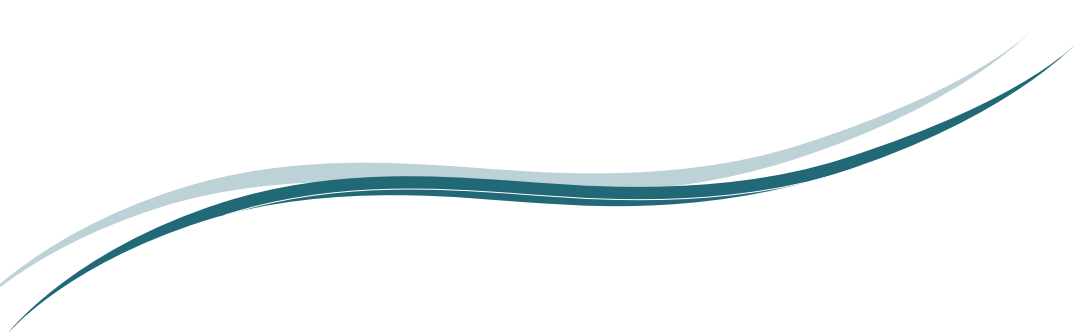
<p><b>Key indicators</b> Key indicators that demonstrate progress made in the achieving Outcomes.</p> <p>Note: there may be a series of desired indicators only a few of which will be included in the LTCCP</p>	<ul style="list-style-type: none"><li>• Percentage of residents who use pools</li><li>• Percentage of residents who use libraries</li><li>• Percentage of residents who use sports-grounds</li><li>• Annual number of museum visits</li></ul>
<p><b>An Example:</b></p>	<p><b>Dowse redevelopment</b> The redeveloped Dowse will provide a flexible multipurpose facility suitable for a considerably wider range of cultural, social and recreational activities than can currently be offered. In addition to exhibitions the building will offer spaces for performances, music, youth events, public meetings, business functions, trade expos, formal dinners etc. This will result in a larger number and more varied range of people using the facility, which will have full disability access to all public spaces.</p> <p>The redevelopment is scheduled to commence in the first half of the 2005–06 year and be completed within 12 months.</p>

**COMMUNITY OUTCOME – A DIVERSE NATURAL ENVIRONMENT THAT IS ACCESSIBLE, ENJOYABLE AND SAFE**

<p><b>Objectives</b> What Council wants to achieve</p>	<p>1. Diversity and sustainability of the natural environment</p>	<p>2. Improved access to a safe and enjoyable natural environment</p>
<p><b>Strategy</b> How we will achieve our objectives</p>	<ul style="list-style-type: none"> <li>• Develop policies and implement practices that enhance the environmental sustainability and natural diversity of our parks and reserves</li> <li>• Recognise and preserve the essential elements of the City’s landscape that give structure and contribute to its natural and cultural identity</li> </ul>	<ul style="list-style-type: none"> <li>• Implement programmes and practices that improve public access and enjoyment of our parks and reserves and to regional parks, rivers and coastline</li> <li>• Improve public feeling of safety when using our parks and reserves</li> </ul>
<p><b>Tactics</b> Programmes and projects currently being undertaken by Council, contributing to the achievement of this Outcome.  * (P) indicates Proposed or Potential tactics identified.</p>	<ul style="list-style-type: none"> <li>– Biosecurity Act (pest plants) – landowner obligations</li> <li>– Rare and endangered plant collections support</li> <li>– Possum control</li> <li>– Additional weed control in reserves (weeds that have yet to be classified as noxious)</li> <li>– Re-vegetation of reserve areas</li> <li>– Waiwhetu Stream environmental enhancement</li> <li>– Manage impact of inappropriate development on areas of natural environment and reserve land subdivision provisions allowing for vesting land as reserve</li> <li>– Promote voluntary measures for protection of areas of significant natural resource, eg QEII Covenants</li> </ul>	<ul style="list-style-type: none"> <li>– Beach grooming (Petone, Days Bay, Sorrento and Rona Bay beaches)</li> <li>– Open park space maintenance</li> <li>– Network of walkways developed and maintained</li> <li>– Petone Recreation Ground beautification works</li> <li>– Hugh Sinclair Park Development Avalon park</li> <li>– Korohiwa Landscape Development</li> <li>– Petone Foreshore Upgrade</li> <li>– Reserves adjacent to Hutt River, links to greenways to inner city areas</li> </ul>
<p><b>Key indicators</b> Key indicators that demonstrate progress made in the achieving Outcomes.  Note: there may be a series of desired indicators only a few of which will be included in the LTCCP</p>	<ul style="list-style-type: none"> <li>• The percentage of residents who are satisfied with the city’s parks, reserves and gardens</li> </ul>	
<p><b>An Example:</b></p>	<p><b>Hutt Park</b> Since 2001 Council has worked with the community and interest groups on an overall plan for the development of Hutt Park. The first stage of works was completed last year and subsequent stages are currently being planned.</p>	

<b>COMMUNITY OUTCOME – A HEALTHY BALANCE BETWEEN NATURAL AND BUILT ENVIRONMENTS/A BUILT ENVIRONMENT THAT IS ATTRACTIVE, SAFE AND HEALTHY</b>		
<b>Objectives</b> What Council wants to achieve	1. An appropriate balance between the natural and built environment	2. A built environment considered to be attractive, healthy and safe
<b>Strategy</b> How we will achieve our objectives	<ul style="list-style-type: none"> <li>• Ensure the amount and quality of “green spaces” in the City is maintained</li> <li>• Ensure that planning processes enable effective public consultation over an appropriate balance between the natural and built environment</li> <li>• Develop the Hutt River Flood Plain Management Plan and Waiwhetu Stream Management Plan to balance environmental enhancement and urban flood protection</li> <li>• Promote the protection of the natural environment</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure that the attractiveness of the built environment is enhanced</li> <li>• Develop policies and practices that help to improve the cleanliness of the City’s infrastructure</li> <li>• Ensure that safety within and around the City’s built environment is improved</li> </ul>
<b>Tactics</b> Programmes and projects currently being undertaken by Council, contributing to the achievement of this Outcome.  * (P) indicates Proposed or Potential tactics identified.	<ul style="list-style-type: none"> <li>– District Plan policy to reflect objectives</li> <li>– Mapping of identified cultural sites in Hutt City</li> <li>– Resource consent and building consent process</li> <li>– Monitor and enforce resource consent conditions</li> <li>– Enforcement of District Plan provisions</li> <li>– Consultation with different agencies in the formulation of policy and the processing of resource and building consents, including mana whenua organisations, New Zealand Historic Places Trust, Greater Wellington, etc</li> <li>– Preparation of District Plan changes in line with the provisions of the Hutt River Flood Plain Management Plan</li> <li>– Flower bed displays throughout the City</li> <li>– Provide and maintain street trees</li> <li>– Provide and maintain landscaped street gardens</li> <li>– Clean up litter from all parks and reserves and street gardens</li> <li>– Noise Control</li> <li>– Problem tree removal around the City</li> <li>– Quality landscaping in public areas</li> <li>– Keep Hutt City Beautiful – Graffiti removal, “Art 4 Change” programmes</li> <li>– Businesscare business sustainability programme</li> <li>– Regional planning for a Regional Heritage Promotion Council</li> <li>– Crime Prevention through Environmental Design training</li> </ul>	





<p><b>Key indicators</b> Key indicators that demonstrate progress made in the achieving Outcomes.</p> <p>Note: there may be a series of desired indicators only a few of which will be included in the LTCCP</p>	<ul style="list-style-type: none"><li>• Percentage of open space relative to built up space</li><li>• The percentage of residents who are satisfied with the city’s parks, reserves and gardens</li></ul>
<p><b>An Example:</b></p>	<p><b>Art 4 Change</b> Art 4 Change was initiated in 1996. Using Graf Art mural projects as a vehicle, it’s goal is to reconnect troubled young people with the wider community. Graf Art appears in a number of locations around Hutt City including murals along Rutherford Street – opposite Countdown, the pedestrian thoroughfare between Knights Road and Queens Drive – beside The Warehouse and on walls of the Dowse Art Gallery building along Myrtle Street and Laings Road.</p> <p><b>Keep Hutt City Beautiful</b> Keep Hutt City Beautiful was established in 1991, focusing on environmental issues and effectively acting as communication channel between Council and the communities they represent.</p>

# Statement of Cooperation

Council is committed to working with other local authorities and Central Government where there are benefits to the city in Council doing so. In performing its role, a local authority must act in accordance with a number of principles set out in the Local Government Act 2002, including that a local authority should collaborate and cooperate with other local authorities and bodies as it considers appropriate, to promote or achieve its priorities and desired outcomes, and make efficient use of its resources.

Council was one of the signatories to the Wellington Regional Triennial Agreement, which has been finalised for the 2004–2007 triennium. The parties to the agreement have committed to working for the good governance of their city, district or region by acting cooperatively and collaboratively. It is intended that this agreement will ensure that appropriate levels of consultation and coordination are maintained between the councils of the Wellington Region. It is intended that the process of arriving at this agreement and its ongoing operation should contribute to the strengthening of the regional relationships.

Examples of Council working with other local authorities include:

Regional Initiatives:

- Participating in the Wellington Regional Strategy Forum, a joint committee of Wellington Territorial Authorities, working to build an internationally competitive Wellington Region. It is anticipated that through this initiative regional cooperation will continue to grow in the future.
- Jointly funding the regional economic development agency Positively Wellington Business (PWB). PWB facilitates, promotes and fosters development of a dynamic economy in the Wellington Region.
- Making regional archives available in uniform format at one address online, through the Virtual Regional Archives Project. This enables greater public access and complies with the Public Records Bill and the Government Digital Strategy.

With Wellington City Council:

- Establishing the shared Water Management Unit, Capacity.
- Investigating options for shared library services.

With Upper Hutt City Council:

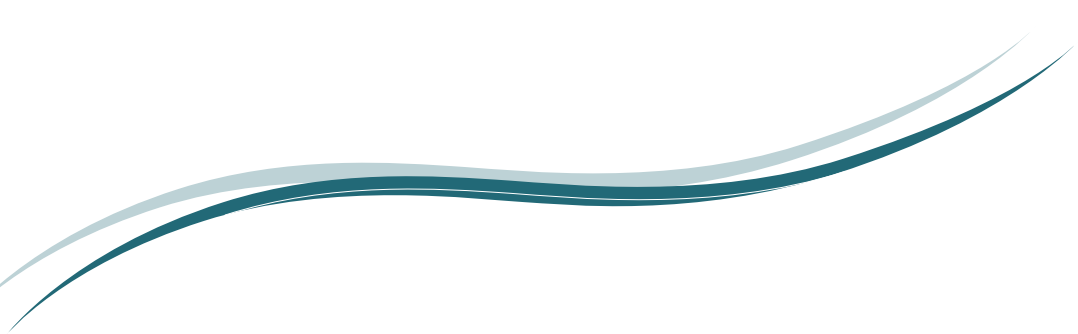
- Combining ‘Whole of valley’ shared wastewater treatment and disposal.
- Combining ‘Whole of valley’ access to the Silverstream landfill owned and operated by Hutt City Council.

## Major Projects

Hutt City Council and Greater Wellington Regional Council are currently undertaking a review of the Waiwhetu Stream, including a hydrological study. Until its completion in 2007, it is not possible to reliably estimate the total cost of resulting physical works – or Hutt City Council’s share of these costs.

Council is committed to the development of a Grenada-Petone-Seaview road transport link; which would combine the previously proposed Valley Floor Connector with the Petone Grenada link road, (proposed as part of the recent Western corridor study) into a new State Highway. This “package” of works would improve transport links from the region’s industrial hub at Seaview/Gracefield, to SH1 and north, and relieve congestion on the Esplanade and it’s merger with SH2. No budget allowance for this project has been made in this 10 year plan, as timing and funding for this project are subject to processes governed by the Regional Land Transport Committee, and the Wellington Regional Strategy.

Capital expenditure on these projects has been excluded from the Forecast Financial Statements because it is not possible to estimate the timing and the amount of Council’s share of the related costs with any degree of reliability.



# Hutt City's Community Charter – Building a Better Community



Residents want a community that works together, where people support each other and feel safe. The Community Charter, provides a set of community values that the city, as a whole, can aspire to.

## **OUR COMMUNITY VALUES**

- Together we can make a difference
- There is a place for everyone in this city

Our city has what it takes to:

- Turn helplessness into hope
- make lonely people feel they belong
- Turn indifference into responsibility
- Turn self-centredness into mutual support
- Our commitment to this will build a safer city.

## **FOR THE COMMUNITY TO ACHIEVE THE VALUES:**

- We will endeavour to gain the support of our community leaders in modelling and promoting community values
- We will learn how values are built into the lives of individuals and adopt community values that apply to each sector within our community
- We will strive to establish a community culture that encourages, recognises and rewards those who promote community values
- We will evaluate the decisions, policies and by-laws of our city on the basis of whether they promote positive values or negative ones
- We will assess all our activities on a regular basis to ensure we are making progress toward our goal of becoming a city known for the community values of its citizens.

Council is committed to promoting the Community charter within its own organisation and the community. Council will be one of a number of organisation's that will play a role in promoting the Charter in the community

Community Charter: Hutt City was the first City in New Zealand to adopt its own Charter, setting out what it believes are the values and attitudes the City as a whole should promote. The initiative for this came from Church leaders, following the tragic death in 2002 of one of the City's residents., which promoted everyone to reflect more deeply about how they care for one another, and also accept responsibility towards one another. The first words of the Charter are "together we make a difference" and Council staff have worked to adopt these values into the operations of the organisation and liaise with local businesses, schools and other institutions (some of whom have already adopted their own) to do the same.

# Hutt City Council's Financial Strategy

Council has prepared a Financial Strategy to clearly summarise its financial objectives. The Financial Strategy is based on existing Council policies such as the Liability Management Policy, the Investment Policy and the Revenue and Financing Policy. However, the Strategy also includes new decisions of Council, such as a target for the annual rates increase. Council intends to use the Financial Strategy as a framework for budget management during Community Plan deliberations

STRATEGY	OBJECTIVES	MEASURES	TARGETS
<b>Rate Charges</b>	Council rate charges are controlled prudently and are competitive when compared to peer local authorities	Rates per capita	Annual increase below inflation + 0.5% Below peer average by 2010
<b>Cost to deliver services</b>	Council delivers services at a cost below the average of peer councils  Council's service costs are equitably allocated (within the limits of available charging mechanisms)	Total service cost per capita Support costs per capita Actual revenue vs indicative cost allocations in the Revenue & Financing Policy:  – Private vs public funding (user charges vs rates) – Public funding by sector	Below peer average Below peer average  Individual activities generally within 5% of Policy Within 1% of Policy by 2010
<b>Financial position</b>	Council's financial position is better than peer average	Net debt level  Net debt per capita Net debt/equity ratio Operating result	Below annual target Below \$60m by 2010 Below \$30m by 2015 Within Treasury Policy limits at all times Below peer average Below peer average Produce a surplus each year
<b>Funding supply</b>	Council has secure and cost effective funding sources available to meet its financial needs	Liquidity requirements of the Liability Management Policy Overall cost of funds	100% compliance with Policy requirements Below independent benchmark by 2006
<b>Financial risk</b>	The risk of Council incurring a material financial loss is very low	Uninsured risks in relation to the Risk Management Policy Investment and Liability Management Policy limits	All identified, considered & approved by EMT 100% compliance with Policy requirements



*Statement of  
Commitments*





# Statement of Commitments

## COMMITMENT TO OUR COMMUNITY

Hutt City Council is committed to contributing towards a vibrant and diverse city, to providing accessible and high quality leisure activities and facilities, and to supporting a community that is safe and connected. These commitments take into account the social and cultural outcomes that the community has indicated it would like to see the city achieve in the long term.

### WE ARE COMMITTED TO:

- Making Hutt City a great place to live, work and play
- Providing opportunities for community involvement in important decisions
- Recognising the different communities of Hutt City, and working with these communities to make sure they keep their unique character
- Supporting and facilitating a safer community
- Identifying community needs and facilitating responses
- Protecting and nurturing the natural environment so that all citizens and future generations can enjoy it
- Developing strategies that encourage sustainable economic development
- Making sure all residents have access to high quality services and facilities
- Encouraging a strong, enterprising and diverse business sector that provides jobs and opportunities for all citizens
- Providing the opportunity for stimulating knowledge and information for the personal growth and education of all citizens.

### OUR ROLE

Council's principal role is to set policies that contribute to achieving outcomes. We will represent the views of the community and make decisions that allow Hutt City to grow and prosper.

We will also:

- Faithfully represent the broad wishes of the community
- Make decisions in an open and transparent manner
- Work in the best interests of the community.
- Promote Hutt City regionally, nationally and internationally.

## YOUR ROLE

Council is accountable to you, its residents. So we provide the opportunity for you give feedback, and to be informed of Council activities and have input into decisions. You can do this by taking part in consultation processes and having your say when decisions on projects and activities are being made that may affect you or the community in which you live, work or play.

## COMMITMENT TO OUR ENVIRONMENT

Hutt City Council is committed to ensuring the city's environment is clean, healthy, attractive and sustainable. Council's commitment to the environment embraces the environmental outcomes that the city's residents identified as essential. Council has a number of citywide and local initiatives that impact directly and indirectly on the environment. Some activities are focused towards providing community services and others involve regulatory responsibilities. These activities can also affect the environment beyond the city's boundaries, for example the water quality of Wellington Harbour.

Greater Wellington – The Regional Council, the Ministry for the Environment, the Department of Conservation, environmental groups, and other organisations also play a pivotal role in making sure the city's environment is maintained to a high standard. All activities are undertaken with a view to enhancing the environment, controlling the adverse effects of refuse disposal, wastewater, invasive animals and plants, and ensuring the delivery of Council's services in a manner consistent with safeguarding public health and the sustainable management of resources. Council will continue to monitor and report on the social, economic, cultural and environmental impacts of these activities on a regular basis. In carrying out Council's activities, a commitment will be given to protect and enhance the city's indigenous biodiversity.



### **Wastewater**

Now that the new wastewater treatment plant is operating and the discharge has been removed from the Wainuiomata River, Council is continuing to improve the level of service by reducing the wet weather loading of the wastewater system and increasing system reliability.

### **Recycling and Waste**

Significant effort will be directed towards minimising waste within Hutt City. This will include education and other programmes to promote the recovery, reuse, and recycling of materials, as well as a review of the current Waste Management Plan.

### **Urban Environmental Enhancement**

Enhancement Further physical enhancements are planned for the inner city and suburban areas. The focus will be on managing and designing a more attractive, safe, and vibrant urban environment.

Where there is reconstruction planned for sections of kerb, channels and footpaths, environmental enhancements are also undertaken. This work generally involves the installation of trees, small garden areas and decorative lights. Consultation with residents ensures community input into final plans.

### **Biodiversity**

There are ongoing programmes aimed at protecting rare and endangered plants, and eliminating pest plant species within the city. Native plants are used to revegetate sites that have been invaded by pest species.

### **Environmental Education**

Residential reserve boundaries will continue to be cleared of gorse and blackberry. Cleared areas are replanted with more fire-resistant, bird-attracting native plants. Council is also committed to the eradication of animal pests, which helps protect key ecosystems. This includes the continuation of the award winning 'Possum Busters' programme.

There are ongoing programmes and projects designed to raise awareness of environmental issues within a specific context. Council supports programmes, projects and campaigns such as the BusinessCare business sustainability programme and the Reduce Your Waste campaign. Council supports and undertakes environmental projects in conjunction with schools and environmental groups. Council provides coordination and support for its communities with projects to improve and beautify community areas. This is done through programmes such as: Keep Hutt City Beautiful, Graffiti in Our City, Dog Litter in Public Places, and Sustainable Households. Other projects have also been undertaken, including the Seaweed beach clean-up and the Tidiest Street competition. The 'Environmental Education' group also undertakes the citywide clean-up during Keep Hutt City Beautiful/Clean Up New Zealand week.

## COMMITMENT TO THE TREATY OF WAITANGI – TE TIRITI O WAITANGI

Council is committed to the principles of the Treaty of Waitangi – Te Tiriti O Waitangi – and to maintain and improve opportunities for Maori to contribute to local government decision-making processes. Council also recognises and provides for the special relationship that Maori have with their culture, traditions, land and taonga.

The obligation to consult with Maori includes recognising those who have mana whenua, or inherited rights of land ownership. Within Hutt City these are represented by Nga Tekau O Poneke – the Wellington Tenth Trust. Council also recognises the Te Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui as Tangata Whenua. Both these groups represent Te Atiawa and the Taranaki tribes within the Wellington region.

This obligation will also extend to urban Maori now resident in Hutt City, including (but not limited to) the Runanganui o Taura Here ki Rimutaka and Hutt City Marae.

### KEY PRINCIPLES

- Take into account the principles of the Treaty of Waitangi – Te Tiriti O Waitangi
- Continue with the established contractual agreements with Te Atiawa
- Continue to work alongside established and developing relationships with other Maori organisations.
- Pursue Council's statutory obligations under Part II of the Resource Management Act 1991 and Section 4 of the Local Government Act 2002.

### GOALS

- Provide opportunities for Maori to contribute to Council decision-making processes
- Enable greater information flows on activities of mutual interest to both Maori and Council
- Foster the cultural life of the city in which Council and Maori will each play their part in a bi-cultural partnership.

## PROGRAMME

- Ongoing promotion of Memoranda of Understanding between Council and key Maori stakeholders
- Work to maintain long-standing relationships with the Te Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui, the Wellington Tenth Trust, the Runanganui o Taura Here ki Rimutaka and Hutt City Marae
- Work to maintain existing and developing relationships with other Maori community organisations
- Ensure that all parties are kept informed of Council's developments and are given the opportunity to take part in Council's affairs.
- Quality advice and support for capacity and capability strengthening.

## JOINT INITIATIVES

Te Whiti Park is jointly managed by the Te Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui and Council.

## MARAE FUND

Council grants to City Marae.



## COMMITMENT TO OUR CUSTOMERS

### ‘WE TAKE PRIDE IN HELPING YOU’

Because we believe the Hutt City is a great place to live, work and play, we take pride in providing high-quality services and helping you in any way we can. Our commitment to customers is maintained through professional excellence and ongoing improvements in delivering services, and providing value for money.

Participating in business excellence awards enables Council to assess overall performance. Gaining recognition (Council achieved Bronze level in the internationally calibrated NZ Business Excellence Awards 2004) endorses the hard work and commitment by staff at all levels of the organisation in our commitment to providing high-quality services.

It is our goal over the current financial year to continue to provide Hutt City residents with excellent service and to deliver ongoing improvements of which we can all be proud. We want to build on our relationships with our customers. We will listen to our customer’s (that’s you) needs and expectations. We will find out what is important and what you value, and take these into account when delivering our services. Our aim is to not just provide customer service, but to be passionate about the service we provide.

### CUSTOMER STRATEGY

- Treat customers right
- Provide exceptional service and value for money
- Involve and inform customers
- Listen to and learn from our customers
- Wherever possible have first point of contact resolution.

## QUALITY SERVICE

Quality initiatives will include internal monitoring, coaching and customer surveys (including annual surveys on resident satisfaction with Council services) and benchmarking to ensure best practice.

Council recognises the importance of customer feedback as a critical element in making decisions regarding service delivery. We conduct regular surveys which measure customers needs, wants and expectations so that in the end we can design a system which will ensure a consistent service that meets your needs.

We will continue to maintain a successful and resourceful organisation that is responsive, responsible and accountable to the community.

## OUR COMMITMENT TO YOU

We will:

- Go the extra mile
- Be knowledgeable, accurate and informative
- Be interested, fair, professional and friendly
- Be easy to contact
- Make realistic promises
- Do it right first time, on time, every time
- Measure ourselves against the best
- Take ownership.

## COMMITMENT TO OUR STAFF

Staff are crucial in achieving Hutt City Council's goals and objectives. As part of recruiting and retaining high calibre staff, Council aims to ensure its staff have appropriate training and development opportunities, a safe working environment and support in carrying out their duties. Council has several formal programmes in place to assist staff and these are outlined below.

## STAFF EDUCATION, TRAINING AND DEVELOPMENT

Training and development needs for each staff member will be assessed as part of the two-way annual performance appraisal system, allowing this component of training and development to be planned 12 months in advance. This allows management to take a strategic view of needs and resources. Staff are encouraged to undertake additional study through the study assistance policy, which Council funds up to a maximum of \$3,000 per employee per year and which can be used to subsidise course fees. In addition, up to 20 days of study leave are available for study and exams. Managers are required to review training outcomes with staff as part of coaching sessions, and more formally during the performance appraisal.

## STAFF HEALTH AND SAFETY

Council has a commitment to health and safety which is fully documented in the Health and Safety Manual. The responsibility for health and safety for each area rests with its manager as outlined in his or her job description. Health and safety statistics will be reported quarterly at an organisational level to the senior management teams. The health and safety system and processes will be audited each year by external Health and Safety auditors as part of the legislative compliance programme.

The health and safety systems ensure that any identified hazards are minimised through the provision of safety equipment, appropriate briefings, training and/or the modification of work practices. Staff working in more hazard-prone environments are provided with training in such areas as dealing with hazardous substances and working with difficult customers or contractors.

## STAFF SUPPORT CLIMATE

Council has a number of policies and processes aimed at facilitating employee well-being. These include:

- Code of Conduct
- Equal Employment Policy
- Executive Management Team Open Door Policy
- Employee Assistance Programme
- Defensive driving courses
- Study Assistance Policy
- Free influenza vaccinations
- Smoking Cessation Policy
- Smokefree Environment Policy
- Job sharing possibilities
- Parental Leave Policy
- Retirement Policy
- First aid training
- Discounted premiums for medical insurance
- Prevention and Dealing with Harassment Policy
- Alternative Working Arrangements Policy
- Volunteer leave.

## STAFF SATISFACTION

Senior management receive tailored reports each quarter covering staff turnover and movements as well as statistics on the use of sick leave and the Employee Assistance Programme. In addition, productivity within divisions and business units is monitored using standard output measures. Each year an annual staff satisfaction survey is carried out. The combination of these reports and initiatives allows the management team to assess satisfaction within the organisation.

The Employment Assistance Programme provides for employees who have difficult personal issues to refer themselves to qualified health professionals. It also allows for them to be referred by their managers. The referral rates will be monitored centrally by the human resources adviser and reported to the Good Employer Team.



Senior management maintain an open door policy, so that any staff member can address the Executive Management Team on any issue of concern at their weekly meetings.

### **STAFF PERFORMANCE MANAGEMENT**

Council utilises a performance appraisal process that is carried out annually. The system was designed by a joint committee of managers, staff and union representatives, and rewards performance over and above the requirements described in the staff member's job description. It is aimed at the top 40% of performers. In addition, a bonus pool is split to differentiate between those staff who far exceed expectations and those who perform well.

The system involves the setting of objectives for the year, the analysis by managers and staff of development needs related to work requirements, and competency development (such as communication and problem solving), as well as input from staff regarding the individual development they would like to undertake. The process is documented on standard forms that are used by managers in coaching sessions throughout the year, as well as at the year end evaluation. The resulting staff development plans are also used as the basis for planning training and development initiatives at divisional and group level.

A new team bonus has also been introduced, which is based on Council's performance throughout the financial year. The team bonus recognises that all staff members work towards shared organisational outcomes.

### **EQUAL EMPLOYMENT OPPORTUNITIES**

Everyone has the right to equal employment opportunities. Council is committed to the principle of equal employment opportunities in recruiting, employing, training and promoting its staff.

The principles of the Equal Employment Programme are to:

- Provide fair and proper treatment for staff
- Eliminate inequality in employing any person or group of persons

- Ensure that no preference or discrimination is made on the basis of gender, transgender, marital status, religious or ethical belief or its absence, colour, race, ethnicity, nationality, health, disability, age, sexual orientation, pregnancy, political opinion, employee association involvement, employment status, beneficiary status, family status or the identity of a partner or relative
- Require supervisors and managers to be responsible and accountable for the implementation and integration of equal employment opportunities.

The goals of the Equal Employment Programme are to integrate equal employment principles and practices into Council's activities and culture and to realise the business benefits to Council of valuing and fully utilising its human resources.

Council will continue its Equal Employment Programme which:

- Informs and raises the awareness of all staff on equal employment issues
- Monitors the working environment to ensure that it is free of all discrimination
- Ensures that employment related decisions and processes are based on skill and abilities and made on merit
- Encourages the fullest use of individual talents and skills
- Provides training in the management of diversity.



# *Rates*



# Rates for 2005/2006

## 1. INTRODUCTION

The Funding Impact Statement (FIS) details the rates to be set, defines the differential categories, and shows the rating factors to be used for 2005/2006.

The information below is a summary of this information and shows an amount for each rate and charge, based on the information in the FIS. It also shows the change in the amount payable on a range of typical properties.

It should be noted that all figures in this section are GST inclusive, unless otherwise stated.

## 2. CHANGES

The following adjustments have been made to the rates used last year:

1. The **Business Eastbourne** differential category factor has been further increased from 3.30 to 3.65, for the reasons set out in the Revenue and Financing Policy.
2. A uniform annual general charge has been introduced for the purposes of maintaining relativity between residential ratepayers.

## 3. SCHEDULE OF RATES FOR 2005/2006

### (A) Water Supply Rate

**Type:** Targeted Rate

**Rating Factor:** Separately used or inhabited part of a rating unit

The charges for the 2005/06 rating year are as follows:

Category	Charge
Connected	\$268 per part
Serviceable but not Connected	\$134 per part

### (B) Wastewater Rate

**Type:** Targeted Rate

**Rating Factor:** Number of Water Closets or urinals

The charges for the 2005/06 rating year are as follows:

Category	Charge
First WC or urinal per Rating Unit	\$320
Second and each subsequent WC or urinal per rating unit	\$160 each

### (C) Jackson Street Programme Rate

**Type:** Targeted Rate

**Rating Factor:** Capital Value

The charge for the 2005/06 rating year is as follows:

Category	Rate
Rating units in any Business category having frontage to Jackson Street, Petone, between Hutt Road and Cuba Street.	0.10610 cents per \$ of Capital Value

### (D) Uniform Annual General Charge

**Type:** General Rate

**Rating Factor:** Separately used or inhabited part of a rating unit

The charges for the 2005/06 rating year are as follows:

Category	Charge
Each separately used or inhabited part of a rating unit	\$30



#### (E) General Rate

**Type:** General Rate

**Rating Factor:** Capital Value

The differential categories and charges for the 2005/06 rating year are as follows:

Category	Ratio	Charge per \$ of Capital Value
Residential (RE)	1.00	0.33250 cents
Rural (RU)	0.65	0.21610 cents
Business Accommodation (BA)	3.00	0.99750 cents
Business Central (BC)	4.80	1.59590 cents
Business Queensgate	4.80	1.59590 cents
Business Eastbourne (BE)	3.65	1.21360 cents
Business Suburban (BS)	4.00	1.33000 cents
Utility Networks (UN)	2.50	0.83120 cents
Community Facilities 1 (CF1)	1.00	0.33250 cents
Community Facilities 2 (CF2)	0.50	0.16625 cents
Community Facilities 3 (CF3)	2.50	0.83120 cents

#### 4. SUMMARY OF REVENUE REQUIRED FROM RATES

Rate	Amount (Inclusive of GST) \$000s	Amount (Exclusive of GST) \$000s
General Rate	54,483	48,429
Uniform Annual General Charge	1,193	1,061
Targeted Rates:		
Water Supply	10,459	9,297
Wastewater	13,345	11,862
Jackson St.	90	80
<b>Total Rate Revenue</b>	<b>\$79,570</b>	<b>\$70,729</b>

Note: Total rate revenue includes rates charged on Council owned properties.

#### 5. SUMMARY OF REVENUE REQUIRED BY DIFFERENTIAL GROUP

Differential Group	Rates 2005/06 \$000s (\$000)	Total Rates by Category \$(000)	Proportion Of Total Rates
Residential		50,932	64.01%
Rural		418	0.53%
Utility Networks		2,980	3.74%
<b>Business:</b>			
Accommodation	548		
Central	4,915		
Queensgate	1,671		
Eastbourne	171		
Suburban	17,158	24,463	30.74%
<b>Community Facilities:</b>			
1	599		
2	84		
3	94	777	0.98%
<b>Total Rates Levied</b>		<b>\$79,570</b>	<b>100.00%</b>

## 6. EXAMPLES OF RATES ON A RANGE OF TYPICAL PROPERTIES

The examples below show how a range of properties are affected by these rates for the new year

Category	Old	New	HCC	Rates 2005/06		%age
	Value (2001)	Value (2004)	Rates 2004/05	HCC Amount	Change Amount	
			\$	\$	\$	
Residential (Average)	188,000	251,000	1,391	1,453	62	5%
Residential	315,000	395,000	1,937	1,931	(6)	0%
Residential	250,000	325,000	1,657	1,699	42	3%
Residential	149,000	200,000	1,223	1,283	60	5%
Residential	220,000	315,000	1,528	1,665	137	9%
Residential	370,000	540,000	2,173	2,414	241	11%
Residential	114,000	175,000	1,072	1,200	128	12%
Rural (With Services)	295,000	380,000	1,407	1,439	32	2%
Rural (No Services)	265,000	375,000	741	840	99	13%
Rural (With Services)	500,000	700,000	1,980	2,131	151	8%
Rural (No Services)	420,000	580,000	1,174	1,283	109	9%
Bus. Accommodation	820,000	910,000	14,042	12,575	(1,467)	(10%)
Business Central/Q'gate	480,000	550,000	10,971	9,875	(1,096)	(10%)
Business Central/Q'gate	7,200,000	12,100,000	150,979	195,482	44,503	29%
Business Eastbourne	590,000	730,000	9,596	10,117	521	5%
Business Eastbourne	360,000	580,000	5,691	7,657	1,966	35%
Business Suburban	670,000	800,000	19,308	18,458	(850)	(4%)
Business Suburban	85,000	118,000	1,462	1,599	137	9%
Business Suburban – JSP	1,475,000	1,775,000	28,803	26,749	(2,054)	(7%)
Business Suburban - JSP	260,000	520,000	5,444	8,086	2,642	49%

## 7. RATES INSTALMENT DETAILS

The amount of the annual rates payable on each rating unit is payable by six equal instalments by the following dates:

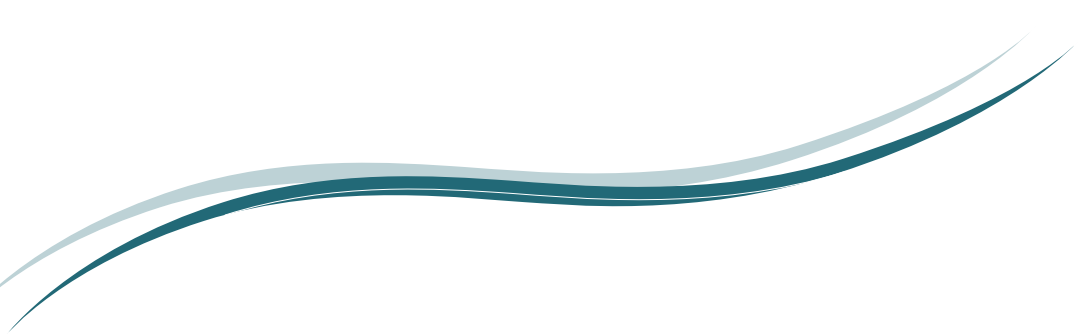
Instalment No.	Due Date
One	20 August
Two	20 October
Three	20 December
Four	20 February
Five	20 April
Six	20 June

Where the annual rates are not able to be set in time for the first instalment, the first instalment will be calculated and charged as one sixth of the previous year's rates. The remaining five instalments will then be calculated as each being one fifth of the amount of the annual rates, after deducting the amount of instalment one.

## 8. PENALTIES ON UNPAID RATES

If the rates instalment amount is not paid by the due date then the following penalty charges will be incurred:

- After the due date shown for each instalment, a penalty charge of 10% of the amount remaining unpaid for that instalment will be added to the rate account.
- All rates levied in any previous financial year (including any penalty amounts already added for late payment) which remain unpaid after the due date for payment of the second instalment in the current year (20 October), will incur a further penalty charge of 10%.
- All rates levied in any previous financial year (including any penalty amounts already added for late payment) which remain unpaid after the due date for payment of the fifth instalment in the current year (20 April), will incur a further penalty charge of 10%.



Provided that no penalty shall be added to any rate account:

- (a) Where a direct debit authority is in place for payment of the rates by regular weekly, fortnightly or monthly instalments, and payment in full is made by the end of the rating year; or
- (b) Where any other satisfactory arrangement has been reached for payment of the current rates by regular instalments by the end of the rating year.



# *Strategic Measures*

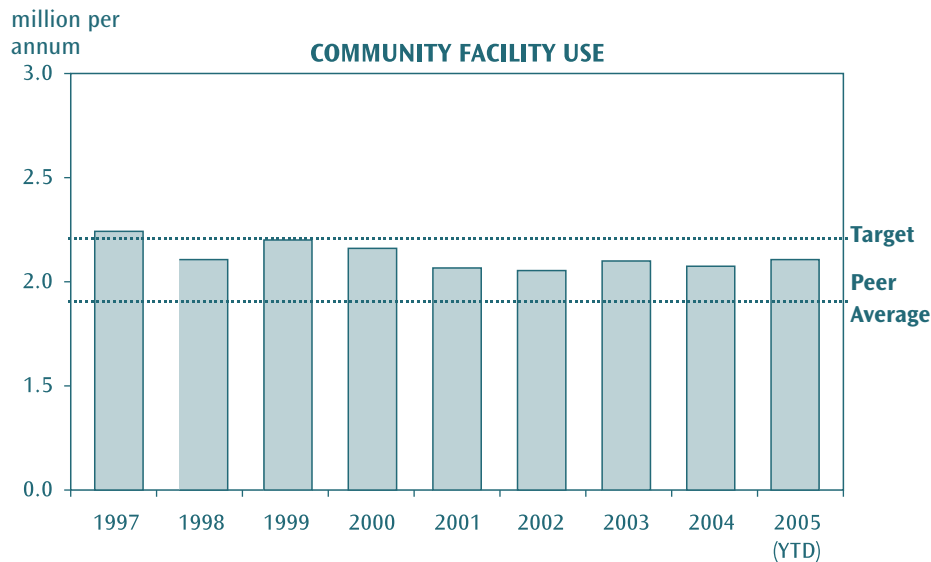


# Summary of Strategic Measures

## STRATEGIC MEASURES

The diagram on page 11 identifies Council's strategic goals and how these relate to achieving Community Outcomes. The diagram also lists the measures Council will use to indicate whether its strategic goals have been achieved. This section of the Community Plan provides historical and forecast information, targets and benchmarks in relation to those measures.

### STRATEGIC MEASURES – PEOPLE

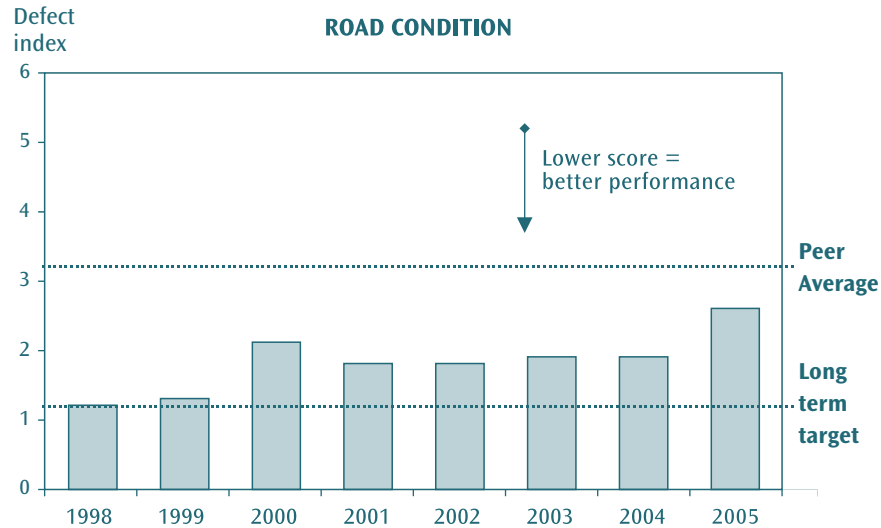


#### Community Facility Use

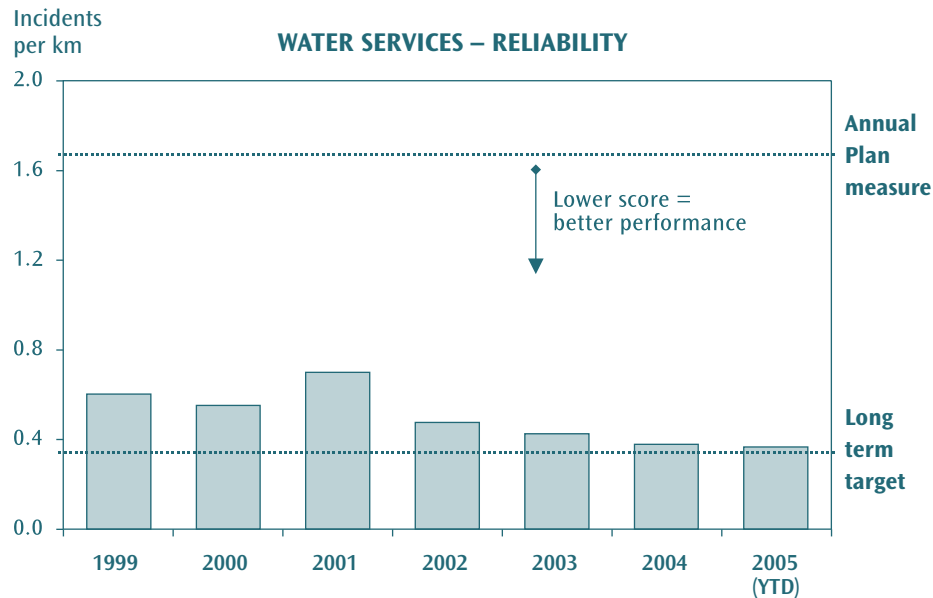
Council monitors use of its key facilities. The graph indicates visitors to libraries, pools, and museums, and also Council recreation programme participants. Council has a target of maintaining visitor numbers to these key facilities steady at about 2.1 million each year. This recognises the growing number of competing recreation options available and the limited ability of ratepayers to fund enhanced facilities.

The graph also identifies the 'peer average', which is adjusted for relative populations. Council's public facilities attract a comparatively high number of visitors each year.

## STRATEGIC MEASURES – UTILITY SERVICES

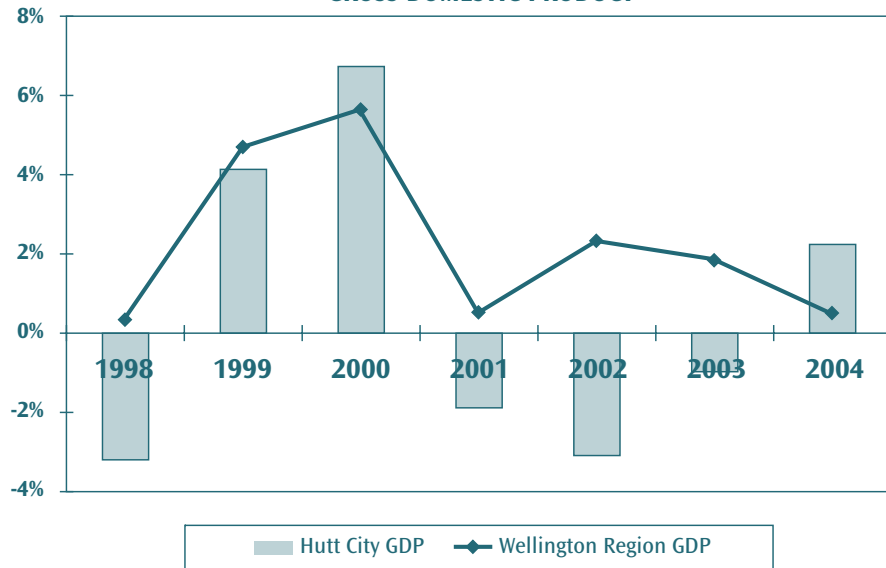


Transfund measures defects in roading surfaces and records a surface condition index. This graph shows the historical condition of the roads in Hutt City and Council's current target. There has been a gradual deterioration since the historical peak in 1998, although average road condition remains better than that in peer cities. Council intends directing a greater proportion of expenditure towards road maintenance in order to reverse this unfavourable trend.



This graph measures combined incidents per kilometre in the water supply, wastewater and stormwater networks. A favourable trend can be seen, but results remain slightly worse than peer averages. The main reason for this is the age and condition profile of pipes. Council's asset renewal programme will address this issue. Council has a long term target of reducing incidents below the peer average, as indicated by the line on this graph.

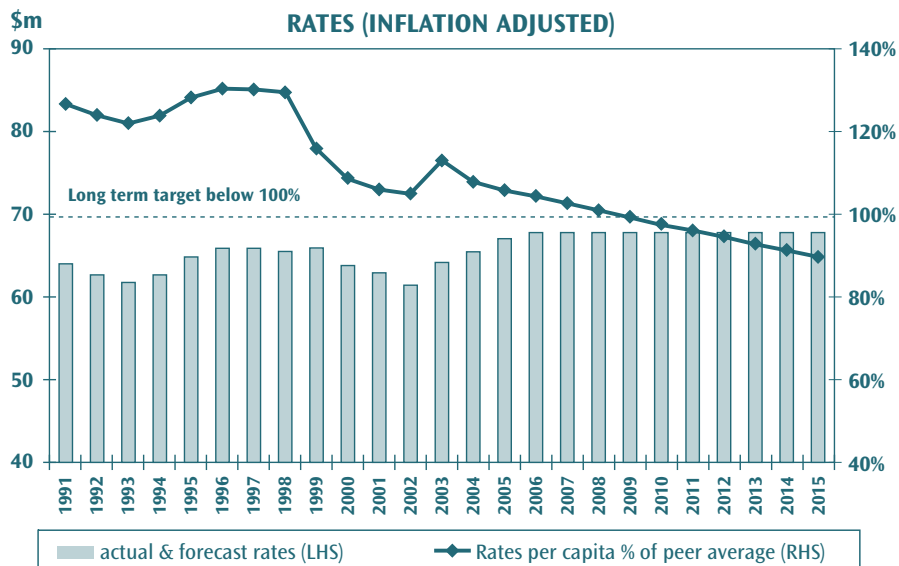
**Annual movement**  
**STRATEGIC MEASURES – ECONOMIC DEVELOPMENT**  
**GROSS DOMESTIC PRODUCT**



In past years the performance of the local economy has not been strong and has not compared favourably with the Wellington region or New Zealand as a whole. The economy has been in transition since the closure of the motor vehicle assembly industry in the city and the downsizing of other large employers. In response, Council adopted an economic development strategy. The strategy aims to build the city's economy, particularly in the areas of business numbers, jobs, events and tourism. Council's target is for local gross domestic product growth to exceed the regional average.

The most recent statistics to March 2004 are encouraging, with Hutt City experiencing growth of 2.2%, well above the average for the Wellington region. Visitor numbers, job numbers and population are also showing improving trends.

**STRATEGIC MEASURES – ORGANISATION**

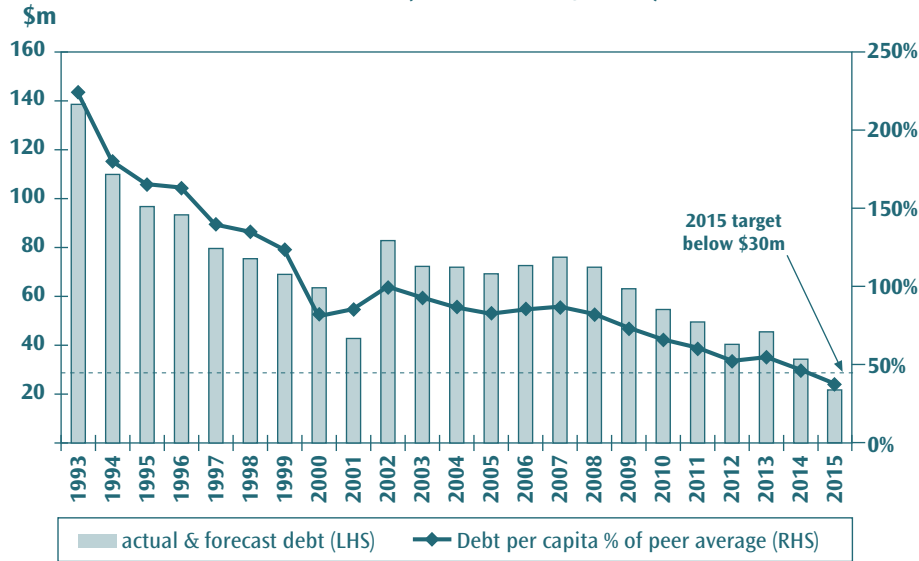


This graph shows historical and forecast rate levels. It highlights the reductions achieved from 1999 onwards, offset by modest increases in recent years to cover the cost of wastewater treatment facilities.

The graph also measures rates per capita in comparison with our peers (other similar local authorities). Historically Hutt City rates per capita have been well above peer average. This is partially due to many peer authorities owning major profitable businesses such as ports, airports, forestry and electricity companies, that help to keep rates down. Council's long term target is to deliver rate levels less than the peer average per capita.

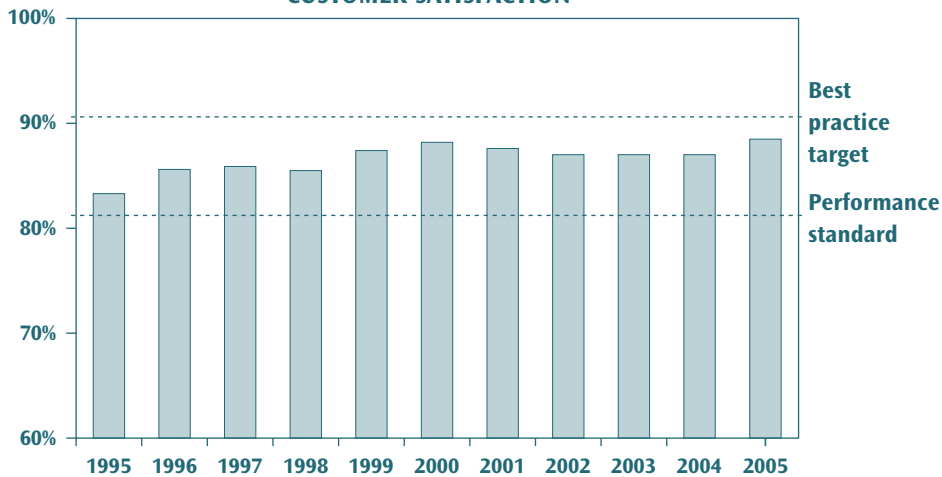


### NET DEBT (INFLATION ADJUSTED)



This graph shows historical and forecast net debt levels. It highlights the considerable success Council has had in reducing debt levels since 1993. At the time debt levels in Hutt City were more than twice the average for similar local authorities. The increase in debt in 2002 was due to the unavoidable requirement to fund the construction of the wastewater treatment facilities at Seaview. However, debt levels are now below the average of peer local authorities and forecast to fall further. Council's Financial Strategy (refer page 36) has a target of reducing debt below \$30 million by year ten of this Community Plan.

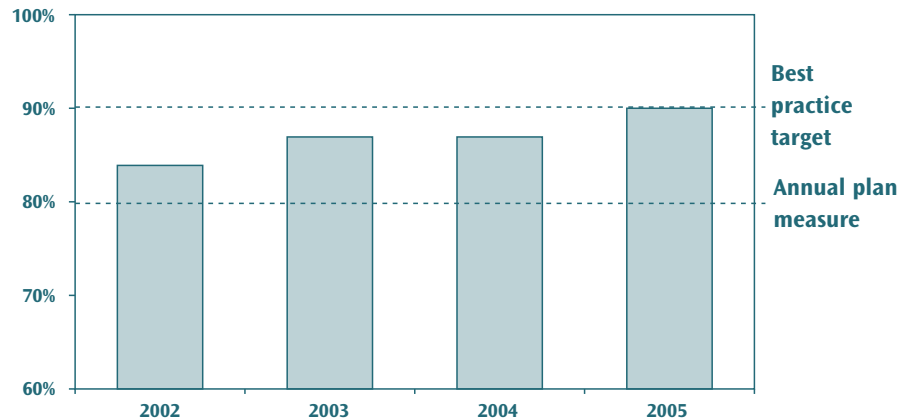
### CUSTOMER SATISFACTION



Council monitors customer satisfaction levels with Council services annually by way of an independently conducted survey. The graph shows that there were significant improvements until 2000 and that satisfaction ratings have maintained a high level since then.

Council budgets to maintain satisfaction levels of at least 80%, but has a long term target of achieving results regarded as best practice, ie 90%.

### STAFF SATISFACTION



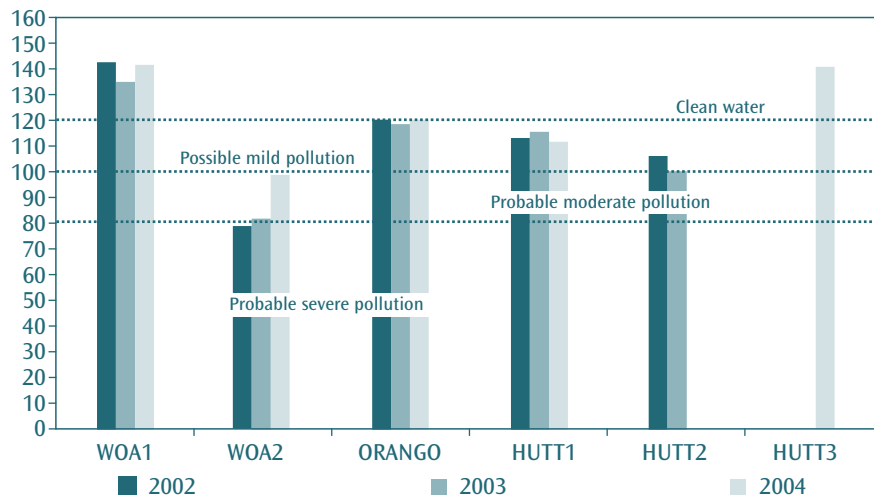
Council has been measuring overall satisfaction levels of staff for the last three years through an independent survey. A significant improvement was noted in the 2003 survey, with little change in 2004.

Council budgets to maintain staff satisfaction levels at at least 80% and generally remunerates staff at close to market average levels. Nevertheless, Council has a long term target of achieving at least 90% satisfaction, by addressing staff concerns raised during the annual survey, where possible through modest cost solutions.

The 2005 results show further improvements but are not necessarily directly comparable as a different survey format was used.

### STRATEGIC MEASURES – ENVIRONMENT

#### CLEAN WATER MACROINVERTEBRATE INDEX (MCI)

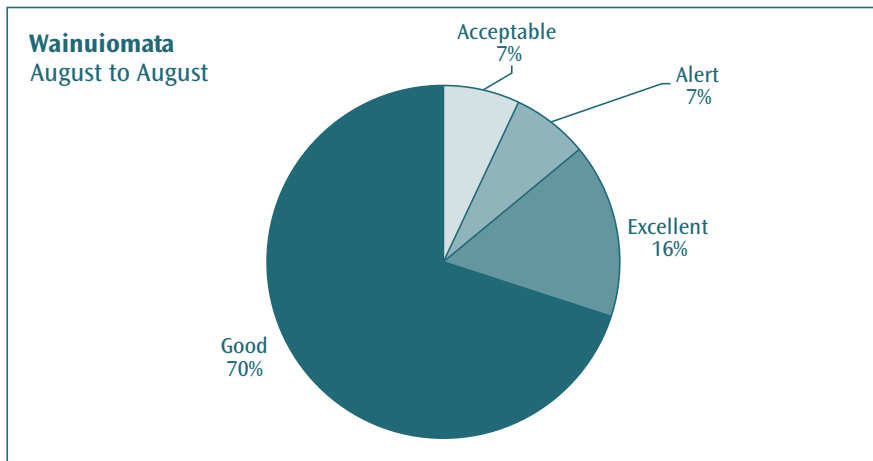
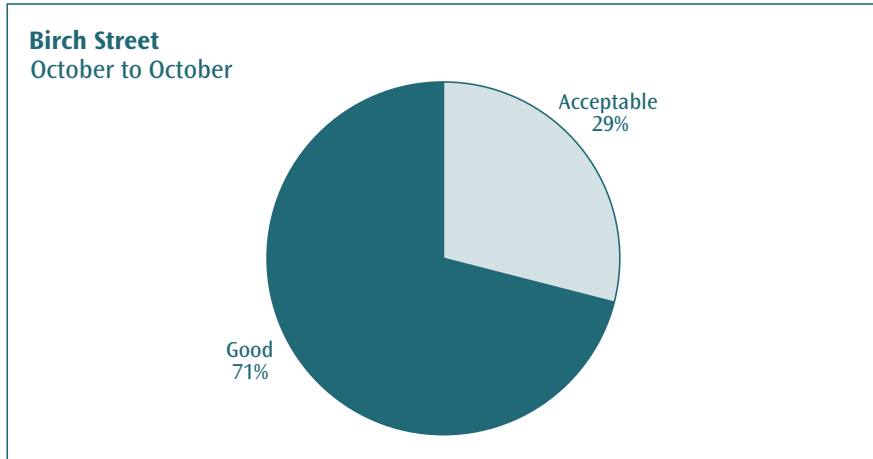


Sampling Sites: Two on the Wainuiomata River: 1 at the Gauge Station, 2 at White Bridge; Orongorongo River near the river mouth; 2 on the Hutt River: 1 near Manor Park, 2 at Melling. Data supplied by Greater Wellington – The Regional Council.

The water quality in the Wainuiomata River is continuing to improve. In the last three years the sampling near White Bridge (WOA2) has improved from the probable severe pollution category to the possible mild pollution category. The results clearly show the positive effects from the removal of the sewage discharge into the Wainuiomata River. The water quality at the Manuka Track site on the Wainuiomata River has remained in the clean/pristine category over the three years. The Orongorongo River again falls just below clean/pristine environment mark of 120.

One of the sampling sites on the Hutt River was changed from Melling (Hutt2) to Boulcott (Hutt3). The samples from these two sites are not compatible and the improvement in results may be due to a better habitat for macroinvertebrate communities at Boulcott rather than a change in water quality. There was very little change in the water quality at the Manor Park sampling site on the Hutt River.

**CLEAN AIR INDICATOR**  
**24-HOUR AVERAGE PARTICULATE MATTER (PM<sub>10</sub>) CONCENTRATION**



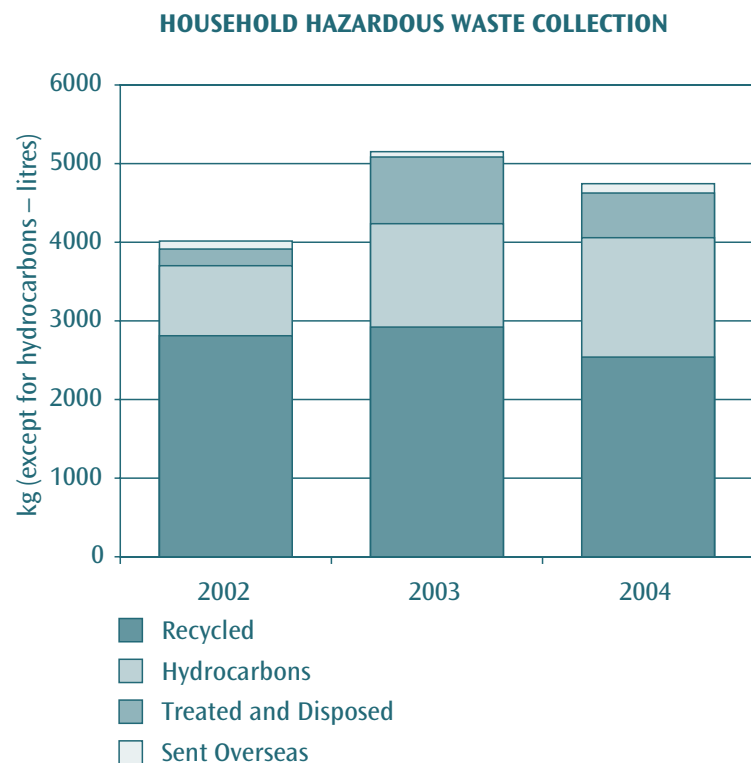
The national air quality guideline of 50 µg/m<sup>3</sup> is the maximum acceptable level for the protection of human health. Provisional results indicate that for the Birch Street site (October to October) results never came close to the national guideline and in fact never reached 40 µg/m<sup>3</sup>. In Wainuiomata (August to August) the national guideline was exceeded once during the year. At both sites the results are higher during the winter months. This would be largely due to household fires.

Levels: Excellent – Less than 10% of Guideline; Good – Between 10% and 33% of guideline; Acceptable – Between 33% and 66% of the Guideline; Alert – Between 66% and 100% of the guideline; Action – Exceeds guideline.

Data Supplied by Greater Wellington – The Regional Council.

## CLEAN LAND INDICATOR

Amount Collected during the Household Hazardous Waste Collection



### Explanation of Indicator

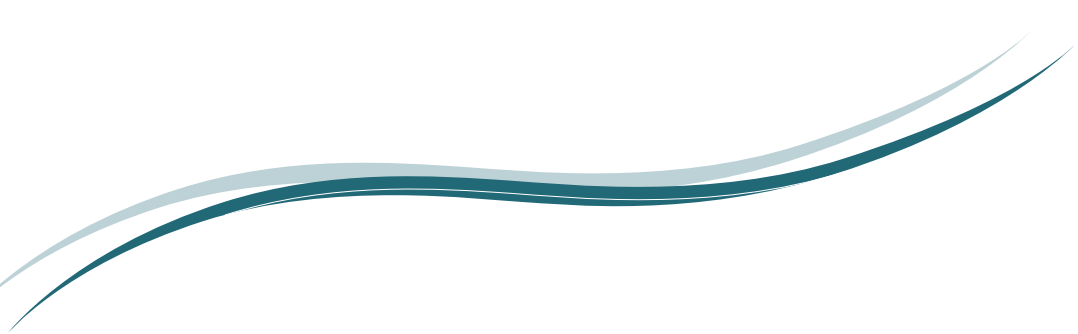
The Household Hazardous Waste Collection provides residents with the opportunity to dispose of hazardous waste which is stored on their property. Many of the substances collected can harm both the environment and human health if not disposed of properly. Residents using this service are removing the substances from their property and therefore eliminating the potential for an accidental spillage/leakage or pollution incident.

Council runs an annual household hazardous waste collection service. The service has only been operating for three years, so it is difficult to determine any trends from the data collected so far. Any hazardous waste collected is an advantage, as this is then properly disposed of or recycled to minimise any potential adverse environmental effects.

The largest amount of intractable waste was collected during the 2004 collection. This suggests that the City's residents are using the opportunity to dispose of these dangerous chemicals. There would now be less of these chemicals now being stored in garages and sheds where they could potentially damage the environment and the health of individuals. The intractable waste includes many substances that are now banned such as DDT and PCB. These wastes have to be sent overseas for disposal.

One promising aspect of the service is that the amount of hydrocarbons collected each year has increased; much of which is waste oil. Any hydrocarbons collected are used as fuel for cement kilns; which means that they are completely removed from the waste stream.

Paint is one of the main items disposed of at the collection days. Paint can have a devastating effect on waterways if disposed of down stormwater systems. This service provides an opportunity for paint to be disposed of safely, and recycled back into new paint where possible.





*What is Council Planning for  
Hutt City?*





# *What is Council Planning for Hutt City?*

This section of the Community Plan details the contribution to Community Outcomes and strategic goals, performance measures and financial information for each of Council's significant activities. It gives the reasons why Council undertakes these activities, and the estimated revenue and expenditure for each activity.

The costs and sources of funds are shown for the Whole of Council on page 56 and for each significant activity on pages 57 to 126. The borrowing needs and borrowing programmes for Council are indicated within the Statement of Prospective Net Debt Position on page 167 of the Forecast Financial Statements section of this Plan.



## WHOLE OF COUNCIL

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
Operating revenue				
Rates funding	65,708	67,921	67,921	67,921
User charges	21,130	21,405	21,959	22,779
Operating subsidies	3,781	2,707	2,628	2,628
Capital subsidies	3,735	6,748	3,309	3,189
Upper Hutt City Council operating contribution	2,036	2,046	2,046	2,046
Interest on investments	169	90	66	66
Other revenue	1,791	1,218	1,772	1,847
<b>Total operating revenue</b>	<b>98,350</b>	<b>102,135</b>	<b>99,701</b>	<b>100,476</b>
<b>Operating expenditure</b>				
Employee costs	17,103	17,543	17,644	17,644
Operating costs	55,044	52,889	52,287	51,946
Interest expense	5,223	5,200	5,192	5,165
Depreciation	20,244	21,134	22,094	22,033
<b>Total operating expenditure</b>	<b>97,614</b>	<b>96,766</b>	<b>97,217</b>	<b>96,788</b>
<b>OPERATING SURPLUS BEFORE TAX</b>	<b>736</b>	<b>5,369</b>	<b>2,484</b>	<b>3,688</b>
Taxation	-	-	-	-
<b>NET SURPLUS AFTER TAX</b>	<b>736</b>	<b>5,369</b>	<b>2,484</b>	<b>3,688</b>

## PROSPECTIVE APPLICATION OF SURPLUS

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
Transfer from loan funding	(3,009)	(1,588)	(1,035)	439
Transfer to reserves	10	210	210	60
Subsidised capital expenditure	3,735	6,748	3,309	3,189
<b>NET SURPLUS AFTER TAX</b>	<b>736</b>	<b>5,370</b>	<b>2,484</b>	<b>3,688</b>

# Group People

## COMMUNITY OUTCOMES

Hutt City residents identified the following outcomes as being important to Hutt City's future social and cultural well-being:

- Affordable access to services that improve health
- A city that is safe, friendly and welcoming, where people experience a sense of belonging
- Affordable access to excellent educational services
- A quality standard of affordable housing
- A thriving local economy that is attractive to businesses and residents
- Affordable access to community facilities that include arts, cultural and recreational options.



## WHAT ROLE WILL HUTT CITY COUNCIL AND OTHER ORGANISATIONS PLAY IN ACHIEVING THESE COMMUNITY OUTCOMES?

Organisation	Advocate	Funder	Service provider	Regulator	Facilitator	Monitor
Hutt City Council	✓	✓	✓	✓	✓	✓
Police			✓			✓
Accident Compensation Corporation		✓	✓		✓	
Child, Youth and Family	✓	✓	✓			✓
Hutt Valley Health	✓				✓	✓
Te Puni Kokiri	✓				✓	
Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui	✓		✓		✓	
Ministry of Social Development (Work and Income New Zealand)			✓		✓	
Te Taura Here o te Te Awakairangi	✓		✓		✓	
Wellington Tenth Trust	✓				✓	
Greater Wellington – The Regional Council	✓	✓	✓	✓	✓	✓
Department of Conservation	✓	✓	✓	✓	✓	✓

## HUTT CITY COUNCIL STRATEGIC GOALS

**Cultural** – A vibrant and diverse city

**Leisure** – Accessible and high quality leisure activities and facilities

**Community** – A connected, safe and healthy community

## SIGNIFICANT ACTIVITIES

	PAGE
Activity 1: Libraries	60
Activity 2: Museums	62
Activity 3: Aquatics and Recreation	66
Activity 4: Parks and Reserves	70
Activity 5: Community Support	74
Activity 6: Community Property	78

**Council will undertake the following Key Programmes and Activities over the next three years to assist in achieving the strategic goals and Community Outcomes.**

## OPERATING PROJECTS

- Green Army Coordinator to provide service to volunteers working on reserve land
- Contribution to a Hutt City youth centre
- Grants to community houses
- Grants to Hutt City Marae
- Grants to arts and cultural organisations
- Funding for the Community Development Fund
- Development of safety initiatives for Hutt City
- Grants to local Citizens' Advice Bureaux

## IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

- Upgrades to the Dowse Art Museum
- Upgrade Walter Nash Stadium
- Hugh Sinclair Park Development.

### **SIGNIFICANT NEGATIVE EFFECTS**

At this stage there are no known significant negative effects surrounding Council's planned Key Programmes and Activities. See page 170 for Council's Policy on Significance.

### **GROUP OF ASSETS REQUIRED BY THE GROUP OF ACTIVITIES**

Council manages the community's cultural, social and recreational assets in the form of libraries, pools, parks and museums. These assets are maintained to agreed levels of services set out in the Asset Management Plan (see page 127).

# Libraries

## WHAT WE DO

Council provides, maintains and manages one central and seven community libraries in Hutt City. These are run as a single citywide service. Their primary role is to provide written and recorded media, such as books, videos, DVDs and access to electronic information. This material is used for many purposes including entertainment, learning and research.

## WHY WE DO IT

Council's provision of services and facilities in the form of libraries means that all citizens have access to information, knowledge, and learning opportunities. The services and facilities are a collective resource that is greater than any individual or family could afford or accommodate. Libraries support community education, literacy and recreation.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Advocate for and facilitate public access to information, knowledge and information technology.	Number of library visits or virtual visits per year.	1,560,000 visits per year.
	Number of transactions per year.	1,778,000 transactions per year.
	Net direct cost per transaction.	\$3.18 (Draft).
Maximise opportunities to innovatively deliver information.	Programmes to maintain and improve current services.	Completed on time, to required standard and within overall budget.
Provide equality of access and opportunity to information services throughout the city.	Percentage of residents who use the library service during the year.	Above peer Council average.

Provide exemplary service, at all times, that is recognised by the community.

Percentage of residents who are satisfied with the library service.

Above peer Council average.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	412	386	386	386
Other revenue	8	8	8	8
<b>Total operating revenue</b>	<b>420</b>	<b>394</b>	<b>394</b>	<b>394</b>
<b>Operating expenditure</b>				
Employee costs	2,372	2,539	2,539	2,539
Support costs	1,956	1,990	1,970	1,940
Operating costs	623	596	596	596
Interest expense	42	44	44	43
Depreciation	1,084	1,058	990	964
<b>Total operating expenditure</b>	<b>6,077</b>	<b>6,227</b>	<b>6,139</b>	<b>6,082</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(5,657)</b>	<b>(5,833)</b>	<b>(5,745)</b>	<b>(5,688)</b>

**PROSPECTIVE FUNDING REQUIREMENT**

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Rates funding requirement</b>				
Operating deficit before tax	(5,657)	(5,833)	(5,745)	(5,688)
<b>Total rates funding requirement</b>	<b>(5,657)</b>	<b>(5,833)</b>	<b>(5,745)</b>	<b>(5,688)</b>
<b>Loan funding requirement</b>				
Capital expenditure – maintaining services	(832)	(702)	(702)	(702)
Capital expenditure – improving services	(914)	(27)	(25)	(21)
Less depreciation	1,084	1,058	990	964
<b>Total loan funding (requirement)/surplus</b>	<b>(662)</b>	<b>329</b>	<b>263</b>	<b>241</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(6,319)</b>	<b>(5,504)</b>	<b>(5,482)</b>	<b>(5,447)</b>

**2005/2006****CAPITAL MAINTENANCE PROJECTS****Library Stock Replacement**

The replacement of Stock in libraries \$662,000

**Replace Furniture and Equipment Programme for Renewal Throughout Libraries**

An Ongoing programme for the renewal of furniture and equipment throughout the libraries \$40,000

**Total** \$702,000**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Pilot Digitisation Project**

To undertake a pilot project with other Council divisions \$20,000

**Listening Facilities**

Continuation of the programme to install listening and viewing facilities in Community Libraries \$7,000

**Total** \$27,000**2006/2007****IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Pilot Digitisation Project**

Continue to undertake digitisation projects with other Council divisions \$25,000

**Total** \$25,000**2007/2008****IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****PC's for Internet Access to Meet Increasing Demand**

Additional PC's to meet the increasing demand for electronic services \$21,000

**Total** \$21,000

# Museums

## WHAT WE DO

Council operates two museums. The Dowse Art Museum collects and displays fine art as well as decorative and applied arts, and celebrates a wide range of creative activities from music to design and film. The Petone Settlers' Museum specialises in the social history of the lower Hutt Valley and Petone. These institutions are open to the public at no charge, other than for special exhibitions.

## WHY WE DO IT

Council's provision of museums means that people have access to arts and cultural facilities that enrich, inspire and offer a range of lifelong learning opportunities. The museums act as a focal point for the community, enhance cultural life and diversity, and promote public pride and community values.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Maintain the museums as safe, friendly and stimulating public space for all citizens and visitors to the city.	Museums maintained as safe, legally compliant facilities offering high level services.	80% of Hutt City residents are satisfied with museum services. 70% of visitors rate the museum experience as very good or better.

Provide facilities and programmes that meet the expectations of user groups and customers.

Programmes to maintain and improve current services.

Dowse:  
Number of visitors per year.  
Net direct cost per visitor.

Settlers':  
Number of visitors per year.  
Net direct cost per visitor.

Completed on time, to the required standard and within the overall budget.

\*\* The Dowse will be closed for planned upgrades from September. Because of this prolonged closure the revised target for 2005/06 is 20000 visitors and cost per visitor is not applicable.

23,000 visitors per year.  
\$17.87 per visitor.

Be recognised by the community for providing exemplary service at all times.

Percentage of residents that are satisfied with the Dowse and Settlers' Museums.

Above peer Council average.

### STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	122	118	118	118
Capital subsidies	–	3,250	250	–
Other revenue	199	203	653	653
<b>Total operating revenue</b>	<b>321</b>	<b>3,271</b>	<b>1,021</b>	<b>771</b>
<b>Operating expenditure</b>				
Employee costs	782	804	904	904
Support costs	441	464	459	453
Operating costs	600	603	953	953
Interest expense	64	67	67	67
Depreciation	139	128	132	135
<b>Total operating expenditure</b>	<b>2,026</b>	<b>2,066</b>	<b>2,515</b>	<b>2,512</b>
<b>OPERATING (DEFICIT)/SURPLUS BEFORE TAX</b>	<b>(1,705)</b>	<b>1,505</b>	<b>(1,494)</b>	<b>(1,741)</b>

### PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2006

<b>Rates funding requirement</b>				
Operating (deficit)/surplus before tax	(1,705)	1,505	(1,494)	(1,741)
Add capital subsidies	–	(3,250)	(250)	–
<b>Total rates funding requirement</b>	<b>(1,705)</b>	<b>(1,745)</b>	<b>(1,744)</b>	<b>(1,741)</b>
<b>Loan funding requirement</b>				
Capital expenditure – maintaining services	–	(22)	–	–
Capital expenditure – improving services	(141)	(4,173)	(1,000)	(20)
Less capital subsidies	–	3,250	250	–
Less depreciation	139	128	132	135
<b>Total loan funding (requirement)/surplus</b>	<b>(2)</b>	<b>(817)</b>	<b>(618)</b>	<b>115</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(1,707)</b>	<b>(2,562)</b>	<b>(2,362)</b>	<b>(1,626)</b>

2005/2006

### CAPITAL MAINTENANCE PROJECTS

Dowse Security System and Grease Trap (Carry Over 2004/2005)	\$22,000
<b>Total</b>	<b>\$22,000</b>



**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Dowse Upgrade**

The extension of and improvements to existing exhibition and public space (Subsidy \$3,250,000) (Carry Over 2004/2005 \$370,000)	\$4,120,000
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**Settlers Museum**

Air conditioning	\$40,000
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**Internal Modifications to Settlers**

Minor modification requirements to Settlers Museum	\$10,000
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**Collection Development at Settlers**

Ongoing acquisition programme for the Settlers Museum collection	\$3,000
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<b>Total</b>	<b>\$4,173,000</b>
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*2006/2007***IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Dowse Upgrade**

Year three of the extension of and improvements to existing exhibition and public spaces (Subsidy \$250,000)	\$1,000,000
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<b>Total</b>	<b>\$1,000,000</b>
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*2007/2008***IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****New Artworks**

Ongoing acquisition programme of artworks for the Dowse collection	\$20,000
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<b>Total</b>	<b>\$20,000</b>
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# Aquatics & Recreation

## WHAT WE DO

Council provides and maintains six swimming pools in Hutt City as part of its portfolio of recreational facilities. It provides quality and accessible tuition in essential water safety and life skills. Recreational programmes are community-based and designed to encourage residents to engage in a range of recreational activities.

## WHY WE DO IT

Participation in recreation, sports, fitness and cultural activities positively affects people's lives. Providing these high quality services at a low user cost makes them available to the whole community. Quality recreation services are essential to the quality of life for Hutt City citizens. Aquatics and recreational programmes also make an important contribution to creating an attractive area for people and businesses considering moving to Hutt City.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Promote participation in recreation amongst a broad range of people in Hutt City.	Programmes and events are carried out with an increasing participation trend across all programmes.	At least 300 programmes are carried out per year.
	Percentage of Hutt City residents that used a pool during the year.	Above peer Council average.

Provide quality experiences in safe environments.	Achieve and maintain ACC Poolsafe certification.	All HCC pools
	Maintain Out of School Care and Recreation ('OSCAR') accreditation.	All school holiday programmes.
Meet the community's need for active recreational opportunities through the development and maintenance of pools and recreation programmes.	Percentage of Hutt City users who are satisfied with recreation programmes.	Above peer Council average.
	Percentage of Hutt City residents who are satisfied with pools.	Above peer Council average.
	Programmes to maintain and improve current services.	Completed on time, to the required standard and within overall budget.
	Number of people that access the pools.	At least 750,000.
	Average net cost per user per visit.	\$3.96.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	1,321	1,321	1,321	1,321
Other revenue	246	224	224	224
<b>Total operating revenue</b>	<b>1,567</b>	<b>1,545</b>	<b>1,545</b>	<b>1,545</b>
	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating expenditure</b>				
Employee costs	1,857	1,880	1,880	1,880
Support costs	505	475	470	463
Operating costs	1,735	1,837	1,837	1,837
Interest expense	66	68	68	68
Depreciation	509	584	555	546
<b>Total operating expenditure</b>	<b>4,672</b>	<b>4,844</b>	<b>4,810</b>	<b>4,794</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(3,105)</b>	<b>(3,299)</b>	<b>(3,265)</b>	<b>(3,249)</b>

## PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2006

<b>Rates funding requirement</b>				
Operating deficit before tax	(3,105)	(3,299)	(3,265)	(3,249)
<b>Total rates funding requirement</b>	<b>(3,105)</b>	<b>(3,299)</b>	<b>(3,265)</b>	<b>(3,249)</b>
<b>Loan funding requirement</b>				
Capital expenditure – maintaining services	(264)	(588)	(221)	(563)
Capital expenditure – improving services	(95)	–	(10)	(20)
Less depreciation	509	584	555	546
<b>Total loan funding (requirement)/surplus</b>	<b>150</b>	<b>(4)</b>	<b>324</b>	<b>(37)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(2,955)</b>	<b>(3,303)</b>	<b>(2,941)</b>	<b>(3,286)</b>

## 2005/2006

**CAPITAL MAINTENANCE PROJECTS****Eastbourne Pool**

Replace poolside concrete	\$20,000
Replace children's pool shade structure	\$8,000

**Huia Pool**

Movable floor maintenance	\$40,000
Refurbish men's change area	\$20,000
Replace ventilation/heat plant	\$170,000

**Naenae Pool**

Refurbish glulam beams	\$20,000
Replace bulkhead	\$150,000
Replace paraplegic lift	\$30,000
Replace ventilation system	\$25,000

**Stokes Valley Pool**

Repair skylight/roof	\$30,000
Replace sauna	\$15,000

**Wainuiomata Pool**

Refurbish office/change areas	\$25,000
Repair slide pool	\$35,000

<b>Total</b>	<b>\$588,000</b>
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## 2006/2007

**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Eastbourne Pool**

Install new main pool shade structure	\$10,000
<b>Total</b>	<b>\$10,000</b>

## 2007/2008

**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Naenae Pool**

Install poolside seating	\$20,000
<b>Total</b>	<b>\$20,000</b>



# Parks & Reserves

## WHAT WE DO

Council provides and maintains active and passive recreational facilities in Hutt City for the enjoyment and well-being of the public. These are largely free of charge. Recreation areas are natural and built with the majority of effort targeted at maintenance and returning areas to their natural state. 'Parks and Reserves' also includes Council's cemeteries.

## WHY WE DO IT

The provision and maintenance of parks, reserves and street gardens create a pleasant environment in which to live, work and play, which is an important part of the City Vision. Providing and maintaining these areas at high quality and low user cost makes them available to the whole community.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Provide quality experiences in safe environments.	Percentage of Hutt City users that are satisfied with parks and reserves.	Above peer Council average.
Meet the community's need for active recreational opportunities through the development and maintenance of sports areas.	Percentage of sports field utilisation per year.	80% of sports fields utilised per year.
	Percentage of sports fields that meet the standards agreed with sports codes.	95%.
	Programmes to maintain and improve current services.	Completed on time, to required standard and within overall budget.
Maintain cemetery facilities and environments to the satisfaction of customers.	Percentage of Hutt City residents that are satisfied with cemeteries.	Above peer Council average.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

### For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	879	883	883	883
Other revenue	1	5	5	5
<b>Total operating revenue</b>	<b>880</b>	<b>888</b>	<b>888</b>	<b>888</b>
<b>Operating expenditure</b>				
Employee costs	455	466	466	466
Support costs	535	413	409	403
Operating costs	6,483	6,583	6,352	6,202
Interest expense	515	537	539	536
Depreciation	766	932	927	926
<b>Total operating expenditure</b>	<b>8,754</b>	<b>8,931</b>	<b>8,693</b>	<b>8,533</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(7,874)</b>	<b>(8,043)</b>	<b>(7,805)</b>	<b>(7,645)</b>

## PROSPECTIVE FUNDING REQUIREMENT

### For the year ending 30 June 2006

<b>Rates funding requirement</b>				
Operating deficit before tax	(7,874)	(8,043)	(7,805)	(7,645)
<b>Total rates funding requirement</b>	<b>(7,874)</b>	<b>(8,043)</b>	<b>(7,805)</b>	<b>(7,645)</b>
<b>Loan funding requirement</b>				
Capital expenditure – maintaining services	(736)	(510)	(730)	(430)
Capital expenditure – improving services	(1,430)	(2,871)	(240)	(330)

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
Less depreciation	766	932	927	926
Transfer from capital reserve	160	160	160	160
<b>Total loan funding (requirement)/surplus</b>	<b>(1,240)</b>	<b>(2,289)</b>	<b>117</b>	<b>326</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(9,114)</b>	<b>(10,332)</b>	<b>(7,688)</b>	<b>(7,319)</b>

### 2005/2006

#### OPERATING PROJECTS

##### Ferry Road Pine Removal

Stage One of removal of mature pine plantation above Ferry Road in Days Bay \$150,000

##### North Island Brown Kiwi Project

Grant to Rimutaka Forest Park Trust to eradicate mustelids in preparation for the release of kiwi in the park \$5,000

##### Problem Tree Removal

Programme to remove problem pine trees within Council reserves \$185,000

##### Green Army Coordinator

Provision of coordinator to provide service to volunteers. \$60,000

##### Hutt River Trail

Contribution towards materials to continue the Rotary Club's development of the Hutt River Trail \$10,000

##### Pest Plant Species Control

Funding to continue site-specific control of pest plants which are causing harm to native bush \$35,000

##### Waiwhetu Stream Environmental Enhancement

Continued programme of improvement carried out jointly with Greater Wellington – The Regional Council \$30,000

#### Walter Nash Stadium Grant

Annual Grant for operating costs of the Stadium, which meets a wide range of community needs \$45,000

#### Remove Groynes from Robinson Bay

Removal of old railway iron groyne structures in Robinson Bay \$20,000

#### Wainuiomata Croquet Club

Cost of maintaining croquet greens in line with other clubs in the valley \$16,000

#### Rotary Park Toilet Demolition

Cost of demolishing toilet block at Rotary Park \$6,000

#### Akatarawa Cemetery Site Planning

To undertake planning work for the new cemetery \$55,000

**Total \$617,000**

#### CAPITAL MAINTENANCE PROJECTS

##### Building Maintenance (Sports Grounds)

Implement building condition survey recommendations \$150,000

##### Gibbes-Watson Conservatory

Building survey showed urgent maintenance work required \$60,000

##### Hutt Recreational Changing Rooms

Upgrade security to changing rooms \$30,000

##### Parks Roading Maintenance

Ongoing maintenance park roads \$60,000

##### Playgrounds

Ongoing replacement programme \$110,000

##### Seats and Bins

Ongoing updating of new seats and bins \$10,000

##### Signage and Interpretation

Updating of outdated park signage \$10,000

##### Sports Ground Drainage

Remedial work required due to storms \$30,000



**Street Tree/Infrastructure Repairs**

Urgent repairs for safety at berm trees/kerbs, footpaths and vehicle crossings interfaces	\$30,000
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**Walkways Upgrade**

Ongoing upgrading programme to fulfil requirements of Council's Walkways Review	\$20,000
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<b>Total</b>	<b>\$510,000</b>
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**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Taita Cemetery Burial Sites**

Development of sites	\$85,000
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**Bollards**

Installation of bollards at various sites to protect parks and gardens from vehicular damage	\$5,000
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**Hugh Sinclair Park**

Development of BMX track (Funded from Reserves, Purchases & Development Fund)	\$50,000
--	----------

**Taita Cemetery Stream**

Stream requires retaining as it is eroding sections of the cemetery	\$60,000
---	----------

**Melling Skateboard Park Stage II**

Construction of seating, lighting and shelter	\$60,000
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**Walter Nash Stadium Stage III**

Final stage upgrade seating/toilets	\$500,000
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**Walter Nash Stadium Mortgage**

Walter Nash Stadium Mortgage	\$180,000
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**Multi-use Sports Cage**

Installation of a multi-use sports cage for youth at an appropriate site in Hutt City (Funded from Reserves, Purchases & Development Fund)	\$55,000
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**St James Church/Library**

Interface safety issues for pedestrians (Funded from Reserves, Purchases & Development Fund)	\$30,000
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**Te Whiti Park**

Car park Development (Funded from Reserves, Purchases & Development Fund)	\$20,000
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**Basketball Half Court**

Installation of a basketball half court in Maungaraki (Funded from Reserves, Purchases & Development Fund)	\$21,000
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**Korohiwa Landscaping**

Landscaping (Carry Over 2004/2005 \$200,000)	\$500,000
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**Carry Over 2004/2005**

Hutt Park Sports Zone Development	\$295,000
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Hutt Village Green	\$405,000
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Memorial Park Grandstand	\$455,000
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Percy Scenic Reserve Upgrade	\$150,000
------------------------------	-----------

<b>Total</b>	<b>\$2,871,000</b>
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**2006/2007****OPERATING PROJECTS****North Island Brown Kiwi Project**

Grant to Rimutaka Forest Park Trust to eradicate mustelids in preparation for the release of kiwi in the park	\$5,000
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**Problem Tree Removal**

Programme to remove problem pine trees within Council reserves	\$185,000
--	-----------

**Green Army Coordinator**

Provision of coordinator to provide service to volunteers	\$60,000
---	----------

**Hutt River Trail**

Contribution towards materials to continue the Rotary Club's development of the Hutt River Trail	\$10,000
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**Pest Plant Species Control**

Funding to continue site-specific control of pest plants which are causing harm to native bush	\$35,000
--	----------

<b>Waiwhetu Stream Environmental Enhancement</b>	
Continued programme of improvement carried out jointly with Greater Wellington – The Regional Council	\$30,000
<b>Walter Nash Stadium Grant</b>	
Annual Grant for operating costs of the Stadium, which meets a wide range of community needs.	\$45,000
<b>Wainuiomata Croquet Club</b>	
Cost of maintaining croquet greens in line with other clubs in the valley	\$16,000
<b>Total</b>	<b>\$386,000</b>

<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
<b>Taita Cemetery Burial Sites</b>	
Development of sites	\$85,000
<b>Bollards</b>	
Installation of bollards at various sites to protect parks and gardens from vehicular damage	\$5,000
<b>Hugh Sinclair Park</b>	
Staged development of park	\$50,000
<b>Petone Hockey Facility</b>	
Contribution toward development of artificial surface hockey facility in Petone	\$100,000
<b>Total</b>	<b>\$240,000</b>

## 2007/2008

<b>OPERATING PROJECTS</b>	
<b>North Island Brown Kiwi Project</b>	
Grant to Rimutaka Forest Park Trust to eradicate mustelids in preparation for the release of kiwi in the park	\$5,000

<b>Problem Tree Removal</b>	
Programme to remove problem pine trees within Council reserves	\$35,000
<b>Green Army Co-ordinator</b>	
Provision of coordinator to provide service to volunteers	\$60,000
<b>Hutt River Trail</b>	
Contribution towards materials to continue the Rotary Club's development of the Hutt River Trail	\$10,000
<b>Pest Plant SpeciesControl</b>	
Funding to continue site-specific control of pest plants which are causing harm to native bush	\$35,000
<b>Waiwhetu Stream Environmental Enhancement</b>	
Continued programme of improvement carried out jointly with Greater Wellington – The Regional Council	\$30,000
<b>Walter Nash StadiumGrant</b>	
Annual Grant for operating costs of the Stadium, which meets a wide range of community needs	\$45,000
<b>Wainuiomata Croquet Club</b>	
Cost of maintaining croquet greens in line with other clubs in the valley	\$16,000
<b>Total</b>	<b>\$236,000</b>

<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
<b>Taita Cemetery Burial Sites</b>	
Development of sites	\$85,000
<b>Bollards</b>	
Installation of bollards at various sites to protect parks and gardens from vehicular damage	\$5,000
<b>Naenae Park Pavilion/Car Park</b>	
Redevelopment of pavilion area	\$120,000
<b>Wainuiomata Garden of Remembrance Stage Two</b>	
Stage two of development of the gardens	\$120,000
<b>Total</b>	<b>\$330,000</b>

# Community Support

## WHAT WE DO

Council seeks to support its community through appropriately responding to community needs. This support includes facilitation, advocacy, consultation and service provision, and allocation of grants to community organisations and groups. These services are carried out through Council's Community Development Division or through private contracts.

## WHY WE DO IT

Council has a policy of understanding and identifying its communities and their issues. Through greater knowledge of local needs, Council is able to suitably respond to social issues affecting members and groups of communities it represents. The support that Council contributes assists groups to achieve their goals where it would not otherwise have been possible due to lack of resources.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Undertake research and consultation to ensure Council is informed of community needs.	Conducting surveys, needs assessments and safety audits. Facilitating networks, forums and meetings.	The Community Outcomes meet the terms and conditions described in the annual work plan.
Support the provision of community, cultural and social services by other organisations.	Delivering community development programmes.	The Community Outcomes meet the terms and conditions described in the annual workplan. Safety audits and assessments indicated people feel reasonably safe in their community and the CBD.

Assist with the development of community groups.	Community development programmes.	Completed on time, to the required standard and within overall budget.
Provide advice and advocacy support.	Delivering community development programmes.	The Community Outcomes meet the terms and conditions described in the annual work plan.
Administer funding and provide grants for community organisations and groups.	Community grants programmes.	Completed on time, to the required standard and within overall budget.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	20	20	20	20
Other revenue	169	146	146	146
<b>Total operating revenue</b>	<b>189</b>	<b>166</b>	<b>166</b>	<b>166</b>
<b>Operating expenditure</b>				
Employee costs	427	493	493	493
Support costs	457	338	334	330
Operating costs	1,156	1,364	1,259	1,259
<b>Total operating expenditure</b>	<b>2,040</b>	<b>2,195</b>	<b>2,086</b>	<b>2,082</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(1,851)</b>	<b>(2,029)</b>	<b>(1,920)</b>	<b>(1,916)</b>

**PROSPECTIVE FUNDING REQUIREMENT**

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
Rates funding requirement				
Operating deficit before tax	(1,851)	(2,029)	(1,920)	(1,916)
<b>Total rates funding requirement</b>	<b>(1,851)</b>	<b>(2,029)</b>	<b>(1,920)</b>	<b>(1,916)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(1,851)</b>	<b>(2,029)</b>	<b>(1,920)</b>	<b>(1,916)</b>

2005/2006

**OPERATING PROJECTS****Naenae Community Centre Study**

Study to investigate options for community house or other arrangements in Naenae \$25,000

**Arts and Culture**

Grants to arts and cultural organisations \$74,000

**Citizens Advice Bureau CAB Fund**

Grants to Citizens advice Bureau \$59,000

**Community Development Fund**

Contestable Community Development and other funding \$206,000

**Community Houses**

Grants to Community Houses \$188,000

**Heritage Projects**

Fund heritage projects and programmes in the community \$20,000

**Marae**

Grants to Hutt City Marae \$100,000

**Safety Initiatives**

Safe City, security patrols, new safety initiatives (Carry Over \$70,000) \$280,000

**Scholarships**

Grants for scholarships \$10,000

**Volunteer Support**

Volunteer of the Year Awards and volunteers' celebration dinner \$10,000

**Youth Centre**

Contribution towards operating the Phonic youth centre \$117,000

**Youth Infusion**

Continuing support for Youth Infusion \$10,000

**Social Development Projects**

Development of social programmes for the benefit of the community \$30,000

**Friends Of The New Settlers**

A grant to assist Friends of New Settlers establish a new settlers centre \$10,000

**Total** **\$1,139,000**

## 2006/2007

**OPERATING PROJECTS****Arts and Culture**

Grants to arts and cultural organisations	\$74,000
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**Citizens Advice Bureau CAB Fund**

Grants to Citizens advice Bureau	\$59,000
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**Community Development Fund**

Contestable Community Development and other funding	\$206,000
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**Community Houses**

Grants to Community Houses	\$188,000
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**Heritage Projects**

Fund heritage projects and programmes in the community	\$20,000
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**Marae**

Grants to Hutt City Marae	\$100,000
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**Safety Initiatives**

Safe City, security patrols, new safety initiatives	\$210,000
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**Scholarships**

Grants for scholarships	\$10,000
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**Volunteer Support**

Volunteer of the Year Awards and volunteers' celebration dinner	\$10,000
---	----------

**Youth Centre**

Contribution towards operating the Phonic youth centre	\$117,000
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**Youth Infusion**

Continuing support for Youth Infusion	\$10,000
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**Social Development Projects**

Development of social programmes for the benefit of the community	\$30,000
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<b>Total</b>	<b>\$1,034,000</b>
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## 2007/2008

**OPERATING PROJECTS****Arts and Culture**

Grants to arts and cultural organisations	\$74,000
---	----------

**Citizens Advice Bureau CAB Fund**

Grants to Citizens advice Bureau	\$59,000
----------------------------------	----------

**Community Development Fund**

Contestable Community Development and other funding	\$206,000
---	-----------

**Community Houses**

Grants to Community Houses	\$188,000
----------------------------	-----------

**Heritage Projects**

Fund heritage projects and programmes in the community	\$20,000
--	----------

**Marae**

Grants to Hutt City Marae	\$100,000
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**Safety Initiatives**

Safe City, security patrols, new safety initiatives	\$210,000
---	-----------

**Scholarships**

Grants for scholarships	\$10,000
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**Volunteer Support**

Volunteer of the Year Awards and volunteers' celebration dinner	\$10,000
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**Youth Centre**

Contribution towards operating the Phonic youth centre	\$117,000
--	-----------

**Youth Infusion**

Continuing support for Youth Infusion	\$10,000
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**Social Development Projects**

Development of social programmes for the benefit of the community	\$30,000
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<b>Total</b>	<b>\$1,034,000</b>
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# Community Property

## WHAT WE DO

Council manages a variety of properties for use by the community. The main portfolios are community and civic halls and venues, public toilets, community houses, Council's administration building, and housing units for the elderly and disadvantaged. Progressive reviews of these facilities ensure they remain efficient and meet changing public requirements.

## WHY WE DO IT

Community and civic halls and venues provide an environment for a diverse range of social, cultural and community-based activities, including clubs, indoor sports, band practice, arts and theatre. Public toilets are provided which are physically accessible, appropriately located, designed and built, and cleaned and maintained to standards that safeguard public health. Council continues to assess its property needs in terms of the properties it currently owns and occupies.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Provide well-maintained and safe living environments for tenants that are affordable and meet the needs of customers.	Programmes to maintain and improve current services.	Completed on time, to required standard and within overall budget.
Identify and continue to seek opportunities for Council to divest itself of properties that are not considered to be within Council's core business.	By resolution following consultation process, and completion of statutory requirements.	Targets are set in conjunction with General Manager, Finance.

Be a successful advocate of the community's housing needs.	Occupancy percentage for commercial properties.	90%.
	Occupancy percentage for rental housing.	90%.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	1,575	1,644	1,829	1,849
<b>Total operating revenue</b>	<b>1,575</b>	<b>1,644</b>	<b>1,829</b>	<b>1,849</b>
<b>Operating expenditure</b>				
Employee costs	292	234	234	234
Support costs	(1,105)	(1,160)	(1,148)	(1,131)
Operating costs	2,413	2,582	2,534	2,534
Interest expense	309	322	318	311
Depreciation	1,143	1,202	1,140	1,088
<b>Total operating expenditure</b>	<b>3,052</b>	<b>3,180</b>	<b>3,078</b>	<b>3,036</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(1,477)</b>	<b>(1,536)</b>	<b>(1,249)</b>	<b>(1,187)</b>

**PROSPECTIVE FUNDING REQUIREMENT**

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Rates funding requirement</b>				
Operating deficit before tax	(1,477)	(1,536)	(1,249)	(1,187)
<b>Total rates funding requirement</b>	<b>(1,477)</b>	<b>(1,536)</b>	<b>(1,249)</b>	<b>(1,187)</b>
<b>Loan funding requirement</b>				
Capital expenditure – maintaining services	(519)	(456)	(184)	(425)
Capital expenditure – improving services	(139)	(387)	(40)	(34)
Less depreciation	1,143	1,202	1,140	1,088
Less asset sales	271	8,240	–	600
<b>Total loan funding surplus</b>	<b>756</b>	<b>8,599</b>	<b>916</b>	<b>1,229</b>
<b>TOTAL FUNDING (REQUIREMENT)/ SURPLUS</b>	<b>(721)</b>	<b>7,063</b>	<b>(333)</b>	<b>42</b>

**2005/2006****CAPITAL MAINTENANCE PROJECTS**

<b>Admin Building 27 Laings Rd</b>	
Increase recycling storage area	\$8,000
<b>Belmont &amp; Epuni Halls</b>	
Toilet upgrades	\$25,000
<b>Community Halls</b>	
Exterior and Interior maintenance	\$65,000
Erect safety wire to Hall roofs – Stage 1	\$10,000

**Community Houses**

Building maintenance and painting \$65,000

**Horticultural Hall**

Re-varnish wall linings &amp; floor/replace hand basins \$30,000

**Little Theatre**

Replace light fittings and upgrade stage lighting \$9,300

**Memorial Library**

Repair/reline roof gutters and waterproof flat roof \$66,000

**Naenae Library**

Repaint duralay roof covering \$6,000

**Petone Library**

Repaint ceilings in library, i.e. remaining ceiling areas \$12,600

Community room improvements/library windows/atrium \$11,000

**Public Toilets**

Various works \$17,000

**Rental Housing**

Exterior painting \$66,000

**Settlers Museum**

Interior maintenance various works \$50,000

**Stokes Valley Hall**

Upgrade water heating services, toilets and re-roof \$5,000

**Treadwell Street Hall**

Reconstruct roof area over main entry \$5,000

**Wainuiomata Library**

Lighting maintenance \$5,000

**Total** **\$455,900**



**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Little Theatre**

Construct stairway & install heaters in lobby	\$5,500
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**Memorial Library**

Install 6 electronic door locks to secure areas and proximity cards	\$13,400
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**Minoh Friendship House**

Construct kitchen servery and repaint exterior	\$6,000
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**Moera Community House**

Upgrade toilet facilities for the disabled	\$6,000
--	---------

**Stokes Valley Community House**

Install energy efficient heaters	\$3,000
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**Naenae & Moera Library**

Install automatic doors, fans and heaters	\$13,800
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**Petone Library**

Community room improvements/library windows	\$4,800
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**Stokes Valley Library**

Construct main entry lobby with sliding doors, etc	\$35,000
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**Taita Library**

Install window opening system to high level windows	\$6,500
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**Carry Over 2004/2005**

Upgrade Town Hall	\$283,000
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Upgrade community house signage	\$9,500
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<b>Total</b>	<b>\$386,500</b>
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**2006/2007****IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Community Halls**

Exterior and Interior maintenance	\$9,000
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**Little Theatre**

Construct stairway & install heaters in lobby	\$5,500
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**Stokes Valley Library & Service Centre**

Construct main entry lobby with sliding doors, etc	\$20,000
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**Wainuiomata Resource Centre**

Construct waterproof shelter/porch over rear entry door	\$6,000
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<b>Total</b>	<b>\$40,500</b>
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**2007/2008****IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Little Theatre**

Replace light fittings and upgrade stage lighting	\$30,000
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**Petone Museum Offices**

Replace heating & lighting and upgrade kitchen	\$5,000
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<b>Total</b>	<b>\$35,000</b>
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# *Group Utility Services*

## **COMMUNITY OUTCOME**

Hutt City residents identified the following outcome as being important to Hutt City:

- A built environment that is attractive, safe and healthy.

**WHAT ROLE WILL HUTT CITY COUNCIL AND OTHER ORGANISATIONS PLAY IN ACHIEVING THIS COMMUNITY OUTCOME?**

Organisation	Advocate	Funder	Service Provider	Regulator	Facilitator	Monitor
Hutt City Council	✓	✓	✓			✓
Greater Wellington – The Regional Council		✓				✓
Upper Hutt City Council	✓	✓				
Ministry of Health				✓		✓
Private Sector Contractors			✓			
Transfund New Zealand		✓				

**HUTT CITY COUNCIL STRATEGIC GOAL**

- Affordable, sustainable, accessible and high quality services.

**SIGNIFICANT ACTIVITIES**

- Activity 7: Roading and Traffic
- Activity 8: Water Supply
- Activity 9: Wastewater
- Activity 10: Stormwater
- Activity 11: Solid Waste

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Council will undertake the following Key Programmes and Activities over the next three years to assist in achieving this strategic goal and Community Outcome:

**OPERATING PROJECTS**

- Educational funding for community projects in the area of road safety coordination
- Work on stormwater and leachate control at decommissioned landfills
- Waste minimisation programme which includes educational activities.

**IMPROVING SERVICES – CAPITAL**

- Eastern Bays Walkway
- Sub-standard road upgrading
- Jackson Street sewer replacement
- Silverstream Landfill Stage Two: design and construction
- Additional stormwater projects as a result of recent flood damage.
- Valley Connector improvements

**SIGNIFICANT NEGATIVE EFFECTS**

At this stage there are no known significant negative effects surrounding Council’s planned Key Programmes and Activities. See page 170 for Council’s Policy on Significance.

**GROUP OF ASSETS REQUIRED BY THE GROUP OF ACTIVITIES**

Council manages the community’s infrastructural assets in the form of water and wastewater collection and distribution, as well as roading networks. These assets are maintained to agreed levels of service set out in the Asset Management Plan (see page 127).

# Roading & Traffic

## WHAT WE DO

This activity includes the professional and technical work involved in providing ongoing management of the city's roading network. It also provides for improvement and day-to-day operation and maintenance of footpaths, road pavement/reconstruction/upgrades, traffic signals, signs, street lighting, parking services, bridge maintenance and various road safety activities. These initiatives are supported through policy development, forward planning, road safety coordination, and various quality and safety management systems.

## WHY WE DO IT

Public ownership of the road corridor ensures appropriate property access and freedom of travel throughout the area for all citizens. Sealed roads, footpaths and street lights are provided for the efficient and safe travel of motor vehicles, bicycles and pedestrians.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Providing a safe, reliable and efficient roading and pedestrian network, in harmony with the city's natural environment and representing best value.	Percentage of Hutt City residents who are satisfied with standard and safety of streets, roads and footpaths.	Above peer Council average.
	Percentage of Hutt City residents who are satisfied with the cleanliness of roads and gutters around Hutt City.	Above peer Council average.

Percentage of Hutt City residents who are satisfied with the safety and convenience of movement around the city's streets.	Above peer Council average.
Percentage of Hutt City residents who are satisfied with street lighting around Hutt City.	Above peer Council average.
The trend in reducing injury accidents through joint efforts of Council, the police and other agencies.	Reducing trend maintained.
Programmes to maintain and improve current services.	Completed on time, to required standard and within overall budget.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	2,367	2,442	2,442	2,442
Operating subsidies	3,397	2,662	2,583	2,583
Capital subsidies	3,634	3,377	3,059	3,189
Other revenue	518	518	620	625
<b>Total operating revenue</b>	<b>9,916</b>	<b>8,999</b>	<b>8,704</b>	<b>8,839</b>

	Estimate 30/6/2005	Budget 30/6/2006	Forecast 30/6/2007	Forecast 30/6/2008
	\$000s	\$000s	\$000s	\$000s
<b>Operating expenditure</b>				
Employee costs	910	995	995	995
Support costs	1,913	1,962	1,941	1,913
Operating costs	9,808	8,150	7,925	7,925
Interest expense	1,635	1,703	1,708	1,699
Depreciation	6,462	6,650	6,598	6,614
<b>Total operating expenditure</b>	<b>20,728</b>	<b>19,460</b>	<b>19,167</b>	<b>19,146</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(10,812)</b>	<b>(10,461)</b>	<b>(10,463)</b>	<b>(10,307)</b>

#### PROSPECTIVE FUNDING REQUIREMENT

##### For the year ending 30 June 2006

<b>Rates funding requirement</b>				
Operating deficit before tax	(10,812)	(10,461)	(10,463)	(10,307)
Add capital subsidies	(3,634)	(3,377)	(3,059)	(3,189)
<b>Total rates funding requirement</b>	<b>(14,446)</b>	<b>(13,838)</b>	<b>(13,522)</b>	<b>(13,496)</b>
<b>Loan funding requirement</b>				
Capital expenditure – maintaining services	(4,752)	(6,185)	(6,341)	(5,986)
Capital expenditure – improving services	(2,799)	(2,690)	(1,200)	(1,360)
Less capital subsidies	3,634	3,377	3,059	3,189
Less depreciation	6,462	6,650	6,598	6,614
<b>Total loan funding surplus</b>	<b>2,545</b>	<b>1,152</b>	<b>2,116</b>	<b>2,457</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(11,901)</b>	<b>(12,686)</b>	<b>(11,406)</b>	<b>(11,039)</b>

#### 2005/2006

##### OPERATING PROJECTS

###### Valley Floor Connector Study

Continued Investigation and design of connector route to improve access across the lower valley \$50,000

**Total** **\$50,000**

##### CAPITAL MAINTENANCE PROJECTS

###### Area Wide Pavement Treatment and Repair

Work Identified by Council's Road Asset Maintenance Management System (RAMM) for the repair of failing road pavements (Council \$143,000 / LTNZ \$122,000) \$265,000

###### Car Park Resurfacing

Resurfacing to maintain Pavement durability \$50,000

###### Footpaths Resurfacing & Replacement

Work Identified by RAMM for the resurfacing of asphalt footpaths and the replacement of concrete footpaths \$200,000

###### Street Lighting Renewal

Main road street lighting renewal (Council \$12,500 / LTNZ \$12,500) \$25,000

###### Pavement Resurfacing

Pavement resurfacing work identified by RAMM to maintain waterproof and skid resistant roads (Council \$2,400,000 / LTNZ \$1,970,000) \$4,370,000

###### Minor Road and Footpath Construction

Minor road and footpath improvements at localised sites where problems exist \$56,000

###### Minor Safety Works

The construction of minor traffic safety improvements identified throughout the year (Council \$25,000 / LTNZ \$25,000) \$50,000

<b>Parking Meter Replacement</b>	
Provision for the replacement of out of date parking meters	\$64,000
<b>Pedestrian Crossing Renewal</b>	
Replacement and modification of pedestrian crossings to enhance safety	\$30,000
<b>Road Smoothing</b>	
Work identified by RAMM to maintain the 'quality of ride' set in the Road Network Asset Management Plan (Council \$126,900 / LTNZ \$155,100)	\$282,000
<b>Street Name Sign Replacement</b>	
A cyclic programme to replace and improve the standard of street name signage citywide	\$40,000
<b>Streetlight Standard Replacement</b>	
Replacing street light standards to meet the current standards (Council \$2,800 / LTNZ \$2,200)	\$5,000
<b>Traffic Sign Replacement</b>	
A cyclic programme for the replacement of traffic signal components (Council \$66,000 / LTNZ \$54,000)	\$120,000
<b>Moores Valley Bridge Replacement</b>	
Provision for replacing the bridge destroyed during the February 2004 floods (Council \$121,000 / LTNZ \$334,000)	\$455,000
<b>Carry Over 2004/2005</b>	
Moores Valley Bridge Replacement (Council \$47,700 / LTNZ \$125,700)	\$173,400
<b>Total</b>	<b>\$6,185,400</b>

**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**

<b>Broad Band Ducting</b>	
Provision for ducting during road works to allow for future broadband installation	\$20,000
<b>Cycleway</b>	
Continued development of a road cycle network to improve safety and encourage use of cycles	\$50,000
<b>Land Purchase for Roads</b>	
A minor provision for legalisation of existing formed roads Local Area Traffic Management	\$55,000
Consultation, design and implementation of traffic calming measures agreed by residents and approved by Community Boards and Ward Committees under Council's Policy.	\$50,000
<b>Street Lighting Improvements</b>	
New street lighting to meet the current standard (Council \$12,500/ Transfund \$12,500)	\$25,000
<b>New Bus Shelters</b>	
Provision for new bus shelters fully funded by Greater Wellington – The Regional Council (Council \$0 / GWRC \$30,000)	\$30,000
<b>New Pedestrian Crossings</b>	
Provision for the installation of new crossings	\$50,000
<b>Woburn Road/Hutt Valley High School Signalised Crossing</b>	
Safety and efficiency improvements on a main route in anticipations of higher traffic flows following completion of the SH2/Dowse Interchange (Council \$76,500 / LTNZ \$93,500)	\$170,000
<b>Pedestrian Accessway Lighting</b>	
Continuation of an ongoing programme to light all pedestrian accessways in the city	\$20,000
<b>Residential Road Lighting</b>	
This is the continuation of an ongoing programme to bring all residential streets up to the minimum standard for lighting	\$160,000

**Jackson Street Upgrade**

Further Works to upgrade Jackson Street	\$250,000
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**State Highway 2 Upgrade**

Hutt City Council's share of ongoing costs	\$50,000
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**Sub-Standard Road Upgrading (Hill Road)**

Ongoing upgrade programme of sub-standard roads	\$250,000
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**Traffic Safety Improvements**

Provision of funding to continue implementing traffic safety and efficiency improvements at high-risk sites throughout the city	\$400,000
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**Carry Over 2004/2005**

Eastern Bays Walkway (Subsidy \$92,000)	\$278,000
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Pedestrian access way lighting	\$20,000
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Taita Shops Bus Stop improvements (Subsidy \$20,000)	\$40,000
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Traffic safety improvements	\$272,000
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Silverstream Bridge strengthening (Subsidy \$275,000)	\$500,000
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<b>Total</b>	<b>\$2,690,000</b>
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**2006/2007****IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Broad Band Ducting**

Provision for ducting during road works to allow for future broadband installation	\$20,000
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**Cycleway**

Continued development of a cycle network to improve safety and encourage use of cycles	\$50,000
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**Land Purchase for Roads**

A minor provision for legalisation of existing formed roads	\$10,000
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**Local Area Traffic Management**

Consultation, design and implementation of traffic calming measures agreed by residents and approved by Community Boards and Ward Committees under Council's Policy	\$50,000
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**Main Road Street Lighting**

Replacing street lighting to meet the current standard (Council \$15,000/Transfund \$15,000)	\$30,000
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**New Bus Shelters**

Provision for new bus shelters fully funded by Greater Wellington – The Regional Council (Council \$0 / GWRC \$30,000)	\$30,000
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**New Pedestrian Crossings**

Provision for the installation of new crossings	\$50,000
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**Pedestrian Accessway Lighting**

Continuation of an ongoing programme to light all pedestrian accessways in the city	\$20,000
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**Reconstruction Improvements**

Continuing the practice of providing approximately 10% additional funding to provide environmental and traffic calming improvements at the time a street is reconstructed (once every 80 years)	\$80,000
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**Residential Road Lighting**

This is the continuation of an ongoing programme to bring all residential streets up to the minimum standard for lighting	\$160,000
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**SH2 Upgrade**

Council's share of ongoing costs	\$50,000
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**Sub-Standard Road Upgrading**

Ongoing upgrade programme of sub-standard roads	\$250,000
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**Traffic Safety Improvements**

Provision of funding to continue implementing traffic safety and efficiency improvements at high-risk sites throughout the city	\$400,000
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<b>Total</b>	<b>\$1,200,000</b>
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## 2007/2008

**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Broad Band Ducting**

Provision for ducting during road works to allow for future broadband installation \$20,000

**Cycleway**

Continued development of a cycle network to improve safety and encourage use of cycles \$50,000

**Eastern Bays Walkway**

Continuation of the Eastern Bays walkway project \$80,000

**Land Purchase for Roads**

A minor provision for legalisation of existing formed roads \$10,000

**Local Area Traffic Management**

Consultation, design and implementation of traffic calming measures agreed by residents and approved by Community Boards and Ward Committees under Council's Policy \$50,000

**New Bus Shelters**

Provision for new bus shelters fully funded by Greater Wellington – The Regional Council ( Council \$0 / GWRC \$30,000) \$30,000

**New Pedestrian Crossings**

Provision for the installation of new crossings \$50,000

**Hutt Rd/Railway Ave/Parliament St Intersection Improvements**

Improvements to Hutt Rd/Railway Ave/Parliament St \$250,000

**Pedestrian Accesway Lighting**

Continuation of an ongoing programme to light all pedestrian accessways in the city \$20,000

**State Highway 2 Upgrade**

Hutt City Council's share of ongoing costs \$50,000

**Hutt Rd/Railway Ave Gateway Improvements**

Works to coincide with the SH2/Dowse Interchange project \$100,000

**Sub-standard Road Upgrading**

Ongoing upgrade programme of sub-standard roads \$250,000

**Traffic Safety Improvements**

Provision of funding to continue implementing traffic safety and efficiency improvements at high-risk sites throughout the city \$400,000

**Total** **\$1,360,000**



# Water Supply

## WHAT WE DO

We provide a sustainable and high quality water supply to the community for domestic and commercial use. Council purchases bulk water from the Greater Wellington – The Regional Council, which it distributes to the community through the city's water supply system. Council monitors water quality and plans for the future water supply needs of the city.

## WHY WE DO IT

The supply of high quality, affordable water contributes to:

- The health of the community
- Community safety through the fire-fighting capability of the water supply system
- Industrial and residential development.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Provide a high quality, cost-effective water supply supporting development in the city.	Percentage of Hutt City residents that are satisfied with water supply service.  The number of unplanned supply interruptions per 100 connections.	Above peer Council average.  Fewer than eight.
Contribute to the health of the community through a continuous high quality drinking water supply at low cost.	Compliance with New Zealand Drinking Water Standards.	Compliance achieved.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	2,149	2,105	2,224	2,224
<b>Total operating revenue</b>	<b>2,149</b>	<b>2,105</b>	<b>2,224</b>	<b>2,224</b>
<b>Operating expenditure</b>				
Employee costs	35	5	5	5
Support costs	424	330	327	322
Operating costs	9,042	9,272	9,222	9,170
Interest expense	565	589	591	588
Depreciation	2,372	2,440	2,531	2,358
<b>Total operating expenditure</b>	<b>12,438</b>	<b>12,636</b>	<b>12,531</b>	<b>12,443</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(10,289)</b>	<b>(10,531)</b>	<b>(10,307)</b>	<b>(10,219)</b>

## PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2006

<b>Rates funding requirement</b>				
Operating deficit before tax	(10,289)	(10,531)	(10,307)	(10,219)
<b>Total rates funding requirement</b>	<b>(10,289)</b>	<b>(10,531)</b>	<b>(10,307)</b>	<b>(10,219)</b>

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Loan funding requirement</b>				
Capital expenditure – maintaining services	(920)	(1,189)	(1,040)	(1,168)
Capital expenditure – improving services	(250)	(520)	(400)	(400)
Less depreciation	2,372	2,440	2,386	2,358
<b>Total loan funding surplus</b>	<b>1,202</b>	<b>731</b>	<b>946</b>	<b>790</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(9,087)</b>	<b>(9,800)</b>	<b>(9,361)</b>	<b>(9,429)</b>

### 2005/2006

#### CAPITAL MAINTENANCE PROJECTS

##### Minor Works

This budget allows for minor works identified during the year which require immediate attention. The projects cannot be anticipated or programmed in advance

Minor Works – pipes	\$90,000
Minor works – pump stations & reservoirs	\$40,000

##### Mains Renewal Programme

This programme allows for the renewal of water assets (firemains/ ridermains/services) that have reached the end of their working lives. Assets are prioritised for renewal on the basis of frequency of asset failure, interruptions to service, quality of service

Jackson St – Main/Rider/Services (Te Puni to Victoria)	\$375,000
Chittick St – Main/Services	\$118,000
Britannia – Rider/Services – (Kirk-Udy)	\$67,000

Konini St – Ridermain/Services	\$102,000
Morrison Gr – Rider/services	\$45,000
Thomas St – Main/Services	\$165,000
Karaka St – Rider/Services	\$57,000
<b>SCADA – Renewals</b>	
Replace SCADA hardware that has reached the end of its working life	\$30,000
Reservoir Hatch Security	
Continuation of programme to replace reservoir hatches/vents to reduce the risk of contamination and strengthen site security	\$20,000
Taita Pump Switchboard	
Upgrade switchboard at Taita Pumping Station	\$50,000
Stokes Valley Pump Renewal	
Renew pump units at Stokes Valley Pumping Station that have reached the end of their working lives	\$30,000
<b>Total</b>	<b>\$1,189,000</b>

#### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

##### Reservoir

Seismic Mitigation Design	\$40,000
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##### Gracefield Reservoir

Structural Upgrade	\$400,000
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##### Reservoir Auto Shut Off Valves

Continuation of the programme to install auto shut-off valves at key reservoirs to prevent water loss after major earthquake or bulk main failure	\$60,000
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##### Scada Reservoir Control

Continuation of the programme to replace ageing cable control systems with SCADA (radio) control systems	\$20,000
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<b>Total</b>	<b>\$520,000</b>
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## 2006/2007

**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Naenae Reservoir**

Seismic Upgrade \$250,000

**Hutt Rd/Western Hutt link main SH2**

Hutt Rd/Western Hutt link main SH2 \$150,000

**Total \$400,000**

## 2007/2008

**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Reservoir Seismic Upgrade**

General \$400,000

**Total \$400,000**



# Wastewater

## WHAT WE DO

Council provides a piping network which takes household and commercial effluent to the Seaview treatment plant which treats the effluent to meet public health and environmental standards. The Seaview treatment plant has been operating since November 2001, and has resulted in a significant improvement to the environment.

## WHY WE DO IT

Through collecting, treating and disposing of wastewater, Council provides a service to residents and businesses, which supports development in the city, and protects the physical environment and the health of the community.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Contribute to the health of the community through the efficient collection, treatment and disposal of wastewater in an environmentally sustainable manner.	Seaview wastewater treatment facilities achieve compliance with relevant resource consent requirements.	100%.
	Programmes to maintain and improve current services.	Completed on time, to required standard and within overall budget.
Provide a high quality, cost-effective wastewater system supporting development in the city.	Percentage of Hutt City residents that are satisfied with wastewater service.	Above peer Council average.
	The number of wastewater reticulation incidents per kilometre of pipeline reported to Council.	Fewer than 1.8 per year.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

### For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	687	806	806	806
Upper Hutt City Council operating contribution	2,036	2,046	2,046	2,046
Capital subsidies	–	120	–	–
<b>Total operating revenue</b>	<b>2,723</b>	<b>2,972</b>	<b>2,852</b>	<b>2,852</b>
<b>Operating expenditure</b>				
Employee costs	35	10	10	10
Support costs	743	726	718	708
Operating costs	8,969	8,842	8,797	8,753
Interest expense	1,056	1,101	1,110	1,109
Depreciation	4,466	4,605	4,729	4,713
<b>Total operating expenditure</b>	<b>15,269</b>	<b>15,284</b>	<b>15,364</b>	<b>15,293</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(12,546)</b>	<b>(12,312)</b>	<b>(12,512)</b>	<b>(12,441)</b>

## PROSPECTIVE FUNDING REQUIREMENT

### For the year ending 30 June 2006

<b>Rates funding requirement</b>				
Operating deficit before tax	(12,546)	(12,312)	(12,512)	(12,441)
Add capital subsidies	–	(120)	–	–
<b>Total rates funding requirement</b>	<b>(12,546)</b>	<b>(12,432)</b>	<b>(12,512)</b>	<b>(12,441)</b>

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Loan funding requirement<sup>a</sup></b>				
Capital expenditure – maintaining services	(1,228)	(3,482)	(3,107)	(2,892)
Capital expenditure – improving services	(1,408)	(8,930)	(1,810)	(615)
Less capital subsidies	–	120	–	–
Less UHCC capital contribution	490	2,974	736	448
Less depreciation	4,466	4,605	4,729	4,713
<b>Total loan funding surplus/ (requirement)</b>	<b>2,320</b>	<b>(4,713)</b>	<b>548</b>	<b>1,654</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(10,226)</b>	<b>(17,145)</b>	<b>(11,964)</b>	<b>(10,787)</b>

**Definitions:****DBA:** Design Build Operate**Type A:** Above Ground Assets**Type B:** Below Ground Assets**2005/2006****CAPITAL MAINTENANCE PROJECTS****Minor Works**

This budget allows for minor works identified during the year, which require immediate attention. The projects cannot be anticipated or programmed in advance

\$142,000

**Sewer Renewal**

White Lines East & Leighton Avenue Gravity Catchment \$770,000  
Seddon St, Naenae \$60,000

Raukawa St, SV	\$60,000
Jackson St (Hutt Rd-Victoria St), Petone	\$400,000
Pukatea St, Eastbourne	\$100,000
Hutt Rd/Hume St, Alicetown	\$200,000
<b>Pressure Testing of Sewers</b>	\$300,000
<b>Local Wastewater Pumping stations</b>	
Component replacement	\$25,000
<b>SCADA Hardware Replacement</b>	
Replace SCADA hardware that has reached the end of its working life	\$40,000
<b>Trunk Wastewater Non-DBO</b>	
Minor works	\$10,000
<b>Trunk Wastewater DBO</b>	
Asset replacement fund	\$620,000
(Council \$449,000 / Upper Hutt City Council \$171,000)	
Pipeline cyclic replacement	\$200,000
(Council \$137,000 / Upper Hutt City Council \$63,000)	
<b>Carry Over 2004/2005</b>	
Waiunomata Sewer – Peel Place cross river to Gibbs Crescent	\$320,000
TeMarua Pumping Station Rising Main (Subsidy \$120,000)	\$235,000
<b>Total</b>	<b>\$3,482,000</b>

**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Pumping Station Flowmeter Installation**

Titiro Moana	\$15,000
Flowmeters in Pukatea St & Rona Bay	\$35,000
<b>Te Whiti Grove, Korokoro</b>	
New sewer to service residents	\$170,000



<b>Trunk Wastewater DBO</b>	
Project management and administration (Council \$94,000 / Upper Hutt City Council \$36,000)	\$130,000
Excess flow management (Council \$4,229,000 / Upper Hutt City Council \$1,961,000)	\$6,190,000
Type A network development (Council \$205,000 / Upper Hutt City Council \$95,000)	\$300,000
Type B network development (Council \$678,000 / Upper Hutt City Council \$312,000)	\$990,000
<b>Carry Over 2004/2005</b>	
Excess flow management	\$1,100,000
<b>Total</b>	<b>\$8,930,000</b>

*2006/2007*

<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
<b>Pumping Station Flowmeter Installation</b>	
Mahina Bay	\$17,500
<b>Trunk Wastewater Non-DBO</b>	
Te Marua Flowmeter	\$17,500
<b>Malone Rd</b>	
Capacity improvement	\$470,000
<b>Trunk Wastewater DBO</b>	
Project management and administration (Council \$94,000 / Upper Hutt City Council \$36,000)	\$130,000
Excess flow management (Council \$82,000 / Upper Hutt City Council \$38,000)	\$120,000
Type A network development (Council \$294,000 / Upper Hutt City Council \$136,000)	\$430,000

Type B network development (Council \$428,000 / Upper Hutt City Council \$197,000)	\$625,000
<b>Total</b>	<b>\$1,810,000</b>

*2007/2008*

<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
<b>Trunk Wastewater DBO</b>	
Project management and administration (Council \$47,000 / Upper Hutt City Council \$18,000)	\$65,000
Type A network development (Council \$137,000 / Upper Hutt City Council \$63,000)	\$200,000
Type B network development (Council \$240,000 / Upper Hutt City Council \$110,000)	\$350,000
<b>Total</b>	<b>\$615,000</b>



# Stormwater

## WHAT WE DO

Council provides a stormwater drainage system to manage surface water run-off from urban catchments. Council's objective is to achieve an optimum balance between the level of protection and the cost to the community.

## WHY WE DO IT

Hutt City has most of its development concentrated on flat valley plains where there is potential for flooding. The effective control of stormwater is necessary to protect the health and safety of the community and minimise property damage. The most efficient means of achieving this is through a comprehensive stormwater system.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Providing a cost-effective stormwater system that supports development in Hutt City.	Percentage of Hutt City residents that are satisfied with stormwater service.	Above peer Council average.
Contributing to the safety of the community by minimising the incidence of flooding.	The number of stormwater reticulation incidents per five kilometres of public stormwater drain reported to Council.	Fewer than two per annum.
Minimising property damage due to flooding and thus supporting the economy of the city.	Programmes to maintain and improve current services.	Completed on time, to required standard and within overall budget.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
Operating subsidies	14	5	5	5
<b>Total operating revenue</b>	<b>14</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Operating expenditure</b>				
Employee costs	35	10	10	10
Support costs	344	333	330	325
Operating costs	3,407	2,031	1,986	1,942
Interest expense	632	659	661	658
Depreciation	1,671	1,772	1,772	1,809
<b>Total operating expenditure</b>	<b>6,089</b>	<b>4,805</b>	<b>4,759</b>	<b>4,744</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(6,075)</b>	<b>(4,800)</b>	<b>(4,754)</b>	<b>(4,739)</b>

## PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2006

<b>Rates funding requirement</b>				
Operating deficit before tax	(6,075)	(4,800)	(4,754)	(4,739)
<b>Total rates funding requirement</b>	<b>(6,075)</b>	<b>(4,800)</b>	<b>(4,754)</b>	<b>(4,739)</b>

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Loan funding requirement</b>				
Capital expenditure – maintaining services	(280)	(370)	(360)	(420)
Capital expenditure – improving services	(1,720)	(3,870)	(3,175)	(3,410)
Less depreciation	1,671	1,772	1,772	1,809
<b>Total loan funding requirement</b>	<b>(329)</b>	<b>(2,468)</b>	<b>(1,763)</b>	<b>(2,021)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(6,404)</b>	<b>(7,268)</b>	<b>(6,517)</b>	<b>(6,760)</b>

### 2005/2006

#### CAPITAL MAINTENANCE PROJECTS

##### Stormwater mains renewal

Marine Drive (Lowry Bay)	\$150,000
Victoria Street	\$50,000

##### Minor Asset Renewals

Works requiring immediate attention during year	\$90,000
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##### Pump station asset renewal

Williams Street	\$40,000
Riverside Drive	\$20,000
Scada	\$20,000

<b>Total</b>	<b>\$370,000</b>
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#### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

##### Stormwater Protection improvement programme

Various projects yet to be determined to improve the level of stormwater protection	\$3,620,000
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##### Carry Over 2004/2005

Black Creek Wainuiomata Stormwater improvements	\$250,000
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<b>Total</b>	<b>\$3,870,000</b>
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### 2006/2007

#### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

##### Stormwater Protection improvement programme

Various projects yet to be determined to improve the level of stormwater protection	\$3,175,000
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<b>Total</b>	<b>\$3,175,000</b>
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### 2007/2008

#### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

##### Stormwater Protection improvement programme

Various projects yet to be determined to improve the level of stormwater protection	\$3,410,000
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<b>Total</b>	<b>\$3,410,000</b>
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# Solid Waste

## WHAT WE DO

Council manages contracts for the collection of the city’s refuse and recycling. It also owns and operates two landfills to provide for the disposal of residual waste. An annual waste minimisation programme is run to promote the concepts of ‘reduce, reuse, recycle’ to businesses and citizens.

## WHY WE DO IT

Solid waste management is necessary for the health and quality of life of the community, the local economy and the environment. Council wishes to promote recycling and waste reduction, and to provide for the disposal of the city’s solid waste.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Encouraging waste minimisation and environmentally friendly practices.	Percentage of Hutt City residents that are satisfied with the city’s refuse collection services.	Above peer Council average.
	Percentage of Hutt City residents that are satisfied with the city’s refuse disposal facilities.	Above peer Council average.
	Percentage of Hutt City residents that are satisfied with the city’s recycling collection services.	Above peer Council average.

Ensuring refuse is managed and disposed of in a safe, efficient and sustainable manner that maintains the city’s natural and aesthetic values.	Compliance of landfill management plans and discharge consents.  Programmes to maintain and improve current services.	Compliance achieved.  Completed on time, to required standard and within overall budget.
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## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	8,149	8,309	8,309	8,859
<b>Total operating revenue</b>	<b>8,149</b>	<b>8,309</b>	<b>8,309</b>	<b>8,859</b>
<b>Operating expenditure</b>				
Employee costs	79	40	40	40
Support costs	96	103	102	100
Operating costs	4,395	4,549	4,549	4,549
Depreciation	470	388	1,555	1,541
<b>Total operating expenditure</b>	<b>5,040</b>	<b>5,080</b>	<b>6,245</b>	<b>6,230</b>
<b>OPERATING SURPLUS BEFORE TAX</b>	<b>3,109</b>	<b>3,229</b>	<b>2,063</b>	<b>2,629</b>

## PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Rates funding requirement</b>				
Operating surplus before tax	3,109	3,229	2,063	2,629
<b>Total rates funding surplus</b>	<b>3,109</b>	<b>3,229</b>	<b>2,063</b>	<b>2,629</b>
<b>Loan funding requirement</b>				
Capital expenditure – maintaining services	–	–	–	–
Capital expenditure – improving services	(1,210)	(4,190)	(5,450)	(2,550)
Less depreciation	470	388	1,555	1,541
<b>Total loan funding requirement</b>	<b>(740)</b>	<b>(3,802)</b>	<b>(3,895)</b>	<b>(1,009)</b>
<b>TOTAL FUNDING SURPLUS/ (REQUIREMENT)</b>	<b>2,369</b>	<b>(573)</b>	<b>(1,832)</b>	<b>1,620</b>

## 2005/2006

## IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

<b>Silverstream Landfill Stage 1</b>	
Resource Consent works	\$100,000
Closure costs	\$100,000
<b>Silverstream Landfill Stage 2</b>	
Design and Construction costs	\$3,500,000
<b>Wainuomata Landfill</b>	
Resource Consent works	\$50,000
<b>Carry Over 2004/2005</b>	
Silverstream Landfill Stage 2	\$440,000
<b>Total</b>	<b>\$4,190,000</b>

## 2006/2007

## IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

<b>Silverstream Landfill Stage 1</b>	
Resource Consent works	\$50,000
Closure costs	\$100,000
<b>Silverstream Landfill Stage 2</b>	
Design and Construction costs	\$5,200,000
<b>Wainuomata Landfill</b>	
Resource Consent works	\$100,000
<b>Total</b>	<b>\$5,450,000</b>

2007/2008

<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
<b>Silverstream Landfill Stage 1</b>	
Resource Consent works	\$100,000
Closure costs	\$100,000
<b>Silverstream Landfill Stage 2</b>	
Design and Construction costs	\$2,300,000
<b>Wainuomata Landfill</b>	
Resource Consent works	\$50,000
<b>Total</b>	<b>\$2,550,000</b>







# *Group Environment*

## **COMMUNITY OUTCOMES**

Hutt City residents identified the following outcomes as being important to Hutt City's future environmental well-being:

- Clean air, water and land
- A diverse natural environment that is accessible, enjoyable and safe
- A healthy balance between natural and built environments
- A built environment that is attractive, safe and healthy.

## WHAT ROLE WILL HUTT CITY COUNCIL AND OTHER ORGANISATIONS PLAY IN ACHIEVING THESE COMMUNITY OUTCOMES?

Organisation	Advocate	Funder	Service provider	Regulator	Facilitator	Monitor
Hutt City Council	✓	✓	✓	✓		✓
Greater Wellington – The Regional Council	✓	✓		✓	✓	✓
Environmental Groups	✓				✓	✓
Residents' Groups	✓					
Business Care	✓					
Te Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui	✓				✓	
Te Taura Here o te Te Awakairangi	✓				✓	
Wellington Tenth's Trust	✓	✓			✓	
Department of Conservation	✓	✓				✓

## HUTT CITY COUNCIL STRATEGIC GOAL

- A clean, healthy, attractive and sustainable environment.

### SIGNIFICANT ACTIVITIES

Activity 12: Environmental Management  
Activity 13: Emergency Management

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### SIGNIFICANT NEGATIVE EFFECTS

At this stage there are no known significant negative effects surrounding Council's planned Key Programmes and Activities. See page 170 for Council's Policy on Significance.

# Environmental Management

**WHAT WE DO**

Council develops implements and monitors the District Plan, relevant by-laws and other environmental policies and plans for the sustainable development of Hutt City, including environmental education and promotion. Council’s statutory resource management and building approval and inspection functions, environmental health and animal control are also included under this activity. Regular inspections are carried out to ensure compliance with legislative requirements, the District Plan, resource consent and building consent conditions as well as by-law requirements. Inspections of business and food premises, certification, liquor licensing, pollution control, trade waste and monitoring of beaches are also undertaken to promote and protect public health and safety in Hutt City. Noise and hazardous substances also fall under this activity.

**WHY WE DO IT**

This activity is fundamental to achieving a clean, healthy, attractive and sustainable environment. There is also a legal requirement for this activity.

**HOW WE DO IT**

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Control dogs so that residents are safe, annoyance factors are minimised and the welfare of animals protected.	Animal control customer satisfaction levels.	Above peer Council average.
Develop and implement sound environmental policies and rules which encourage sustainable development and reflect community views.	District Plan Changes prepared and processed.	As agreed by Council.

	Keep Hutt City Beautiful Programme implemented in conjunction with community group representatives.	Implementation achieved in conjunction with community group representatives.
Provide service from Council that is timely, efficient and customer friendly.	<p>Percentage of Hutt City users that are satisfied with the inspection service and requests for service.</p> <p>All notified applications not requiring a hearing submitted for decision.</p> <p>Percentage of non-notified land use consents issued within 15 working days.</p> <p>Percentage of premises registered or licensed within 30 days of the date of application.</p> <p>Percentage of Hutt City users that are satisfied with the service in processing non-notified land use resource consents.</p> <p>Percentage of hearing participants that are satisfied they have received a fair hearing.</p>	<p>Above peer Council average.</p> <p>Completed within 15 working days.</p> <p>80%.</p> <p>90%.</p> <p>80%.</p> <p>80%.</p>

Percentage of hearings decisions issued within 10 working days of the hearing.	At least 80%.
Percentage of applications for building consents determined within 15 working days.	90%.

### STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	2,746	2,539	2,789	3,039
Other revenue	28	28	28	28
<b>Total operating revenue</b>	<b>2,774</b>	<b>2,567</b>	<b>2,817</b>	<b>3,067</b>
<b>Operating expenditure</b>				
Employee costs	3,009	3,169	3,169	3,169
Support costs	748	859	850	838
Operating costs	1,305	1,205	1,205	1,205
Interest expense	1	–	–	–
Depreciation	11	6	6	5
<b>Total operating expenditure</b>	<b>5,074</b>	<b>5,239</b>	<b>5,230</b>	<b>5,217</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(2,300)</b>	<b>(2,672)</b>	<b>(2,413)</b>	<b>(2,150)</b>

### PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Rates funding requirement</b>				
Operating deficit before tax	(2,300)	(2,672)	(2,413)	(2,150)
<b>Total rates funding requirement</b>	<b>(2,300)</b>	<b>(2,672)</b>	<b>(2,413)</b>	<b>(2,150)</b>
<b>Loan funding requirement</b>				
Capital expenditure – improving services	(27)	–	–	–
Less depreciation	11	6	6	5
<b>Total loan funding (requirement)/surplus</b>	<b>(16)</b>	<b>6</b>	<b>6</b>	<b>5</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(2,316)</b>	<b>(2,666)</b>	<b>(2,407)</b>	<b>(2,145)</b>

# Emergency Management

## WHAT WE DO

Council develops, implements and monitors citywide emergency management plans, and promotes community preparedness for emergencies. Under the 2002 Civil Defence Emergency Management Act, Council must work cooperatively with other authorities in the region to plan for and respond to hazards, risks and emergencies. Council also has plans in place for dealing with and preventing rural fires. Council maintains the in-house capacity to coordinate responses to civil defence and rural fire emergencies.

## WHY WE DO IT

This activity is fundamental to achieving citywide preparedness for emergencies. There is also a legal requirement for this activity under the Forest and Rural Fires Act and the Civil Defence Emergency Management Act. The Hutt City Council works under the auspices of Reduce, Readiness, Response, and Recovery.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Guides residents for an emergency so that the impact on the community is minimised and people are safe.	Percentage of Hutt City residents that are prepared for an emergency.	Above peer Council average.
	Emergencies responded to.	In accordance with the corporate Emergency Plan, Civil Defence Plan and related procedures.
	Rural fire emergencies responded to.	In accordance with the Rural Fire Plan and related procedures.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
Operating subsidies	370	40	40	40
<b>Total operating revenue</b>	<b>370</b>	<b>40</b>	<b>40</b>	<b>40</b>
<b>Operating expenditure</b>				
Employee costs	527	227	227	227
Support costs	208	231	229	225
Operating costs	152	132	132	132
Depreciation	25	14	13	15
<b>Total operating expenditure</b>	<b>912</b>	<b>604</b>	<b>601</b>	<b>599</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(542)</b>	<b>(564)</b>	<b>(561)</b>	<b>(559)</b>

## PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2006

<b>Rates funding requirement</b>				
Operating deficit before tax	(542)	(564)	(561)	(559)
<b>Total rates funding requirement</b>	<b>(542)</b>	<b>(564)</b>	<b>(561)</b>	<b>(559)</b>
<b>Loan funding requirement</b>				
Capital expenditure – maintaining services	–	(85)	–	(85)
Less depreciation	25	14	13	15
<b>Total loan funding surplus/ (requirement)</b>	<b>25</b>	<b>(71)</b>	<b>13</b>	<b>(70)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(517)</b>	<b>(635)</b>	<b>(548)</b>	<b>(629)</b>

2005/06

**CAPITAL MAINTENANCE PROJECTS**

**Wainuiomata Rural Fire Force**

Replacement vehicle \$85,000

**Total \$85,000**



# Group Economy

## ECONOMIC COMMUNITY OUTCOME

Hutt City residents identified the following outcome as being important to Hutt City's future economic well-being:

- A thriving local economy that is attractive to both businesses and residents.

## WHAT ROLE WILL HUTT CITY COUNCIL AND OTHER ORGANISATIONS PLAY IN ACHIEVING THIS COMMUNITY OUTCOME?

Organisation	Advocate	Funder	Service Provider	Regulator	Facilitator	Monitor
Hutt City Council	✓	✓			✓	✓
Positively Wellington Business	✓	✓			✓	✓
Weltec		✓	✓		✓	
Hutt Valley Chamber of Commerce	✓		✓		✓	
New Zealand Trade and Enterprise	✓	✓			✓	
CBD+, Jackson Street Programme			✓		✓	

## HUTT CITY COUNCIL STRATEGIC GOAL

- A strong, enterprising and diverse economy.

## SIGNIFICANT ACTIVITIES

	PAGE
Activity 14: Local Urban Design	112
Activity 15: Economic Development	114

**Council will undertake the following Key Programmes and Activities over the next three years to assist in achieving the strategic goal and Community Outcome.**

## OPERATING PROJECTS

- Earthquake risk and building fund
- Rapid response to graffiti
- Events funding
- Implementation of Economic Development Strategies
- Visitor Information funding
- Funding to Positively Wellington Business, CBD+ and Jackson Street Programme
- Development Wainuiomata.

## CAPITAL PROJECTS

- Improvements to suburban shopping centres
- The revitalisation and marketing of Hutt City's CBD

## SIGNIFICANT NEGATIVE EFFECTS

At this stage there are no known significant negative effects surrounding Council's planned Key Programmes and Activities. See page 170 for Council's Policy on Significance.



# Local Urban Design

## WHAT WE DO

Council aims to develop an urban environment that will help attract people and investment, as well as enhance the city's image. Council also recognises the role Hutt City's heritage and features play in the city's image.

## WHY WE DO IT

The public space of Hutt City is managed and developed by Council on behalf of the community. It is important that urban design and infrastructure support and provide for modern business environment requirements. The whole community can benefit from the preservation of buildings of architectural, heritage and historic value, as often the work required is of no benefit to the owner or occupier.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Facilitate the requirements and development of business areas.	Business area development projects completed.	On time, to the satisfaction of businesses and within overall budget.
Develop an urban environment that helps to retain and attract businesses, people and investment.	Urban design and enhancement projects completed.	On time, to the required standard and within budget.
	Suburban Shopping Centre programmes to improve services completed.	On time, to the required standard and within overall budget.
Retain heritage buildings and features for future generations.	Earthquake Risk Fund projects completed.	On time, to the required standard and within overall budget.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
Capital subsidies	101	–	–	–
<b>Total operating revenue</b>	<b>101</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Operating expenditure</b>				
Employee costs	29	32	32	32
Support costs	93	98	97	96
Operating costs	111	175	170	170
Interest expense	5	5	5	5
Depreciation	89	167	191	219
<b>Total operating expenditure</b>	<b>327</b>	<b>477</b>	<b>495</b>	<b>522</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(226)</b>	<b>(477)</b>	<b>(495)</b>	<b>(522)</b>

## PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2006

<b>Rates funding requirement</b>				
Operating deficit before tax	(226)	(477)	(495)	(522)
Add capital subsidies	(101)	–	–	–
<b>Total rates funding requirement</b>	<b>(327)</b>	<b>(477)</b>	<b>(495)</b>	<b>(522)</b>
<b>Loan funding requirement</b>				
Capital expenditure – improving services	(517)	(1,480)	(1,200)	(200)

	Estimate 30/6/2005	Budget 30/6/2006	Forecast 30/6/2007	Forecast 30/6/2008
	\$000s	\$000s	\$000s	\$000s
Less capital subsidies	101	–	–	–
Less depreciation	89	167	191	219
<b>Total loan funding (requirement)/ surplus</b>	<b>(327)</b>	<b>(1,313)</b>	<b>(1,009)</b>	<b>19</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(654)</b>	<b>(1,790)</b>	<b>(1,504)</b>	<b>(503)</b>

### 2005/2006

#### OPERATING PROJECTS

##### Anti Graffiti Rapid Response

Response to and removal of graffiti around the city \$150,000

##### Earthquake Risk Building Fund

Earthquake risk and building fund \$20,000

##### Carry Over 2004/2005

Eastbourne Strategic Plan \$5,000

**Total \$175,000**

#### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

##### CBD Master Plan

Urban enhancement to CBD as outlined in the CBD Framework plan \$500,000

##### Suburban Shopping Centres Improvements

Improvements to suburban shopping centres \$250,000

##### Carry Over 2004/2005

CBD Development \$230,000

CBD Master plan Stage 1 \$500,000

**Total \$1,480,000**

### 2006/2007

#### OPERATING PROJECTS

##### Anti Graffiti Rapid Response

Response to and removal of graffiti around the city \$150,000

##### Earthquake Risk Building Fund

Earthquake risk and building fund \$20,000

**Total \$170,000**

#### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

##### Suburban Shopping Centres Improvements

Improvements to suburban shopping centres \$200,000

##### CBD Masterplan

CBD Masterplan \$1,000,000

**Total \$1,200,000**

### 2007/2008

#### OPERATING PROJECTS

##### Anti Graffiti Rapid Response

Response to and removal of graffiti around the city \$150,000

##### Earthquake Risk Building Fund

Earthquake risk and building fund \$20,000

**Total \$170,000**

#### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

##### Suburban Shopping Centres Improvements

Improvements to suburban shopping centres \$200,000

**Total \$200,000**

# Economic Development

**WHAT WE DO**

Council has a leading role in fostering Hutt City’s growth in a number of ways. These include creating a business-friendly environment, facilitating the expansion and creation of local businesses and employment, increasing tourism and events in Hutt City, and contributing to regional growth through regional economic development.

**WHY WE DO IT**

Individual businesses generally have insufficient incentives to explore opportunities that benefit Hutt City as a whole, as well as themselves. Hutt City’s businesses and residents benefit from Council’s support of the business sector as well as from the promotion and recognition of Hutt City as a business location and vibrant city.

**HOW WE DO IT**

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Create business communities with a sense of vibrancy and life, and generate a sense of identity. This will be assisted by a wider range of recreation, retail and entertainment options within or close to business areas.	Economic development strategy implementation programmes completed.	On time, to the required standard and within overall budget.
Facilitate the expansion of existing businesses and creation of new businesses by making Hutt City the preferred choice of business location within the region.	Achieve job and GDP growth in Hutt City.	Improved ranking of Hutt City relative to peer group of New Zealand cities.

Ensure doing business in Hutt City is easy and cost-effective through business practices, efficient infrastructure and the use of innovative partnerships including Council and other organisations.	Jackson Street Programme business plan continued.  Development Wainuiomata.  CBD+ business plan implemented.  Regional Economic Development Agency business plan implemented.	Milestones met.  Milestones met.  Milestones met.  Milestones met.
Assist with the development of a skilled workforce.	Achieve job growth rate in Hutt City.	Equivalent to 0.7%pa over the period 2002–2007.
Encourage development and undertake events.	Economic impact of events.  Percentage of Hutt City residents that are satisfied with the visitor information services and special events.	Is satisfactory.  At least 80%.

**STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE**

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	–	125	125	125
Other revenue	190	11	11	11
<b>Total operating revenue</b>	<b>190</b>	<b>136</b>	<b>136</b>	<b>136</b>
<b>Operating expenditure</b>				
Employee costs	280	314	314	314

	Estimate 30/6/2005	Budget 30/6/2006	Forecast 30/6/2007	Forecast 30/6/2008
	\$000s	\$000s	\$000s	\$000s
Support costs	519	550	544	536
Operating costs	1,695	1,667	1,607	1,507
Interest expense	14	15	15	15
<b>Total operating expenditure</b>	<b>2,508</b>	<b>2,546</b>	<b>2,480</b>	<b>2,372</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(2,318)</b>	<b>(2,410)</b>	<b>(2,344)</b>	<b>(2,236)</b>

#### PROSPECTIVE FUNDING REQUIREMENT

##### For the year ending 30 June 2006

##### Rates funding requirement

	Estimate 30/6/2005	Budget 30/6/2006	Forecast 30/6/2007	Forecast 30/6/2008
Operating deficit before tax	(2,318)	(2,410)	(2,344)	(2,236)
<b>Total rates funding requirement</b>	<b>(2,318)</b>	<b>(2,410)</b>	<b>(2,344)</b>	<b>(2,236)</b>

##### Loan funding requirement

Capital expenditure – maintaining services	(30)	(30)	(30)	(30)
Capital expenditure – improving services	(44)	(450)	(100)	(100)
<b>Total loan funding requirement</b>	<b>(74)</b>	<b>(480)</b>	<b>(130)</b>	<b>(130)</b>

<b>TOTAL FUNDING REQUIREMENT</b>	<b>(2,392)</b>	<b>(2,890)</b>	<b>(2,474)</b>	<b>(2,366)</b>
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#### 2005/2006

##### OPERATING PROJECTS

##### Development Wainuiomata

Strategy promoting growth in Wainuiomata \$40,000

##### CBD+

Marketing of CBD \$240,000

##### Jackson Street Programme

Jackson Street Programme funding \$80,000

##### Events

Funding for promotional events \$245,000

##### Positively Wellington Business

Hutt contribution to Positively Wellington Business \$410,000

##### International Cities

International cooperation with sister cities \$50,000

##### Small Business

Assistance for small business \$50,000

##### Economic Development Strategy

Implementation of Economic Development Strategy \$150,000

##### Regional Development Strategy

Council funding toward this strategy that will also be funded by other Councils in the region. Strategy is about working together to build on internationally competitive Wellington Region \$100,000

##### JSP Business Plan

Implementation of JSP business plan initiatives \$20,000

##### Retail Coordinator

Suburban shopping centres retail coordinator \$45,000

**Total \$1,430,000**

##### CAPITAL MAINTENANCE PROJECTS

##### Seaview/Gracefield

Maintenance of assets e.g. banners \$30,000

**Total \$30,000**

##### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

##### Wingate

Development of Wingate Industrial Area \$150,000

<b>Carry Over 2004/2005</b>	
Seaview/Gracefield Development	\$100,000
Wingate	\$200,000
<b>Total</b>	<b>\$450,000</b>

*2006/2007*

<b>OPERATING PROJECTS</b>	
<b>CBD+</b>	
Marketing of CBD	\$240,000
<b>Jackson Street Programme</b>	
Jackson Street Programme funding	\$80,000
<b>Events</b>	
Funding for promotional events	\$245,000
<b>Positively Wellington Business</b>	
Hutt contribution to Positively Wellington Business	\$410,000
<b>International Cities</b>	
International cooperation with sister cities	\$50,000
<b>Small Business</b>	
Assistance for small business	\$50,000
<b>Economic Development Strategy</b>	
Implementation of Economic Development Strategy	\$150,000
<b>Regional Development Strategy</b>	
Council funding toward this strategy that will also be funded by other Councils in the region. Strategy is about working together to build on internationally competitive Wellington Region	\$100,000
<b>Retail Coordinator</b>	
Suburban shopping centres retail coordinator	\$45,000
<b>Total</b>	<b>\$1,370,000</b>

<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
<b>Seaview/Gracefield</b>	
Seaview/Gracefield developments	\$100,000
<b>Total</b>	<b>\$100,000</b>

*2007/2008*

<b>OPERATING PROJECTS</b>	
<b>CBD+</b>	
Marketing of CBD	\$240,000
<b>Jackson Street Programme</b>	
Jackson Street Programme funding	\$80,000
<b>Events</b>	
Funding for promotional events	\$245,000
<b>Positively Wellington Business</b>	
Hutt contribution to Positively Wellington Business	\$410,000
<b>International Cities</b>	
International cooperation with sister cities	\$50,000
<b>Small Business</b>	
Assistance for small business	\$50,000
<b>Economic Development Strategy</b>	
Implementation of Economic Development Strategy	\$150,000
<b>Retail Coordinator</b>	
Suburban shopping centres retail coordinator	\$45,000
<b>Total</b>	<b>\$1,270,000</b>

<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
<b>Seaview/Gracefield</b>	
Seaview/Gracefield developments	\$100,000
<b>Total</b>	<b>\$100,000</b>

# Group Organisation

## COMMUNITY OUTCOMES

All the Community Outcomes are relevant for this group of activities, which provides management support and advice to elected members and Council officers. It also ensures that high levels of service are maintained, and that customers and staff are valued.

The role of the elected members and community representatives as part of this group is of the utmost importance. They represent the views of the community when decisions are being considered by Council.

## HUTT CITY COUNCIL STRATEGIC GOALS

- A best practice organisation that provides value for money and prudent management
- An organisation that values its customers and staff.

## SIGNIFICANT ACTIVITIES

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Activity 18: Managing Services	122



# Elected Members

## WHAT WE DO

Council is an elected body that provides a governance role for the City, sets the strategic direction of the Council including determining the activities the Council undertakes (within legal parameters) and monitors the Council's performance on behalf of the City residents and ratepayers. Community Boards and Ward Committees are part of the Council's governance structure and provide local input into the Council's decision making process.

## WHY WE DO IT

To ensure good governance and good decision making, and to meet legal requirements.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
The long-term goal is to provide superior governance, in order to achieve Community Outcomes in the most efficient and timely manner.	Percentage of Hutt City residents that have seen or read Council's published information in the year.	Above peer Council average.
	Hutt City residents' satisfaction with the performance of the Mayor and Councillors.	Above peer Council average.
	Hutt City residents' satisfaction with the way rates are spent.	Above peer Council average.
	Average of Hutt City's residents' satisfaction across all standard community survey questions.	Above peer Council average.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

### For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
<b>Total operating revenue</b>	–	–	–	–
<b>Operating expenditure</b>				
Employee costs	915	909	909	909
Support costs	516	545	539	531
Operating costs	66	168	68	68
<b>Total operating expenditure</b>	<b>1,497</b>	<b>1,622</b>	<b>1,516</b>	<b>1,508</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(1,497)</b>	<b>(1,622)</b>	<b>(1,516)</b>	<b>(1,508)</b>

## PROSPECTIVE FUNDING REQUIREMENT

### For the year ending 30 June 2006

<b>Rates funding requirement</b>				
Operating deficit before tax	(1,497)	(1,622)	(1,516)	(1,508)
<b>Total rates funding requirement</b>	<b>(1,497)</b>	<b>(1,622)</b>	<b>(1,516)</b>	<b>(1,508)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(1,497)</b>	<b>(1,622)</b>	<b>(1,516)</b>	<b>(1,508)</b>





# Advice & Support

## WHAT WE DO

This activity comprises those processes that support the Council's decision making, for example, strategic planning, policy development and monitoring and reporting.

## WHY WE DO IT

Professional advice and support are necessary to assist Council, Community Boards and Ward Committees to make informed decisions on behalf of the community.

## HOW WE DO IT

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Council provides advice and support to elected members and community representatives, which enables them to function effectively.	The majority of Councillors report that they are satisfied, or more than satisfied, with formal advice received from officers.	Councillors report they are satisfied or more than satisfied.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

### For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
Other revenue	70	–	–	70
<b>Total operating revenue</b>	<b>70</b>	<b>–</b>	<b>–</b>	<b>70</b>
<b>Operating expenditure</b>				
Support costs	3,014	3,204	3,170	3,125
Operating costs	248	35	35	248
<b>Total operating expenditure</b>	<b>3,262</b>	<b>3,239</b>	<b>3,205</b>	<b>3,373</b>
<b>OPERATING DEFICIT BEFORE TAX</b>	<b>(3,192)</b>	<b>(3,239)</b>	<b>(3,205)</b>	<b>(3,303)</b>

## PROSPECTIVE FUNDING REQUIREMENT

### For the year ending 30 June 2006

<b>Rates funding requirement</b>				
Operating deficit before tax	(3,192)	(3,239)	(3,205)	(3,303)
Transfer (to)/from operating reserve	100	(50)	(50)	100
<b>Total rates funding requirement</b>	<b>(3,092)</b>	<b>(3,289)</b>	<b>(3,255)</b>	<b>(3,203)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(3,092)</b>	<b>(3,289)</b>	<b>(3,255)</b>	<b>(3,203)</b>



# Managing Services

**WHAT WE DO**

This activity incorporates the organisational support functions that help Council to provide its other activities in the most efficient and effective manner. It includes:

- Customer Relations
- Corporate Planning
- Finance
- General Administration
- Human Resources
- Information Management
- Office of the Chief Executive (including Legal Counsel and Communications)
- Strategic Development (including Democratic Services)
- Monitoring and Reporting.

**WHY WE DO IT**

This activity contributes to all Community Outcomes by supporting all of Council's other activities.

**HOW WE DO IT**

How this activity contributes to strategic goals and Community Outcomes	How we measure progress	Our target
Prioritise and manage operating and capital expenditure.	Net operating results. Net capital results.	Within overall budget. Within overall budget.
Establish prudent risk management policies and monitor compliance.	Work related accidents.	Less than 6 resulting in time off work.
	Compliance with legal and policy requirements.	No significant non-compliance instances.

Implement the Baldrige Business Excellence Framework and obtain annual evaluation from the Business Excellence Foundation.	Application for assessment by the Business Excellence Foundation.	Application submitted in 2006
Participate in benchmarking exercises and pursue identified best practice.	Results compared with peer organisations.	At least 80% of measures exceed peer organisation averages.
Operate a continuous improvement programme.	Number of organisation improvements, as reported by staff.	Achieve more than 700.
Elicit regular feedback from customers and staff, and address identified concerns.	Satisfaction ratings in surveys of customer satisfaction.	Exceed 80%.
	Satisfaction ratings in surveys of staff satisfaction.	Exceed 80%.
	Staff turnover.	Less than 15%.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Operating revenue</b>				
User charges	875	890	890	890
Other revenue	362	77	77	77
<b>Total operating revenue</b>	<b>1,237</b>	<b>967</b>	<b>967</b>	<b>967</b>
<b>Operating expenditure</b>				
Employee costs	5,064	5,417	5,417	5,417
Operating costs	6,168	5,905	5,870	5,705
Net interest expense	150	–	–	–
Depreciation	1,037	1,186	1,100	1,100
<b>Total operating expenditure</b>	<b>12,419</b>	<b>12,508</b>	<b>12,387</b>	<b>12,222</b>
<b>OPERATING DEFICIT BEFORE ALLOCATIONS</b>	<b>(11,182)</b>	<b>(11,541)</b>	<b>(11,420)</b>	<b>(11,255)</b>
Less costs allocated to significant activities	11,562	11,541	11,420	11,255
<b>OPERATING SURPLUS BEFORE TAX</b>	<b>380</b>	<b>–</b>	<b>–</b>	<b>–</b>

## PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2006

	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s
<b>Rates funding requirement</b>				
Operating surplus before tax	380	–	–	–
Transfer to operating reserve	(110)	(160)	(160)	(160)
Transfer from loan funding	3,009	1,588	1,035	(439)
<b>Total rates funding surplus/(requirement)</b>	<b>3,279</b>	<b>1,428</b>	<b>875</b>	<b>(599)</b>
<b>Loan funding requirement</b>				
Capital expenditure – maintaining services	(1,194)	(1,864)	(576)	(991)
Capital expenditure – improving services	(232)	(458)	(320)	(320)
Less depreciation	1,037	1,186	1,100	1,100
Transfer to rate funding	(3,009)	(1,588)	(1,035)	439
<b>Total loan funding (requirement)/surplus</b>	<b>(3,398)</b>	<b>(2,724)</b>	<b>(831)</b>	<b>228</b>
<b>TOTAL FUNDING (REQUIREMENT)/SURPLUS</b>	<b>(119)</b>	<b>(1,296)</b>	<b>44</b>	<b>(371)</b>

## 2005/2006

**OPERATING PROJECTS****Hutt City Promotions**

Implement strategy to promote City	\$200,000
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**Quality of Life Study**

National study on quality of life in large metro cities to provide information to decision makers to improve quality of life in major New Zealand cities	\$10,000
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**Hutt City Council Expo**

Expo to inform the public about Council, forms part of the LTCCP Community planning process	\$50,000
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<b>Total</b>	<b>\$260,000</b>
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**CAPITAL MAINTENANCE PROJECTS****Customer Call Centre Call Management**

Call Management	\$10,000
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**General Office Expenditure**

Expenditure for health and safety equipment and general office furniture and equipment	\$30,000
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**PC Replacement Programme**

Planned as part of the IM Strategic Plan to maintain IT infrastructure ensuring delivery of core services to customers	\$326,555
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**Printer Replacement Programme**

Planned as part of the IM Strategic Plan to maintain IT infrastructure ensuring delivery of core services to customers	\$37,500
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**Server Replacement Programme**

Purchase of additional storage capacity and replacement of servers	\$35,000
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**Network Replacement**

Renewal of network components	\$35,000
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**Software Purchases**

Purchases of additional software for core Council functions	\$40,000
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**Corporate Application/Hardware Replacement Programme**

Year four of a four-year project to replace Council's Financial, Regulatory and Property systems	\$200,000
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**Library Systems Replacement**

Year two of a three-year project to renew Library software	\$1,000,000
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**Telecommunications**

Telecommunications upgrade	\$50,000
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**Archives Accommodation**

Storage of archives	\$100,000
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<b>Total</b>	<b>\$1,864,055</b>
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**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Online Service Development**

Continued development of web-based options for the delivery of core Council services	\$20,000
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**Core Business Application Enhancement**

The enhancement of core business applications within Council	\$140,000
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**Customer Call Centre PBX Technology Upgrade**

Expenditure for PBX and call management software upgrades, and furniture to address Health and Safety issues	\$10,000
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**Electronic Document Management**

Year one of a three-year plan to digitise Council records	\$200,000
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**Mobile Devices**

To improve service delivery and maximise return on investment in core software systems	\$40,000
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**Carry Over 2004/2005**

Archives Air Conditioning	\$47,750
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<b>Total</b>	<b>\$457,750</b>
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## 2006/2007

**OPERATING PROJECTS****Hutt City Promotions**

Implement strategy to promote City	\$200,000
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**Quality of Life study**

National study on quality of life in large metro cities to provide information to decision makers to improve quality of life in major New Zealand cities	\$25,000
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<b>Total</b>	<b>\$225,000</b>
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**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Online Service Development**

Continued development of web-based options for the delivery of core Council services	\$100,000
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**Core Business Application Enhancement**

The enhancement of core business applications within Council	\$100,000
--	-----------

**Customer Call Centre PBX Technology Upgrade**

Expenditure for PBX and call management software upgrades, and furniture to address Health and Safety issues	\$20,000
--	----------

**Electronic Document Management**

Year two of a three-year plan to digitise Council records	\$100,000
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<b>Total</b>	<b>\$320,000</b>
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## 2007/2008

**OPERATING PROJECTS****Hutt City Promotions**

Implement strategy to promote City	\$50,000
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**Quality of Life study**

National study on quality of life in large metro cities to provide information to decision makers to improve quality of life in major New Zealand cities	\$10,000
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<b>Total</b>	<b>\$60,000</b>
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**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Online Service Development**

Continued development of web-based options for the delivery of core Council services	\$100,000
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**Core Business Application Enhancement**

The enhancement of core business applications within Council	\$100,000
--	-----------

**Customer Call Centre PBX Technology Upgrade**

Expenditure for PBX and call management software upgrades, and furniture to address Health and Safety issues	\$20,000
--	----------

**Electronic Document Management**

Year three of a three-year plan to digitise Council records	\$100,000
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<b>Total</b>	<b>\$320,000</b>
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**GROUP ORGANISATION**



*Asset*  
*Management Planning*





# Asset Management Plan

The Asset Management Plan sets out how Council delivers its asset based services:

- To the standards expected by customers
- At the most competitive cost to customers
- Through management of assets in a way that is sustainable in the long term, and
- In compliance with legal requirements.

The Asset Management Plan comprises four key elements:

- The service standards which Council aims to achieve
- The asset system used to achieve the service standards
- The life cycle of asset management strategies (which set out how Council manages the assets)
- Quality assurance processes.

Service standards set out the services to be delivered and the targets Council aims to achieve in their delivery. Target service standards include:

- Customer service standards
- Legislative standards
- Technical standards
- Environmental standards.

Customer service standards look at services from a customer's perspective. Council customers have been consulted about some standards, major projects and issues such as the fluoridation of the Petone water supply, and the Trunk Wastewater System (which includes the Seaview Wastewater Treatment Plant and network operations).

Technical and environmental service standards are determined by legislation, industry and environmental best practice and in consultation with local community special interest groups, iwi and central government agencies.

The Asset system describes the assets Council uses to deliver the services. It includes a high level summary of the asset condition, an assessment of the assets' service capabilities and a forecast of the future demand for the services.

Life cycle management covers the five key strategies necessary to deliver the required service standards.

Four strategies maintain the service capability of existing assets:

- Management/Monitoring Strategy
- Operations Strategy
- Maintenance Strategy
- Cyclic Renewal Strategy

The fifth strategy, the Asset Development Strategy, aims to close gaps between the current service capability and target service standards.

Financial programmes associated with the five strategies are fed into Council's long term financial planning. For example the Asset Renewal Strategy feeds into the 'Maintaining Services' category of projects in the Community Plan and the Asset Development Strategy feeds into the 'Improving Services' category.

Quality assurance sets out how Council evaluates its asset management planning processes against industry best practice. This can be through evaluation of Council's asset management planning against accepted criteria, and/or through internal and external reviews. Recent evaluations have indicated that Council's asset management planning generally compares favourably with best practice elsewhere in New Zealand.

## Climate Change Considerations

Climate change considerations are unlikely to drive or initiate action by local government on their own. Rather, through the application of risk management processes in assessing and prioritising possible responses to the effects of climate change, they may modify an outcome<sup>1</sup>. Council asset management planning processes already include risk assessment modelling, which will be expanded to specifically include climate change.

## GROUPS OF ASSETS MANAGED BY COUNCIL

### Community Assets

Council manages the community's cultural, social and recreational assets in the form of libraries, pools, parks, Council owned property, and museums. These assets are maintained to agreed levels of service set out in the Asset Management Plan.

<sup>1</sup> Ministry for the Environment, Preparing for Climate Change, A guide for local government in New Zealand, June 2004

### Swimming Pools

The provision of public swimming pools throughout the city helps contribute to the Community Outcome:

- Affordable access to community facilities that include arts, cultural and recreational options.

With six pool complexes available, Council endeavours to maximise benefit to a wide cross-section of the community by providing aquatic recreational, learning and fitness programmes.

The Asset Management Plan aims to maintain these important recreational facilities to meet community need and demand. The Plan identifies maintenance and replacement programmes, aimed at ensuring the continued running of safe, efficient and enjoyable aquatic facilities.

### Levels of Service

Intended levels of service are set out under the section entitled 'How we measure progress' (see page 66):

- Percentage of Hutt City users who are satisfied with recreation programmes
- Percentage of Hutt City residents who are satisfied with pools
- At least 750,000 people access the pools, at an average net cost per user of \$3.96 per visit
- At least 65% of Hutt City residents use the pool during the year
- All pools achieve and maintain ACC Poolsafe certification
- Council maintains its 'Out of School Care and Recreation' (OSCAR) accreditations for its school holiday programmes
- At least 300 programmes and events are carried out with an increasing participation trend across all programmes
- Programmes to maintain and improve current services are completed on time, to the required standard and within the overall budget.

These levels of service are subject to review. Further detailed measures are contained in the Asset Management Plan.

### Property

The property activities contribute to the following Community Outcomes:

- A city that is safe, friendly and welcoming, where people experience a feeling of belonging
- A quality standard of affordable housing
- Affordable access to community facilities that include arts, cultural and recreational options.

Council provides a safe environment in its commercial and residential buildings, public toilets and community halls. Council provides this to:

- Ensure local communities have access to venues for recreational, cultural and governance activities
- Identify and continue to seek opportunities for Council to divest itself of properties that are not considered to be within Council's core business
- Provide well-maintained and safe living environments for tenants that are affordable and meet the needs of customers
- Be a contributor to the community's housing needs.

The Property Division is responsible for managing a variety of properties for use by the community.

The portfolio comprises the following:

- Community and civic halls and venues
- Library buildings
- Public toilets
- Community houses
- Council's administrative building and suburban service centres
- Housing units for the elderly and disadvantaged
- Vacant land.

The portfolio is progressively reviewed to ensure that it is used efficiently and meets the needs of identified internal and external clients.

Properties which are deemed surplus to requirements are identified and subject to consultation processes and Council approvals. They may be marketed for disposal.

Condition Assessment Surveys are undertaken annually to:

- Review the condition of the asset for assessing capital expenditure and maintenance costs
- Determine whether the asset can maintain the required level of service
- Collect information for development of financial forecasts for Community Plan and associated funding applications
- Update and improve the Asset Management Plan
- Deliver ongoing service to internal and external customers
- As part of the Division's Risk Management processes.

The financial programme for capital expenditure, renewals and operating expenditure is based on these inspections and the projection of each asset's remaining useful life.

#### **Levels of Service**

Intended levels of service are set out under the section entitled 'How we measure progress' (see page 78):

- 90% occupancy for rental housing
- 90% occupancy for commercial properties
- At least 80% of Hutt City residents are satisfied with public halls
- At least 60% of Hutt City residents are satisfied with public toilets.

#### **Parks and Reserves**

Parks and Reserves contribute to two of the city's Community Outcomes. They include:

- Affordable access to community facilities that include arts, cultural and recreational options
- A healthy balance between natural and built environments.

The city has 5,300 hectares of parks and reserves, 54 children's playgrounds and 27 sports grounds which the community utilises.

Council has reached agreement with The Greater Wellington Regional Council whereby Greater Wellington will assume the management responsibility for Council owned land that falls within the boundaries of a regional park.

The purpose of this arrangement is to allow the integrated management of land forming part of the East Harbour Regional Park and the Belmont Regional Park.

#### **Levels of Service**

Intended levels of service are set out under the section entitled 'How we measure progress' (see page 70):

- Percentage of Hutt City users who are satisfied with parks and reserves
- Percentage of sports field utilisation per year
- 95% of sports fields meet the standards agreed with sports codes
- Percentage of Hutt City residents who are satisfied with cemeteries
- Programmes to maintain and improve current services are completed on time, to the required standard and within overall budget.

### **INFRASTRUCTURAL ASSETS MANAGED BY COUNCIL**

Council manages the community's infrastructural assets including roading networks, landfills, water supply, stormwater and wastewater collection and treatment. These assets are maintained to agreed levels of service set out in the Asset Management Plan.

#### **Roading and Traffic**

The roading and traffic activity primarily contributes to Community Outcomes:

- A healthy balance between natural and built environments
- A built environment that is attractive, safe and healthy.

The road network provides for safe, reliable and efficient travel throughout the city. Levels of service are defined in the Asset Management Plan and achievement against these is measured through the Communitrak survey. The asset comprises roads, footpaths, street lights, traffic improvements (for example traffic lights, roundabouts, kerb extensions), barriers and bridges.

The overall condition of the network can be determined accurately due to the 'visible' nature of the assets. Specialist consultants carry out annual condition rating surveys, the results of which are used to identify current maintenance needs. Pavement deterioration modelling is also undertaken to ensure levels of service will be maintained over the longer term.



Extensions and improvements to the network are achieved through:

- Subdivisional development work, primarily around the perimeter of the current network
- Improvement projects within the existing network that are ranked in terms of benefit/cost analysis, the benefits being achieved through travel-time savings or safety enhancements.

By targeting minor improvement works for accident black-spots and taking skid resistance into consideration with seal designs, the number of reported injury accidents citywide has been reduced markedly over the last 13 years from 333 in 1990 to 150 in 2003

A seismic review has been undertaken on the city's bridges to determine which bridges would be damaged in the Wellington Lifelines Group's one in 250 year regional earthquake. With the completion of seismic strengthening work on the Estuary and Melling bridges, all four bridges across the Hutt River now meet the required standard. Attention has shifted to the remaining smaller bridges that have been identified as being 'at risk'. It is hoped that this work will significantly reduce the disruption to movement around the city in the event of a major earthquake.

#### **Level of Service**

Intended levels of service are set out under the section entitled 'How we measure progress' (see page 84):

- Percentage of Hutt City residents who are satisfied with the standard and safety of streets, roads and footpaths
- Percentage of Hutt City residents who are satisfied with the safety and convenience of movement around the city's streets
- Road condition
- Percentage of Hutt City residents who are satisfied with street lighting around Hutt City
- The trend in reducing injury accidents through joint efforts of Council, the Police and other agencies is maintained
- Programmes to maintain and improve current services are completed on time, to the required standard and within overall budget
- Number of injury accidents.

#### **Water Supply**

The supply of high quality, affordable water for domestic and commercial use contributes primarily to Community Outcomes:

- Clean air, water and land
- A local economy that is attractive to businesses and residents.

Through the supply of water to residents and businesses, Council contributes to the health of the community, and to community safety through the fire-fighting capability of the water supply system.

Council purchases bulk water from Greater Wellington – The Regional Council and distributes it to the community through the water supply system, which comprises 23 reservoirs, 12 pumping stations and 671 km of underground pipelines. The water supply network throughout the city is in satisfactory condition and performs well even at peak demand periods.

The areas that require improvement are as follows:

- Additional capacity for subdivision or development of land
- Additional capacity in the network is required for subdivision or development of land throughout the city. The recent upgrading works in Upper Belmont/Sweetacres will provide water to the new subdivision, improve supply to existing customers and facilitate further development.
- Improving emergency response and contingency planning

This comprises:

- Maintaining storage in reservoirs

There is an ongoing programme to upgrade and improve the structural integrity of reservoirs to meet minimum seismic requirements identified in recent and continuing seismic investigation studies. The work will help improve the availability of supply after an earthquake. There is an ongoing programme to install auto shut-off valves at key reservoirs. \$200,000 was approved in 2004/05 and a further \$60,000 is budgeted for 2005/06.

- Emergency repairs

Purchasing essential pipeline materials for repairs approved in 2004/05 at a cost of \$50,000.

- Improving reliability of the water supply

There is an ongoing programme to install bulk link mains in the city to improve the reliability of water supply to customers. A link main was installed in Petone in 2003/04 connecting the Hutt Road and Western Hutt Road water supply systems. Link mains in Tama Street/North Street and Hutt Road/Wakefield Street to connect Petone and Hutt City water supply systems will be considered in 2005/06 for inclusion in the forward work programme beyond 2007/08.

#### Levels of Service

Intended levels of service are set out under the section entitled 'How we measure progress' (see page 90):

- Percentage of Hutt City residents who are satisfied with the water supply service
- Compliance with New Zealand Drinking Water Standards
- The number of unplanned supply interruptions per 100 connections
- Fire Service reports identify less than 1% of Hutt City fire hydrants as not complying with New Zealand Fire Service Codes of Practice for fire-fighting water supply.

These levels of service are subject to review. Further detailed measures are contained in the Asset Management Plan.

Capital expenditure is expected to trend upwards reflecting the age profile of the network and the additional assets required to close the service gaps.

#### Assumptions, Uncertainties and Risk for Financial Estimates

The financial programme for renewals is based on projections of useful lives and the replacement value of the system. For above ground assets, physical inspection can be carried out to ascertain the useful lives. Useful lives of underground assets are determined by a combination of physical inspection and condition modelling.

Significant errors in asset valuation could lead to the asset renewal programme being under- or over-funded. Significant errors in assessing useful lives of assets will impact on the timing of renewal works but not on the total renewal programme over the life cycle of the assets.

To minimise the risk, a quality assurance system is in place to ensure the accuracy of the asset register. In addition, asset valuations are carried out by independent valuers and are subject to audit.

Generally, the expected length of life of water assets in Hutt City is consistent with the asset life length detailed in the International Asset Management Manual. But in some cases, adjustment is made when experience shows that the remaining lives are shortened or extended by the local environment.

#### Stormwater

The stormwater activity primarily contributes to Community Outcomes:

- Clean air, water and land, and to a lesser extent
- A local economy that is attractive to both businesses and residents
- A healthy balance between natural and built environments.

Through the provision of a stormwater drainage system to manage surface water run-off from urbanised catchments, Council

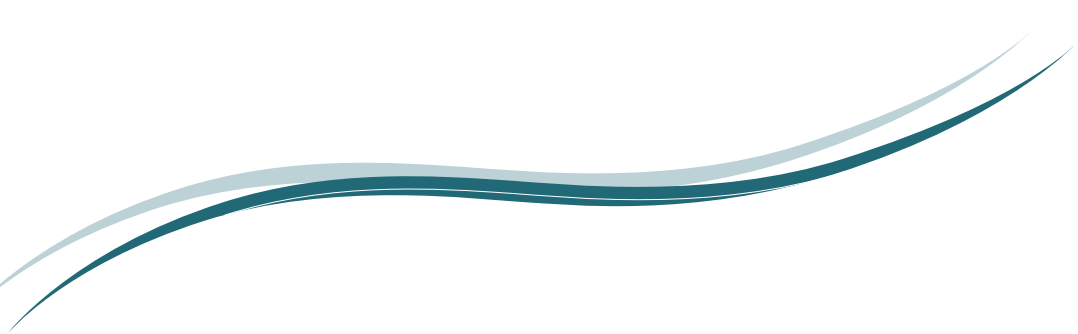
- Contributes to the safety of the community by minimising the incidence of flooding
- Minimises property damage from flooding and thus supports the economy of Hutt City
- Provides a cost-effective stormwater system, which supports development in Hutt City.

The stormwater network comprises a primary system of 500 km of pipes, 2.8 km of open drains and canals, nine pumping stations and five retention dams, streams and a secondary system of overland flowpaths. The pump stations and retention dams generally provide a satisfactory level of flood protection.

The majority of the open watercourses maintained by Council perform satisfactorily. The capacity of the Opahu Stream, however, has been significantly reduced over the years by the filling of much of the original floodplain, narrowing of the stream channel, landscaping and fencing in private properties. Extensive work has been carried out on the stream, providing improved capacity.

Management of the stormwater system is focused on the renewal of existing assets that have reached the end of their useful lives and the provision of new assets to provide an increase in the stormwater levels of protection for the community.

- Renewal of pipes: The renewal of piping assets, while ensuring that the stormwater infrastructure is being maintained at an acceptable level, also enables Council to provide increased piping capacity in line with current urban design standards. Traditionally stormwater piping standards, within Hutt City and throughout the



country, have been designed with sufficient capacity for a five-yearly rainfall storm. Current design standards, however, are aimed at providing stormwater piping to have sufficient capacity for a 10-year rainfall storm. Therefore, as the pipe renewal work progresses the standard of stormwater protection will gradually increase across the city.

- Greater Wellington – The Regional Council is undertaking major Hutt River upgrading work between the Ava Rail Bridge and the Ewen Bridge. Council will undertake upgrading of stormwater outlets to the Hutt River alongside this project at a cost of \$350,000 in 2005/06.
- The Opahu Stream Pumping Station scheduled for completion in June 2006 at a cost of \$1.5 million, will reduce the flooding that occurs when high Hutt River water levels restrict the Opahu Stream's ability to discharge into the Hutt River.
- Upgrading projects for mitigating flooding hot spots throughout the city, including \$1.25m for Black Creek in Wainuiomata, will be considered.

#### **Levels of Service**

Intended levels of service are set out under the section entitled 'How we measure progress' (see page 100):

- Percentage of Hutt City residents who are satisfied with stormwater service
- The number of stormwater reticulation incidents per five kilometres of public stormwater drain which are reported to Council
- Programmes to maintain and improve current services are completed on time, to the required standard and within overall budget

These levels of service are subject to review. Further detailed measures are contained in the Asset Management Plan.

The capital expenditure is expected to trend upwards reflecting the age profile of the network and the additional assets required to close the service gaps.

#### **Assumptions, Uncertainties and Risk for Financial Estimates**

The financial programme for renewals is based on projections of useful lives and the replacement value of the system. For above ground assets, physical inspection can be carried out to ascertain the useful lives. Useful lives of underground assets are determined by a combination of physical inspection and condition modelling.

Significant errors in asset valuation could lead to the asset renewal programme being under- or over-funded. Significant errors in assessing useful lives of assets will impact on the timing of renewal works but not on the total renewal programme over the life cycle of the assets.

To minimise the risk, a quality assurance system is in place to ensure the accuracy of the asset register. In addition, asset valuations are carried out by independent valuers and are subject to audit.

Generally, the expected length of life of storm-water assets in Hutt City is consistent with the asset life length detailed in the International Asset Management Manual. But in some cases, adjustments have been made when experience shows that the remaining lives are shortened or extended by the local environment.

#### **Wastewater**

The wastewater activity primarily contributes to Community Outcomes:

- Clean air, water and land
- A local economy that is attractive to both businesses and residents
- A healthy balance between natural and built environments.

Through collecting, treating and disposing of wastewater, Council provides a service to residents and businesses which supports development in the city, and protects the physical environment and the health of the community.

Wastewater is collected by the local wastewater system (which consists of 562 km of pipes and 24 pump stations) and delivered to the Trunk Wastewater System.

This comprises 95 km of trunk pipes, 19 pump stations, two peak flow storage tanks, the wastewater plant at Seaview and the outfall at Pencarrow. The wastewater treatment plant at Seaview, commissioned in 2001, has produced significant improvements for the city environment.

Parts of the wastewater network, however, are still subject to overloading with inflow of stormwater and infiltration of groundwater during heavy rain. This can result in overflows of diluted wastewater from the system. These overflows can be detrimental from health, environment and social perspectives. They are also culturally unacceptable.

Council has a comprehensive strategy in place to reduce incidences of overflow from the system. This comprises:

- Reducing wet weather flows by reducing:
  - Infiltration in Council drains. There are ongoing programmes to replace every pipe in the city over the life cycle of the pipe.
  - Inflow and infiltration from private drains. Private drains are a significant contributor to wet weather overloading and community cooperation is required to resolve the issue.
- Providing additional capacity to convey higher flows.  
Additional pipes and pump capacity are to be considered for the Malone Road catchment in 2006/07 at a cost of \$470,000. These additional assets will help to minimise overflows from the Malone Road and Hinemoa Street catchments into the Waiwhetu Stream.
- Providing storage to accommodate wet weather loading.  
A 10,000 cubic metre storage tank will be built in Silverstream by June06 at a cost of approximately \$10 million. The storage tank will eliminate the Welcon Scour overflows into the Hutt River and minimise and improve the quality of overflows into the Hutt River.

#### **Levels of Service**

Intended levels of service are set out under the section entitled 'How we measure progress' (see page 94):

- Percentage of Hutt City residents who are satisfied with wastewater service
- The number of wastewater reticulation incidents per kilometre of pipeline which are reported to Council
- Seaview wastewater treatment facilities achieve compliance with relevant resource consent requirements
- Programmes to maintain and improve current services are completed on time, to required standards and within overall budget.

These levels of service are subject to review. Further detailed measures are contained in the Asset Management Plan.

Capital expenditure is expected to trend upwards reflecting the age profile of the network and the additional assets required to close the service gaps.

#### **Assumptions, Uncertainties and Risk for Financial Estimates**

The financial programme for renewals is based on projections of useful lives and the replacement value of the system. For above ground assets, physical inspection can be carried out to ascertain the useful lives. Useful lives of underground assets are determined by a combination of physical inspection and condition modelling.

Significant errors in asset valuation could lead to the asset renewal programme being under- or over-funded. Significant errors in assessing useful lives of assets will impact on the timing of renewal works but not on the total renewal programme over the life cycle of the assets.

To minimise the risk, a quality assurance system is in place to ensure the accuracy of the asset register. In addition, asset valuations are carried out by independent valuers and are subject to audit.

Generally the useful lives of assets are consistent with the International Asset Management Manual. But in some cases, adjustment had been made when experience shows that the remaining lives are shortened or extended by local conditions.



## MAJOR PROJECTS \$100,000 AND OVER

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
<b>Activity 2. Museums</b>										
Dowse Upgrade	\$3,750,000	\$750,000								
<b>Activity 4. Parks &amp; Reserves</b>										
Walter Nash Stadium Upgrade	\$500,000									
Hutt Park Development	\$700,000	\$500,000	\$500,000							
Korohiwa Landscaping	\$500,000									
Memorial Park Grandstand	\$455,000									
Percy's Scenic Reserve	\$150,000									
Playground Upgrade	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000
Avalon Park Redevelopment						\$100,000	\$100,000			
Lowry Bay Reclamation (Whiorau Reserve)		\$150,000								
Sports grounds Buildings Maintenance	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
New Cemetery Development				\$1,000,000	\$1,000,000					
Petone Hockey Facility		\$100,000								
Petone Entrance Upgrade						\$100,000	\$100,000			
Wainuiomata Garden of Remembrance				\$120,000						
Naenae Park Pavilion Redevelopment				\$120,000						
<b>Activity 6. Community Property</b>										
Commercial Property Modernisation				\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
<b>Activity 7. Roading and Traffic</b>										
Hutt Rd/Railway Ave/Parliament St intersection improvements			\$250,000							
Traffic Safety Improvement	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Jackson St upgrade	\$250,000									
Woburn Rd/HVHS traffic signals	\$170,000									
Residential road lighting ongoing upgrade programme	\$160,000	\$160,000								
Sub-standard road upgrading ongoing programme	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Hutt Rd/Railway Ave/gateway improvements			\$100,000							
Days Bay signalised crossing						\$200,000				
Waitako/Waterloo interchange improvement						\$145,000				

## MAJOR PROJECTS \$100,000 AND OVER

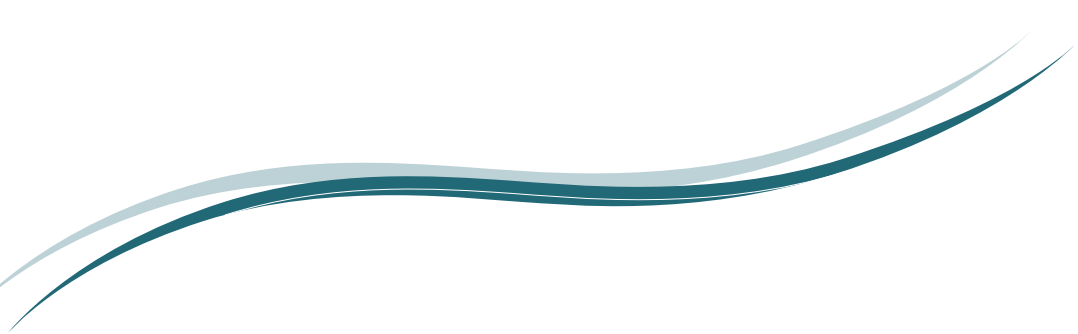
	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
<b>Activity 8. Water Supply</b>										
Petone Hutt Link mains								\$200,000		
Hutt Road/Western Hutt Road link		\$150,000								
Gracefield Reservoir – Structural Upgrade	\$400,000									
Naenae Reservoir – Seismic Upgrade		\$250,000								
Reservoir Seismic Upgrade – (General)			\$400,000							
Kelson/Fairway Link Main					\$250,000					
Sweetacres Reservoir						\$700,000				
Normandale Reservoir upgrade – site works										\$300,000
Normandale Reservoir upgrade – desgn/consents									\$130,000	
<b>Activity 9. Wastewater</b>										
Trunk Wastewater DBO Project management and administration	\$130,000	\$130,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
Trunk Wastewater DBO Excess flow management	\$6,190,000	\$120,000								
Trunk Wastewater DBO Type B network development	\$990,000	\$625,000	\$350,000	\$850,000	\$400,000	\$400,000	\$400,000	\$50,000	\$100,000	\$500,000
Trunk Wastewater DBO Type A network development	\$300,000	\$430,000	\$200,000	\$200,000	\$50,000		\$50,000		\$50,000	\$100,000
MOS Boost pump station								\$8,000,000		
General local network improvements works				\$300,000	\$150,000	\$250,000	\$250,000	\$200,000	\$200,000	\$100,000
Malone Rd capacity improvement		\$470,000								

## MAJOR PROJECTS \$100,000 AND OVER

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
<b>Activity 10. Stormwater</b>										
Stormwater improvements – project priority yet to be determined		\$1,480,000	\$2,640,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
Petone Esplanade							\$350,000			
Hutt River Floodplan	\$350,000	\$150,000	\$150,000	\$250,000	\$250,000	\$250,000	\$250,000		\$250,000	
Rutherford Street						\$850,000				
Black Creek Wainuiomata Stormwater Improvements channel upgrading	\$1,250,000	\$1,000,000								
Opahu Stream pumping station construction	\$1,500,000									
Hutt River backflow electrical					\$200,000	\$200,000		\$200,000		
Jackson Street stormwater new main between Te Puni and Victoria Streets	\$280,000									
Pukatea St mitigation of flooding on private properties	\$200,000									
Jackson Street stormwater new main between Beach and Victoria Streets		\$380,000								
Awamutu Stream Channel upgrade in York Street area		\$185,000	\$190,000			\$1,000,000	\$350,000			
Waiwhetu Stream Flood Study	\$40,000	\$60,000								
Percy Cameron St mitigation of flooding on private properties			\$350,000							
<b>Activity 11. Solid Waste</b>										
Silverstream Landfill Stage 1; Resource Consent works	\$100,000		\$100,000							
Silverstream Landfill Stage 1; Closure costs	\$100,000	\$100,000	\$100,000							
Silverstream Landfill Stage 2; Design and Construction costs	\$3,500,000	\$5,200,000	\$2,300,000	\$700,000	\$220,000	\$700,000	\$175,000	\$700,000	\$175,000	\$530,000
Wainuomata Landfill Resource Consent works		\$100,000	\$50,000		\$100,000		\$100,000	\$100,000	\$100,000	

**MAJOR PROJECTS \$100,000 AND OVER**

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
<b>Activity 14. Local Urban Design</b>										
CBD Master plan	\$500,000	\$1,000,000								
Suburban shopping centres improvements	\$250,000	\$200,000	\$200,000	\$200,000	\$200,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
<b>Activity 15. Economic Development</b>										
Development of Wingate Industrial Area	\$150,000									
Seaview/Gracefield developments		\$100,000	\$100,000							
<b>Activity 18. Managing Services</b>										
Core business application enhancement	\$140,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Electronic document management	\$200,000		\$100,000							
Online service development		\$100,000	\$100,000							





*Water and Sanitary  
Services Assessments*



# Water and Sanitary Services Assessment

All territorial authorities are required to carry out assessments of Water and Sanitary Services under Part 7 of the Local Government Act 2002. The primary purpose of an assessment of sanitary services is to ensure that public health is adequately protected. The legislative requirement reflects concerns expressed by government agencies in recent years that in some parts of New Zealand little thought has been given to the ability to provide water and sanitary services of an acceptable standard sustainably into the future.

Although much of the information required to be included in assessments is already contained in asset management plans and other documents and systems, the Local Government Act 2002 requires that this information is brought together in a form suitable for consideration by elected members of Councils and by their communities. The Hutt City Council assessments of Water and Sanitary Services are summarised below, with a full assessment for each service available from Council on 570 6666.

Assessments have been prepared for the following water services:

- Water Supply
- Wastewater
- Stormwater

The following sanitary services assessments are also included:

- Cemeteries and Crematoria
- Solid Waste
- Public Toilets

## Water Supply Assessment

Urban areas of Hutt City are serviced by a reticulated water supply system comprising approximately 685 km of pipes, 25 water storage reservoirs and 13 pumping stations. This system distributes water purchased from the Greater Wellington Regional Council to homes and businesses across the City.

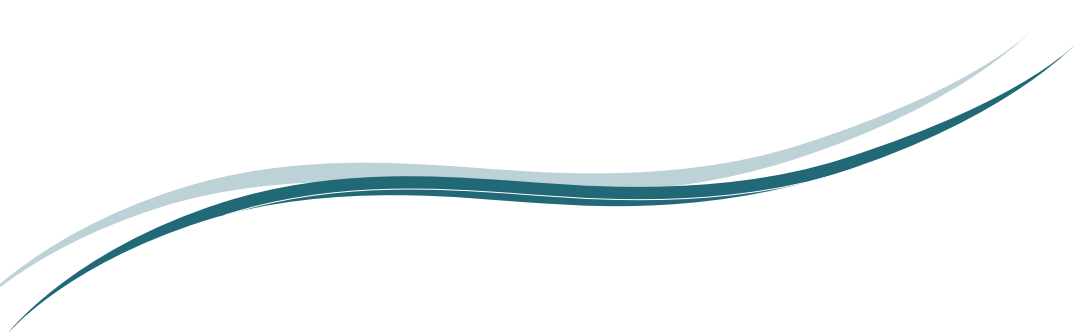
The table below shows the source of water supply to urban areas of Hutt City.

Area of Supply	Source of Water	Is Chlorine usually added?	Is Fluoride added?
Hutt Valley and Eastbourne (excluding Petone, Korokoro, Stokes Valley, Manor Park and Haywards)	Hutt Valley Artesian System	No	Yes
Petone, Korokoro	Hutt Valley Artesian System	No	No
Stokes Valley, Manor Park, Haywards	Te Marua (Headwaters of Hutt River)	Yes	Yes
Wainuiomata	Wainuiomata (Headwaters of Wainuiomata and Orongoronga Rivers)	Yes	Yes

The reticulated water supply in Hutt City is graded Bb (B for the bulk supply and b for the water distribution) by the Ministry of Health. This grading indicates that the Ministry of Health assesses the Hutt City Council water supply as being “*satisfactory, low level of risk*”. It is probable that an Aa grading (“*completely satisfactory, very low level of risk*”) or an A1a grading (“*completely satisfactory, negligible level of risk, demonstrably high quality*”) would be achieved if chlorine was added to the artesian water supply.

In addition to the reticulated water supply, Hutt City Council provides a supply of untreated artesian water extracted directly from the aquifer, which is available to the community from “Te Puna Wai Ora”, an artesian water facility and sculpture situated in the business area of Petone.





The majority of properties in rural areas obtain their water supplies from roofwater runoff or from streams on their properties, although there are a small number of rural/residential areas that have a limited (not meeting normal urban standards for pressure and flow) water supply from the reticulated water supply system as an alternative to roofwater or stream supplies.

Year round inflows can be expected into private water supplies on account of the temperate climate in Hutt City although shortages can still occur over summer months depending on weather patterns and the amount of water storage built into each system. Most rural parts of Hutt City are within 15 minutes driving time of the reticulated Hutt City water supply system and tanker services are available which can provide water into private systems if shortages occur.

The quality of water in private water supplies depends on the quality of the source water, the design of the water supply system including treatment systems and the way the water supply system is maintained and operated. These factors vary between individual systems. Risks can be managed to acceptable levels in well designed, maintained and operated private water supplies. There is no known history of significant health problems associated with private water supplies in Hutt City.

**Future Demand**

There is not expected to be a significant change in water consumption in Hutt City over the next 20 years unless measures such as water metering are introduced.

**Key Issues and Hutt City Council Proposals**

Issues associated with the water supply to the different communities in Hutt City have been identified in terms of their potential to compromise the achievement of health and environmental aspects of Hutt City Community Outcomes.

Issue	Hutt City Council Proposal
<p><b>Non-Chlorination of Artesian Water Supply</b></p> <p>The artesian water supply in Hutt City is not chlorinated. This means that there is no disinfecting agent in the water to counteract contaminants that may enter the water system. It also means that the water is free from the odour and taste of chlorine and from chlorine by-products.</p> <p>The Hutt City artesian water supply system is managed to high standards, which recognise that although the likelihood of contamination of the Hutt City water supply system is lower than for most other public water supplies, the potential consequences of contamination are greater than for chlorinated water supplies.</p> <p>Despite a history of satisfactory performance there remains a higher risk associated with the Hutt Valley artesian water supply (with respect to the consequences of contamination of the water) than for chlorinated water supplies. This is reflected in the Bb grading by the Ministry of Health for the Hutt Valley artesian water supply. It is likely that an Aa or A1a grading could be achieved if the supply was chlorinated.</p>	<p>That Hutt City Council carries out a process of consultation to inform the community of the risks associated with the non-chlorination of the public water supply and to obtain community views on:</p> <ul style="list-style-type: none"> <li>• Acceptance of a higher level of risk and retention of an unchlorinated artesian water supply; or</li> <li>• Rejection of a higher level of risk and acceptance of chlorination of the artesian water supply.</li> </ul>

<p>The level of community awareness of the low level of the risk associated with the current unchlorinated water supply is uncertain and community acceptance or otherwise of this risk has not been determined.</p>	
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Issue	Hutt City Council Proposal
<p><b>Non Fluoridation of Petone Water Supply</b>            Fluoride is added to most public water supplies in New Zealand as a dental health measure. It is not necessary to add fluoride in order to produce water suitable for consumption. The water supply system is simply used as a means of distributing fluoride efficiently and cost effectively to communities. Fluoridation of water supplies is therefore not a water supply issue but a public health issue.</p>	<p>The possible fluoridation of the Petone water supply was the subject of an extensive public consultation process with the Petone Community. This process showed that there was a strong preference for the retention of the unfluoridated water supply that Petone has received (with some temporary short-term interruptions) since a reticulated water supply was first provided. No further action is proposed.</p>

<p><b>Level of Security of Bulk Water Supply Against Water Shortages</b>            The current level of security (1 in 50 year drought) against bulk water shortages could be eroded by growth in the demand for water. Although significant growth in Hutt City is not expected over the next 20 years recent growth over the wider Wellington region has exceeded projections. This is likely to necessitate either:</p> <ul style="list-style-type: none"> <li>• the construction of additional bulk water supply infrastructure (with a possible increase in bulk water costs to Hutt City); or</li> <li>• a reduction in the average per capita water consumption from the public water supply if the current level of security of supply is to be maintained.</li> </ul> <p>The Councils in the Wellington metropolitan area are working towards a combined approach to reducing water consumption in the Wellington area as an alternative to expansion of the bulk water system.</p>	<p>That a cooperative approach between the Councils in the Wellington area to reducing average water consumption as an alternative to expansion of the bulk water system be supported.</p>
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<p><b>Heavy Metals Leaching out of Plumbing</b> Some plumbing fittings contain heavy metals such as lead, which can be leached into the water supply.</p>	<p>This issue is not confined to Hutt City. It is proposed that Hutt City Council request the Ministry of Health produce material to inform communities in New Zealand of this risk, of the advantages of not using the “first flush” of water for consumption and to consider limits on some metal levels in fittings for potable (drinking water) plumbing.</p>
<p><b>Eastbourne – Security of Supply</b> The water supply to Eastbourne flows in a southwards direction from Point Howard through two pipelines in Marine Drive (one of which will need to be decommissioned in the future). In the event of a failure of these pipelines the water supply to Eastbourne south of the point of any failure will be immediately disrupted due to an inability for Eastbourne to be supplied from an alternative source.</p>	<p>Commence investigations into the need for a reservoir at the southern end of the Eastbourne to improve the security of the water supply to Eastbourne.</p>

Issue	Hutt City Council Proposal
<p><b>Silverstream Bulk Water Supply Pipeline</b> The main bulk water supply pipeline from the Te Marua Treatment Plant passes over the Silverstream Road Bridge and may be vulnerable in a major earthquake or major flood in the Hutt River. This would shut off the bulk water supply to Manor Park and Haywards (and the primary supply to Porirua City and much of Wellington City).</p>	<p>The Greater Wellington Regional Council has carried out investigations into the security of this pipeline and into alternatives. Security of this pipeline will be improved as part of the proposed replacement of the Silverstream Bridge.</p>
<p><b>Private Water Supplies</b> Most private water supplies are sourced from roof water runoff or from streams. A degree of contamination of water from these sources is inevitable. Contaminants may also be able to enter on-site water storage tank(s). Private water supply systems may not incorporate treatment capable of removing or mitigating the effects of contaminants that are likely to enter the water supply and may not have water quality testing programmes, planned maintenance programmes or keep system records.</p>	<p>That Hutt City Council provides information on the risks associated with on site water supplies and how these can be managed and that this information is developed in association with health authorities.</p> <p>That Hutt City Council develops guidelines for new on-site water supply installations.</p>

<p><b>Information on Private Water Supply Systems</b> Information on private water supplies for individual properties is limited.</p>	<p>That Hutt City Council establishes a database of private water supply systems in Hutt City and carries out inspections of a proportion of on-site water supplies as part of maintaining this database.</p>
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### Roles of Hutt City Council – Public Water Supply

Hutt City Council is responsible for ensuring the public water supply in Hutt City is managed in a way that contributes towards the achievement of community outcomes for the City. This involves:

- Setting standards to be achieved in the provision of the water supply.
- Setting water supply policy.
- Managing the interface with consumers.
- Monitoring the performance of the water supply activity.
- Advocating to and working with the Greater Wellington Regional Council to ensure that the bulk water supply to Hutt City meets the requirements of the community.
- Managing the interface with Capacity – the Hutt City Council and Wellington City Council jointly owned water management entity.
- Approving budgets for the water supply activity including the setting of water supply charges through the Annual Plan process.
- Carrying out an assessment of water supply in Hutt City as required by the Local Government Act 2002.

Capacity is responsible to Hutt City Council for:

- Making recommendations on standards and policy.
- Managing the water supply system through the asset management plan process to achieve required outcomes.
- Ensuring risks are identified and managed within acceptable limits.
- Managing the maintenance and operation of the water supply system.
- Developing and implementing programmes for the progressive replacement of the water supply system.

- Developing and implementing programmes to upgrade and extend the water supply system to meet future demand.
- Ensuring new water supply infrastructure is designed and constructed to required standards.
- Monitoring the performance of the water supply activity including the quality of water supplied.

### Roles of Hutt City Council – Private Water Supplies

The roles of Hutt City Council with respect to private water supplies reflect that both private and public water supplies contribute towards the achievement of Community Outcomes.

- Advisory – Providing advice to property owners on risks associated with on site water supplies and on the management of on site water supply systems. (Note that this role is not mandatory but is recommended reflecting the customer focus of Hutt City Council).
- Regulatory – Setting requirements for servicing of new developments including requirements for on site water supplies and managing compliance with New Zealand Building Code Requirements for Water Supply.
- Assessments – Carrying out an assessment of groupings of private water supplies as part of a wider assessment of water supply in Hutt City as required by the Local Government Act 2002.
- Partial Service Provider – Providing water supply for tankers to enable on site water supplies to be replenished.

### Wastewater Assessment

Urban areas of Hutt City are serviced by a reticulated wastewater system that is intended to provide for the effective and reliable disposal of domestic and industrial wastewater from residential properties and the business community.

The local wastewater reticulation to which each serviced property is connected comprises a network of approximately 559km of relatively small diameter pipes (typically 150mm to 225mm in diameter). The local wastewater reticulation discharges into a system of 94 km of trunk sewers (ranging up to 1350mm in diameter) which convey wastewater to the treatment plant at Seaview.

Most wastewater pipelines operate by gravity drainage (they run downhill) although there are 41 pumping stations which pump wastewater to higher levels when gravity drainage is not practical.

The trunk wastewater system services both Hutt City and Upper Hutt City. Wastewater from reticulated areas of Hutt City and Upper Hutt City is treated at the Seaview Wastewater Treatment Plant. An 18km long 1350mm diameter pressurised pipeline conveys disinfected effluent from the Seaview Treatment Plant to an outfall at Pencarrow Head a short distance beyond the eastern entrance to Wellington Harbour.

A byproduct of the treatment process is biosolids, which are the stabilised material extracted from the wastewater during the treatment process. The biosolids produced by the Seaview Treatment Plant are dried before being disposed of by landfilling.

The flow through the treatment plant is approximately 52,000 cubic metres per day averaged over the entire year or approximately 40,000 cubic metres per day during dry weather.

The following table summarises the characteristics of the untreated wastewater and of the effluent from the Seaview Treatment Plant.

	Untreated Wastewater*	Treated Effluent from Treatment Plant*	Resource Consent Limit for Treated Effluent
CBOD5 (g/m3) (Carbonaceous Biochemical Oxygen Demand over 5 days – a measure of the potential for carbonaceous material in the wastewater to deplete levels of dissolved oxygen)	192	8	50
Suspended solids (g/m3) (A measure of the level of finely suspended material)	231	18	50

Faecal coliforms (cfu/100ml) (A measure of levels of bacteria originating from the gut of animals including humans)	1,000,000	284	1,000
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\* Average Values over the period October 2002 – March 2004

Wastewater from properties in rural areas of Hutt City is generally disposed of by means of conventional septic tanks and on-site effluent disposal fields. Solids that accumulate in septic tanks must be removed periodically and disposed of. A septic tank cleaning service is provided by several companies and usually involved pumping the contents of the septic tank into a tanker for subsequent controlled disposal into the Hutt City wastewater system.

The adequacy of on-site disposal systems depends on their initial design and construction, the ability of effluent disposal fields to accommodate the volumes of effluent discharged and the ongoing maintenance and operation of the systems. These factors vary between individual systems. Environmental and health risks can be managed to acceptable levels in on-site wastewater systems that are designed, constructed, operated and maintained to appropriate standards.

There is no known history of significant health or environmental problems associated with the remaining private on-site wastewater systems in Hutt City although further environmental monitoring is recommended.

#### Future Demand

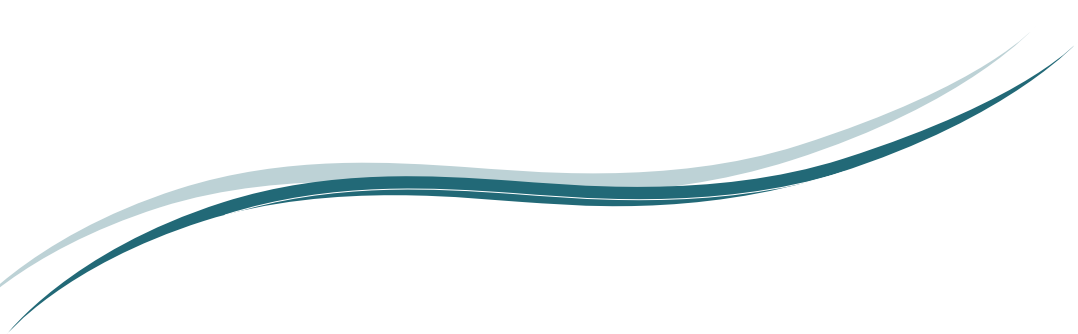
According to Statistics New Zealand forecasts there is not expected to be significant population growth in Hutt City or Upper Hutt City over the next 20 years. Demand projections estimate a slight reduction in total wastewater volumes over the next 20 years, mainly as a result of programmes to reduce the entry of stormwater into the wastewater system. There are strategies in place to accommodate the additional wastewater that would be generated if significant growth does occur.

#### Key Issues and Hutt City Council Proposals

Issues associated with wastewater disposal from the different communities in Hutt City have been identified in terms of their potential to compromise the achievement of health and environmental aspects of Community Outcomes for Hutt City.

Issue	Hutt City Council Proposal
<p><b>Future Effluent Disposal from the Seaview Treatment Plant</b></p> <p>The Main Outfall Sewer that conveys effluent from the Seaview Treatment Plant to the outfall to the ocean at Pencarrow Head has an estimated remaining life of the order of twenty years. Either rehabilitation of the pipeline or an alternative means of effluent disposal (which could be a replacement pipeline) will be necessary.</p> <p>Treated and disinfected effluent is discharged at Pencarrow Head from an outfall located near the shoreline. The effects of the effluent discharge are being monitored. Any adverse effects may influence a decision on future effluent disposal.</p>	<p>Investigations, consultations and preparation for a new Resource Consent application for the future disposal of effluent from the Seaview Treatment Plant are in progress.</p>

<p><b>Wastewater Overflows to the Waiwhetu Stream</b></p> <p>There are wastewater discharges to the Waiwhetu Stream during heavy rainfall due to excessive stormwater entry to the wastewater system in the Leighton Avenue area.</p>	<p>To continue implementation of a comprehensive strategy of integrated measures to reduce the wet weather loading on the wastewater system to acceptable levels. This strategy includes:</p> <ul style="list-style-type: none"> <li>• Reducing direct discharges of stormwater to the wastewater system through inflow reduction programmes.</li> <li>• Programmes for the replacement of defective public drains.</li> <li>• Development of a policy on the replacement of private drains identified as not meeting required standards.</li> <li>• Provision of storage for peak wet weather flows.</li> <li>• Provision of additional system capacity to reduce localised constrictions in the wastewater system (taking account of effects of the additional flows on the wastewater system downstream).</li> </ul>
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Issue	Hutt City Council Proposal
<p><b>Wet Weather Overloading of the Wastewater System</b></p> <p>Problems are also experienced with overloading of the wastewater system in other areas of the city than the Leighton Avenue area due to excessive stormwater entry to the wastewater system during heavy or prolonged rainfall. At other times the wastewater system in these areas generally operates very well. Areas where high wet weather flows are a particular problem include Wainuiomata, Stokes Valley, Naenae and to a lesser extent parts of Eastbourne, Hutt Central and the Western Hills.</p>	<p>It is not possible for all areas where high wet weather flows occur to be addressed simultaneously. The recent priority has been the Leighton Avenue area. It is proposed that a wastewater overflow management plan for Hutt City be developed identifying indicative performance targets, strategies, timeframes and costs for addressing wet weather overloading in different parts of the city. It is also proposed that investigations into sources of excessive wet weather wastewater flows continue as an input to a citywide wastewater overflow management plan.</p>
<p><b>Coliform Levels – South End of Eastbourne</b></p> <p>Relatively high coliform levels have been recorded in the sea in the vicinity of a property at the end of Eastbourne that retains a septic tank for wastewater disposal.</p>	<p>It is proposed to carry out further investigations into possible links between the septic tank and coliform levels; and investigate the possibility of providing a reticulated wastewater connection to this property in conjunction with any alterations to the wastewater infrastructure as part of the proposed redevelopment of the Korohiwa area.</p>

<p><b>On-Site Wastewater Disposal Systems</b></p> <p>The inadequate design, operation and/or maintenance of on-site wastewater disposal systems can lead to health and environmental problems.</p>	<p>Hutt City Council has commenced the preparation of a database of on-site wastewater disposal systems in the city. It is proposed that this be aligned with a similar regional database being prepared by the Greater Wellington Regional Council.</p> <p>It is further proposed that a programme to monitor health and environmental effects of on-site wastewater disposal in Hutt City be developed in conjunction with the Greater Wellington Regional Council. This programme would include site inspections of a proportion of on-site wastewater systems.</p>
<p><b>Wet Weather Discharges from the Western Hills Trunk Sewer</b></p> <p>High wet weather flows from Upper Hutt and to a lesser extent from Stokes Valley can cause overloading of the Western Hills trunk sewer and downstream infrastructure leading to overflows to the Hutt River south of Manor Park.</p>	<p>Plans are well advanced for the construction of wet weather peak flow storage facility at Silverstream. This \$10 million facility scheduled for completion by June 2006 is intended to reduce overflows from the Western Hills trunk sewer to an average of once per year.</p>

### Roles of Hutt City Council – Public Wastewater System

Hutt City Council is responsible for ensuring the public wastewater system is managed in a way that contributes towards the achievement of community outcomes for the city. This involves:

- Setting standards to be achieved in the management of wastewater disposal.
- Setting wastewater policy.
- Public education on wastewater management issues.
- Managing the interface with the community.
- Monitoring the environmental effects of wastewater (and effluent) discharges.
- Managing the interface with Upper Hutt City Council through the Hutt Valley Services Committee.
- Managing the interface with Capacity – the Hutt City Council and Wellington City Council jointly owned water management entity.
- Approving budgets for the wastewater activity through the Annual Plan process.
- Monitoring the performance of the wastewater activity.
- Carrying out an assessment of wastewater management in Hutt City as required by the Local Government Act 2002.

Capacity is responsible to Hutt City Council for:

- Making recommendations on standards and policy.
- Managing the wastewater system through the asset management plan process to achieve required outcomes.
- Ensuring risks are identified and managed within acceptable limits.
- Managing the maintenance and operation of the wastewater system.
- Developing and implementing programmes for the progressive replacement of parts of the wastewater system as they reach the end of their useful life.
- Developing and implementing programmes to upgrade and extend the wastewater system as required to meet future demand.
- Ensuring new wastewater infrastructure is designed and constructed to required standards.
- Monitoring performance as an input to the monitoring of the wastewater activity by Hutt City Council.

### Roles of Hutt City Council – Private Wastewater Systems

The roles of Hutt City Council with respect to private wastewater systems reflect that both private and public wastewater systems contribute towards the achievement of Community Outcomes.

- Advisory – Providing advice to property owners on risks associated with septic tank systems and on the operation and management of septic tank systems.
- Regulatory – Setting requirements for servicing of new developments including verifying compliance of new installations with required standards (normally AS/NZS 1547:2000).
- Monitoring – Maintaining records of septic tank systems and monitoring health and environmental issues associated with groupings of these systems.
- Assessments – Carrying out an assessment of groupings of private wastewater systems as part of a wider assessment of wastewater management in Hutt City as required by the Local Government Act 2002.
- Possible Future Service Provider – Monitoring development in areas serviced by septic tanks and the performance of groupings of on site wastewater systems to determine if and when reticulated wastewater systems may be appropriate.

### Stormwater Assessment

Residential properties and the business community in developed areas of Hutt City are serviced by a reticulated stormwater system comprising approximately 515 km of stormwater pipes, 10,700 manholes, 5 retention dams and 9 pumping stations which convey stormwater to receiving watercourses. The stormwater pipelines in the Hutt City system range in size from 100mm to 1800mm in diameter with 65% of the pipes being between 225mm and 450mm in diameter.

Most of the Hutt City stormwater reticulation operates by gravity drainage. This means that the pipes run downhill and are not intended to operate under pressure. The nine stormwater pumping stations provide drainage from localised low-lying areas when gravity drainage is not effective.

The Greater Wellington Regional Council is responsible for managing the major watercourses throughout the Wellington region including the Hutt River, the Wainuiomata River, the Waiwhetu Stream (from below Naenae) and the lower section of the Stokes Valley stream. The majority of stormwater from Hutt City discharges into these watercourses.



Every stormwater pipe and channel has a finite capacity. Most of the stormwater pipelines in Hutt City were designed to accommodate rainfall with a 20% chance of occurring annually (a 5-year average return period). It is not practical to provide stormwater drains that can accommodate all foreseeable rainfall and the risk of blockages in stormwater systems cannot be eliminated. Stormwater systems in “greenfields” developments are now required to comprise both a primary system consisting of pipes and open channels intended to cater for more frequent rainfall events and a secondary system to cater for higher intensity rainfall events. The secondary system consists of overland floodpaths, which convey floodwaters, safely when the primary system is unable to cope. New stormwater pipelines are now designed to accommodate rainfall with an average return period between 10 years (10% chance of occurring annually) and 50 years (2% chance of occurring annually) depending on the risk in specific situations.

It is expected that changing rainfall patterns will continue to be reflected in an increase in the frequency of severe rainstorms that exceed the original design capacity of the stormwater system. Stormwater systems in Hutt City are now designed to accommodate more intense rainfall to reflect climate change.

In rural areas of Hutt City stormwater runoff from roof areas is often diverted to storage tanks as a source of water for on-site water supply systems. Stormwater not used for water supply purposes is generally disposed of to land or to watercourses.

The quality of stormwater is highly variable. Stormwater runoff and in particular the “first flush” of stormwater runoff following a dry period often contains many contaminants. These can include sediments, oils, greases, metals and organic material washed from roads and other impervious areas together with rubbish and contaminants illegally discharged into the stormwater system. Contamination of stormwater can also arise from overflows from the wastewater system (generally due to wet weather overloading of the wastewater system – see wastewater assessment).

Many contaminants entering the stormwater system are subsequently discharged to watercourses. There is expected to be a greater focus on the effects of stormwater discharges on watercourses and on ways that these effects can practically be reduced.

The quality of water at popular swimming beaches in the city is monitored. This monitoring indicates that beach water is usually of a good standard that is suitable for swimming although water quality usually falls for a period following heavy rainfall.

**Future Demand**

Development in the city is not expected to be of a scale which will substantially increase stormwater runoff overall although it may be significant in localised areas. The focus of stormwater management in the future is likely to shift away from simply providing pipes to convey stormwater and towards the development of an integrated range of measures to manage the potentially adverse effects of stormwater runoff including flooding, environmental degradation and pollution.

**Key Issues and Hutt City Council Proposals**

Issues associated with stormwater management in the different communities in Hutt City have been identified in terms of their potential to compromise the achievement of health and environmental aspects of Hutt City Community Outcomes.

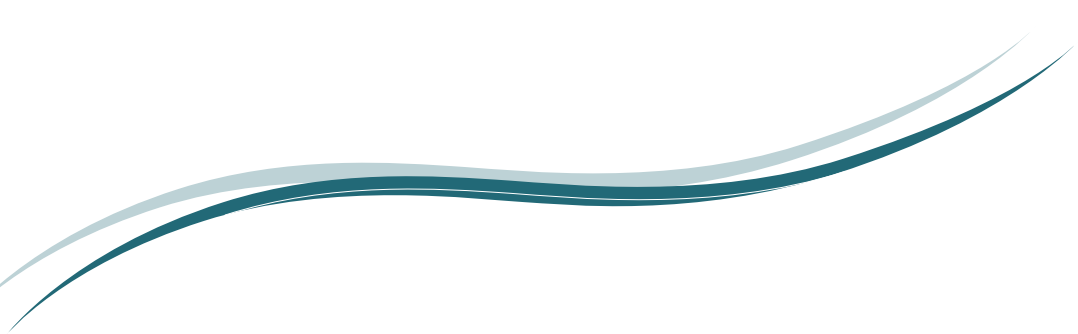
Issue	Hutt City Council Proposal
<p><b>Managing Adverse Effects of Stormwater Runoff</b></p> <p>Flooding due to overloading of the stormwater system.</p> <p>Climate change eroding the level of protection against flooding provided by the stormwater system.</p> <p>Degradation of watercourses due to contaminated stormwater runoff.</p>	<p>Hutt City has adopted a range of measures in response to these issues. With the flooding that has occurred in recent years the point has now been reached where it is proposed that these measures and additional measures that may be appropriate are formalised in a comprehensive stormwater strategy for Hutt City. This would be developed with input from and as a basis for consultation with the community and would enable the approach to stormwater management adopted by Hutt City Council to be more clearly communicated to the community.</p>

	The strategy would include environmental as well as flood related aspects of stormwater management. It is proposed that the development of a comprehensive stormwater strategy for Hutt City be commenced in the 2005/2006 year.
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Issue	Hutt City Council Proposal
<p><b>Adequacy of Black Stream Channel – Wainuiomata</b> Overtopping of the Black Creek Channel during severe rainfall.</p>	Hutt City Council has completed a hydraulic study of the Black Stream as a basis for a programme of major upgrading which will substantially decrease the flood risk associated with this channel. The physical works will be spread over several years with major works planned to commence in 2005.
<p><b>Secondary Floodpaths</b> Lack of secondary floodpaths to convey floodwater safely when the primary stormwater system is blocked or overloaded.</p>	It is proposed to continue to require the provision of secondary stormwater floodpaths in new (greenfields) developments to safely convey floodwater when the stormwater pipes are overloaded. Providing secondary stormwater floodpaths is often not possible in well-developed areas although they are provided where they are reasonable practical. The capacity provided in new pipes will reflect the adequacy of secondary floodpaths. It is proposed that the provision of stormwater floodpaths will be incorporated in a stormwater strategy for the city.

<p><b>Obstruction of Stormwater Outlets on Beaches</b> A build-up in beach levels may restrict the ability of stormwater outlets to discharge.</p>	It is proposed to continue to improve stormwater outlets on beaches where practical. This is determined on a case by case basis. It is also proposed that the approach taken to stormwater outlets will be set out in a stormwater strategy for the city.
<p><b>Overtopping and Maintenance of Private Streams</b> Overflows from private streams and accumulation of debris following severe storms.</p>	It is proposed to continue to investigate measures such as the provision of secondary stormwater floodpaths and the provision of peak flow bypasses to reduce the flood risk associated with private streams. The practicality of these measures must be determined on a case by case basis. It is further proposed that the management of private watercourses including responsibilities of the various parties will be formalised in a stormwater strategy for the city.

Issue	Hutt City Council Proposal
<p><b>Stormwater Capacity in Areas of Stokes Valley</b> The capacity of some of the main stormwater pipelines which convey stormwater from areas of Stokes Valley to the Stokes Valley stream is less than desirable leading to backing up and overflowing of stormwater drains during severe rainfall. The issue is compounded by a lack of secondary floodpaths.</p>	It is proposed that the provision of new main stormwater pipelines in areas where repeated problems have been experienced will be investigated as an option in a stormwater strategy for Hutt City.



<p><b>State Highway 2 Obstructing Overland Flow of Floodwater</b> There are several low lying areas between State Highway 2 and the base of the Western Hills where floodwater may be trapped behind the State Highway.</p>	<p>It is proposed that a detailed assessment of the level of risk in low lying areas between SH2 and the Western Hills be carried out and options to mitigate any significant risks be identified. It is proposed that the assessment be incorporated into a comprehensive stormwater strategy for Hutt City.</p>
<p><b>High Flood Water Levels in the Awamutu Stream</b> Flooding has been experienced due to high water levels in the Awamutu Stream.</p>	<p>Water levels in the Awamutu Stream depend significantly on levels in the Waiwhetu Stream. It is proposed to further investigate the upgrading of the Awamutu Stream channel and options for lowering downstream water levels as part of the modelling of the Awamutu and Waiwhetu Streams which is currently in progress. The outcome of the investigation is proposed to be incorporated in a stormwater strategy for Hutt City.</p>

<p><b>High Floodwater Levels in the Waiwhetu Stream</b> Flooding has been experienced due to high water levels in the Waiwhetu Stream.</p>	<p>The Greater Wellington Regional Council, which is responsible for the majority of the Waiwhetu Stream, has commenced investigations into the flood risk associated with the Waiwhetu Stream.</p> <p>It is proposed that Hutt City Council continue investigations into options beyond the Waiwhetu Stream corridor for mitigating the effects of high levels in the Waiwhetu Stream and that the outcomes of both investigations to be incorporated in a stormwater strategy for Hutt City.</p>
<p><b>Flooding From the Hutt River</b> The Hutt River represents the major flood risk to the Hutt Valley. Failure of the Hutt River flood defences would lead to major flooding in the Hutt Valley.</p>	<p>The flood risk associated with the possible failure of the Hutt River flood defences is being addressed through an \$80m programme of works being implemented by the Greater Wellington Regional Council.</p>

Issue	Hutt City Council Proposal
<p><b>Backflows from the Hutt River</b> A backflow of the Hutt River up the stormwater system causing could cause significant flooding.</p>	<p>Additional backflow protection has been provided on several critical stormwater outlets to the Hutt River. It is proposed that an assessment of risks associated with the possibility of backflows through stormwater drains be carried out as a basis for establishment of defined criteria/policy on backflow protection and that the outcome is incorporated into a comprehensive stormwater strategy for Hutt City.</p>
<p><b>Flooding in the Hutt River Coinciding With Heavy Rainfall in the Hutt Valley</b> Floodgates on stormwater outlets to the Hutt River will be closed when the Hutt River is in flood. Stormwater is unable to discharge at these times (except for some localised areas provided with pumping stations). The backup of stormwater may be significant and lead to flooding if there is heavy rainfall in the Hutt Valley when the outlets are closed.</p>	<p>It is proposed that an assessment of risks associated with the closure of floodgates preventing stormwater outflow be carried out as basis for establishment of defined criteria/policy on backflow protection and that the outcome is incorporated into a comprehensive stormwater strategy for Hutt City.</p>

<p><b>High Flood Levels in the Opahu Stream</b> High flood levels in the Opahu Stream can lead to flooding in adjacent areas.</p>	<p>Major works have substantially increased the capacity of the Opahu Stream. A major pumping station on the outlet from the stream to the Hutt River is to be constructed in 2005/2006. It is proposed that the remaining flood risk associated with the Opahu Stream channel be investigated as a basis for possible inclusion in a stormwater strategy for Hutt City.</p>
<p><b>Overland Flows in Rural Areas</b> Problems have been experienced with overland flows of floodwater resulting from the overtopping of the Wainuiomata Stream.</p>	<p>Investigations into measures to alleviate this problem have identified a combination of remedial measures that are being implemented. During heavy rainfall stormwater runoff in rural areas will follow natural flowpaths which may include overland flows. It is proposed that flowpaths in rural areas during severe rainfall be required to be identified and documented on plans as part of development proposals. This will assist the determination of measures necessary to ensure that acceptable levels of protection against the flooding of buildings are achieved.</p>

### Roles of Hutt City Council – Stormwater Management

Hutt City Council is responsible for ensuring that the effects of stormwater runoff are managed in a way that contributes towards the achievement of community outcomes for the city. This involves:

- Setting standards to be achieved in the management of stormwater runoff.
- Setting the stormwater policy.
- Public education on stormwater management issues.
- Managing the interface with the community.
- Monitoring the environmental effects (such as stream health) of stormwater runoff.
- Regulating surface water drainage from new buildings in terms of the New Zealand Building Code.
- Providing advice on stormwater management.
- Managing the interface with Capacity – the Hutt City Council and Wellington City Council jointly owned water management entity.
- Approving budgets for the stormwater activity through the Annual Plan process.
- Monitoring the performance of the stormwater activity.
- Carrying out an assessment of stormwater management in Hutt City as required by the Local Government Act 2002.

### Capacity is responsible to Hutt City Council for:

- Making recommendations on standards and policy.
- Managing the stormwater runoff through the asset management plan process to achieve required outcomes.
- Ensuring risks are identified and managed within acceptable limits.
- Managing the maintenance and operation of the stormwater system.
- Developing and implementing programmes for the progressive replacement of the stormwater system.
- Developing and implementing programmes to upgrade and extend the stormwater system as required to meet required standards.
- Ensuring new stormwater infrastructure is designed and constructed to required standards.
- Monitoring performance as an input to the monitoring of the stormwater activity by Hutt City Council.

### Cemetery Services Assessment

Local Authorities are not legally required to provide public cemeteries and crematoria; however, they are required to ensure that provision is made. Hutt City Council (along with most other Councils) does provide cemeteries for the community. The only other organisations providing cemeteries are churches, the Rununga and the Wellington Tenth's Trust. There is no crematorium provided in the territory managed by the Hutt City Council.

Hutt City Council owns and operates one working cemetery, Taita Lawn Cemetery (including ashes interment) and one ashes interment facility, Wainuiomata Garden of Remembrance. The Hutt City Council is responsible for the maintenance of three historic cemeteries: St James Churchyard, the Wesleyan Cemetery in Bridge Street and Korokoro Cemetery. This assessment primarily concentrates on the provision of services and plots at Taita Lawn Cemetery.

Council manages its cemeteries to match the policies outlined in Council's Bylaw and Cemetery Business Review, 1997. A Contract is in place for the maintenance, administration and interment services at Council's cemeteries.

This assessment considers issues relating to public health and provision of cemeteries by analysing population, customer satisfaction survey results, and requests for service from members of the public, as well as comments from contractors and local funeral directors.

Population is expected to increase until 2006 and then start to decline. The forecast for interments indicates that the number of interments will generally rise between 2005 and 2015. Statistics also predict a change in the balance of ashes interments and burials (body interments) taking place at Taita Lawn Cemetery. It is likely that the number of interments taking place in the form of ashes will increase, while burials will decrease.

The assessment of future demand indicates that Taita Lawn Cemetery will cater for first interments (burial) until approximately 2010 to 2012. The Wainuiomata Garden of Remembrance facility will reach capacity in approximately 2008. There is no practical opportunity for further expansion to provide for additional first interments at Taita Lawn Cemetery. It will be necessary to develop a new cemetery to cope with first interments (burial) at another site. There is scope to expand the Wainuiomata Garden of Remembrance to cope with interments until at least 2024. Investigations into sites where

a new cemetery could be developed have been undertaken. Council's current position is to develop land it owns on Akatarawa Road or to provide a joint service with the Upper Hutt City Council at their site on Akatarawa Road.

This Sanitary Services Assessment has not identified any health issues related to the Hutt City Council's provision of cemeteries. Planning for provision of burials at a new site is the most significant cemetery issue Council must deal with in the near future.

#### **Solid Waste Services Assessment**

Hutt City Council provides waste and recycling collection, and waste disposal services, to the community. The Hutt City Council Bylaw 1997, Part 14, sets out the services provided by Council. Private organisations also provide waste disposal and recycling services to the community.

Hutt City Council owns two landfills, which are open to the public – one in Wainuiomata and the other in Silverstream. Council manages the landfill assets, including lifecycle management and renewal of facilities as demand requires. The landfills are operated under contract, as are waste and recycling collection services. Additional private recycling and waste collection services are provided for the Hutt City community. All of these facilities are considered when assessing the level of provision of waste disposal services in the city.

This assessment considers issues relating to public health and the provision of waste management services, by analysing population and business projections, customer satisfaction survey results, requests for service from members of the public, as well as staff and contractor interviews, health and safety requirements, contract management and quality assurance processes and asset management plan information.

Hutt City population is predicted, by Statistics New Zealand, to increase until 2006 and then start to decline, with business numbers expected to rise. Council initiatives to reduce, reuse and recycle refuse are in place. It is assumed that any increase in waste produced by residents and businesses in the short term, will be offset by the updated various waste minimisation programmes.

Council has systems in place to attend to any issues that pose a risk to public health as a priority. No public health or future demand issues have been identified for Hutt City solid waste services.

Additional landfilling capacity is being developed at the Silverstream landfill, to accept waste for the next 50 years. A new private recycling facility is also being constructed to meet additional demand. These new facilities, along with current waste management services and Council initiatives to reuse, reduce and recycle waste are expected to be adequate for current and future demand.

#### **Proposals**

This assessment of solid waste services proposes that Council undertake ongoing improvements to services. These proposals are listed below:

- Continuing improvement of performance levels with regard to landfill operation, health and safety and asset condition
- Improvement of service levels by monitoring customer satisfaction, and advice from contractors and consultants.

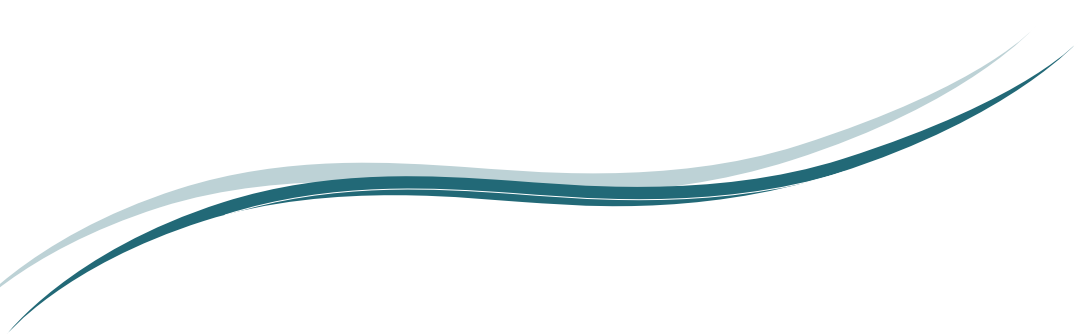
#### **Public Toilet Services Assessment**

Hutt City Council owns/operates 27 toilets that are available to the public on a daily basis (three of these are open during summer only). Additional toilets are provided for users of public facilities, such as sportsgrounds, swimming pools, libraries and museums. Private and other government organisations also provide toilets to the public and to customers. There is also one private wastewater disposal site for caravans/campervans in Hutt City. All of these facilities are considered when assessing the level of provision of public toilet services in the city.

Council manages its public toilet assets, considering upgrade, renewal and additional facilities as demand requires. Contracts are in place for regular maintenance, security and cleaning of toilets.

This assessment considers issues relating to public health and provision of toilets by analysing population, business and visitor projections, customer satisfaction survey results, requests for service from members of the public, as well as staff and contractor interviews.

Population is expected to increase until 2006 and then start to decline, business and visitor projections expect a rise in these numbers. There are currently no signs of overuse of Council owned toilets, and Council has systems in place to attend to any issues that pose a risk to public health as a priority.



The assessment of future demand indicates that the current location and capacity of facilities is adequate for current and future demand over the next 5 years. Investigation into whether additional waste disposal sites (for campervans/caravans) are required will take place in the short term.

### **Proposals**

This assessment of public toilets proposes that Council undertake ongoing monitoring, upgrade and construction of new public toilet facilities. These proposals are listed below:

#### *Monitoring of Toilet Condition and Performance*

Council will continue to monitor the condition of public toilets through Council officers and contractors reports. Service performance is monitored through feedback from the public directly to Council, through Community Boards, Ward Committees and NRB Communitrak surveys.

#### *Ongoing Upgrade Programme to Address Deficiencies*

Council will continue to upgrade public toilets as they are required, in consultation with the community through the LTCCP process or as required.

#### *Raising public awareness*

Council will assess and improve the signage of public toilets from main through routes and shopping areas if required.

More information will be provided on Council public toilet locations on the Council website and through the Visitor Information Centre.

#### *Ongoing Consultation with Community*

Council will continue conducting NRB Communitrak surveys to ascertain customer satisfaction with service. Consultation with the community will continue when new toilet facilities are proposed.

#### *Provision of new toilet facilities*

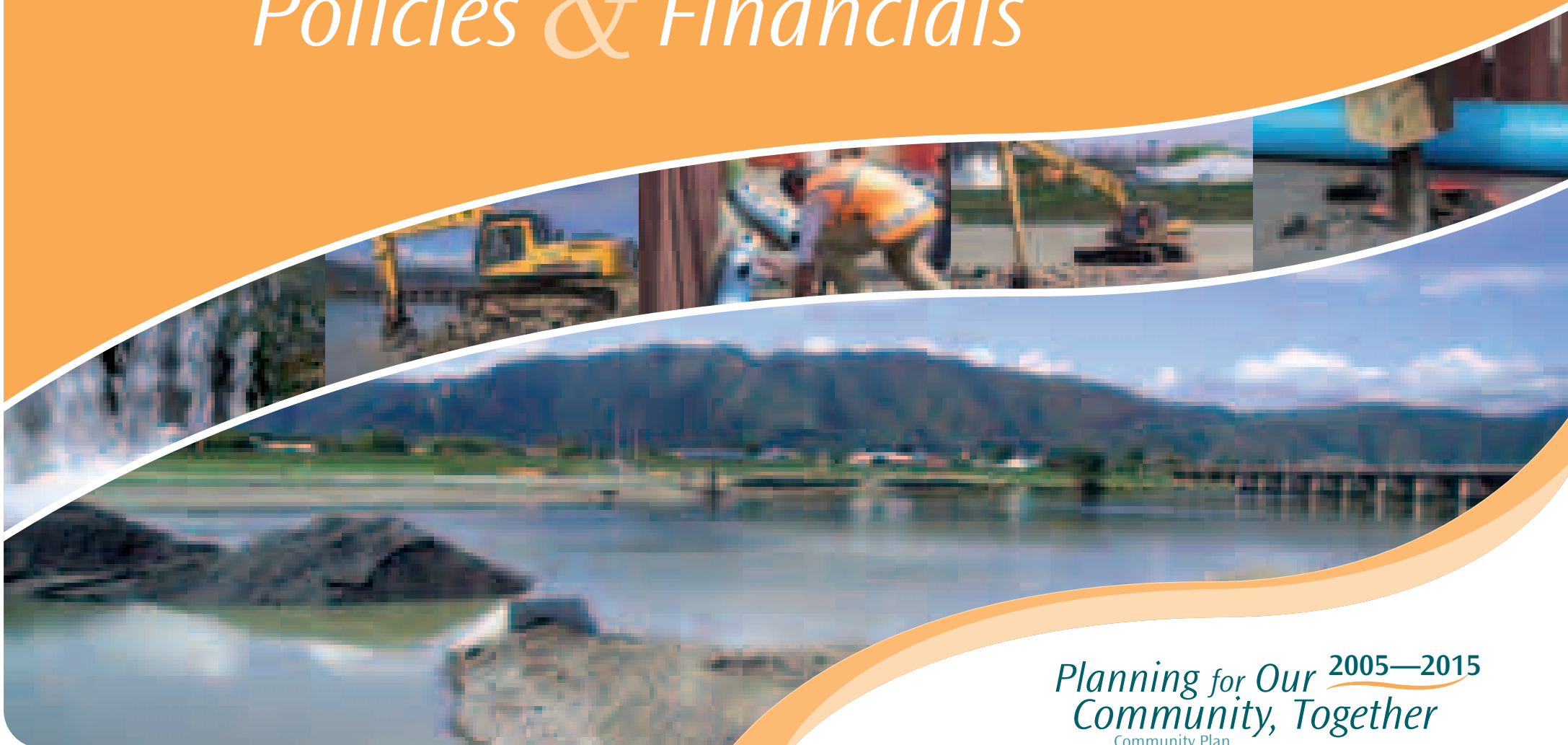
Where a shortage of toilets is identified in the future, Council will consider seeking agreement with local businesses to provide facilities, where Council would contribute to the maintenance and upkeep of the toilet, and the business could provide additional security.

Amended Long Term Council Community Plan (LTCCP) 2003/2013 (incorporating 2004 amendments) and Annual Plan 2005/2006 and, 2005 Hutt City Council Assessment of Water and Sanitary Services, called the Community Plan.



Community Plan

# *Policies & Financials*



*Planning for Our* **2005—2015**  
*Community, Together*  
Community Plan



# Hutt City Council

## Long Term Council Community Plan

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*Forecast*  
*Financial Statements*





# Forecast Financial Statements 2005–2015

## FORECAST FINANCIAL STATEMENTS 2005–2015

These are the Forecast Financial Statements which Council has adopted to meet the requirements of clause 8 of schedule 10 of the Local Government Act 2002.

It is a requirement of the Local Government Act 2002 to present Forecast Financial Statements that span 10 years. This provides an opportunity for taxpayers and residents to assess the appropriateness of the financial actions planned by Council.

The Forecast Financial Statements outline how Council will be funded for the next 10 years and how that money will be spent. It is intended to ensure proper and prudent financial management and asset management in the long term.

Council has Asset Management Plans for its assets. These plans have provided the basis for the development of the Forecast Financial Statements.

The Forecast Financial Statements are based on estimates of costs into the future and current New Zealand generally accepted accounting practice. Council intends adopting New Zealand International Financial Reporting Standards (NZIFRS) from 1 July 2006. It is likely that changes will be required as a result of adopting NZIFRS and as events evolve, and as the results of the tender process for major projects become known.

Council's practice is to update these Forecast Financial Statements annually.

The Forecast Financial Statements include:

- 'Actual' results for the previous year,
- An 'Estimate' of the results for the current year based on the budget adjusted for expected variances
- The 'Budget' Council is adopting for the coming year
- 'Forecast' results for the following two years of the Community Plan period.
- 'Projections' are based on extrapolated forecasts, adjusted for asset management plan requirements.

## SIGNIFICANT ASSUMPTIONS

The following assumptions have been adopted by Council this year in preparing the Forecast Financial Statements:

- Service levels are generally assumed to remain the same for the period covered by the Forecast Financial Statements

- Population is assumed to remain static, or change only marginally
- Provision has been made for inflation for the 2005/2006 financial year, but no further inflation has been provided for in subsequent financial years
- The average interest rate on debt is assumed to be 6.75%. This is based on the pattern of existing commitments and judgements about future trends
- Asset sales are included in accordance with Council's resolutions, and proceeds will be used to repay debt or fund asset purchases
- Net debt will be below \$60 million in June 2010 and \$30 million in June 2015
- Depreciation and interest costs will be fully funded from rates and other operating revenue
- Capital expenditure will be funded by loans, capital subsidies, transfers from reserves, rate funded depreciation charges and asset sales
- The recently established joint entity to manage water related activities (together with Wellington City Council) will generate the predicted cost reductions.

## COMPARISON WITH COUNCIL'S FORECAST FINANCIAL STATEMENTS 2004–2014

These Forecast Financial Statements are similar to the 2004–2014 Forecast Financial Statements with the following exceptions:

- Projections of future operating revenues and costs, and capital expenditure, have been revised to reflect current estimates and recent Council decisions
- In particular, capital expenditure has been reprioritised in favour of stormwater improvements and road maintenance
- Projections of proceeds from asset sales have been increased as a result of identifying additional surplus assets
- The Forecast Financial Statements have been rolled forward to include 2015.

## RISK

There are several significant risks that could have a material impact on whether Council is able to achieve the financial results indicated in the Forecast Financial Statements.

- Council has used conservative estimates for the likely proceeds from the sales of assets. However, there is a risk that the values indicated in the Statement of Prospective Movements in Net Debt will not be realised.

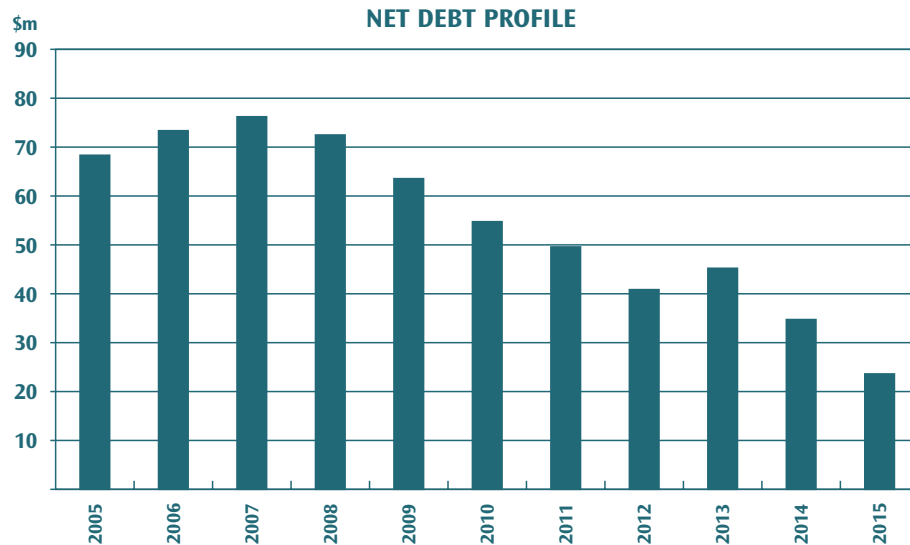
- Expenditure items relating to major projects have been estimated. These include the timing and amounts for capital expenditure and operating costs. The outcome of tender evaluation and negotiation processes on these projects may have a material impact on the Forecast Financial Statements.
- Capital expenditure on certain major projects that are being considered by Council has been excluded from these Forecast Financial Statements. This is because it is not possible to estimate the timing and the amount of Council's share of the related costs with any degree of reliability. Projects in this category include the proposed cross-valley link and certain additional flood prevention works.

### COMMITMENTS AND CONTINGENCIES

The Forecast Financial Statements provide for all the material capital and operating commitments known to Council. Prudent provisions have also been made in these Forecast Financial Statements for probable future obligations of Council.

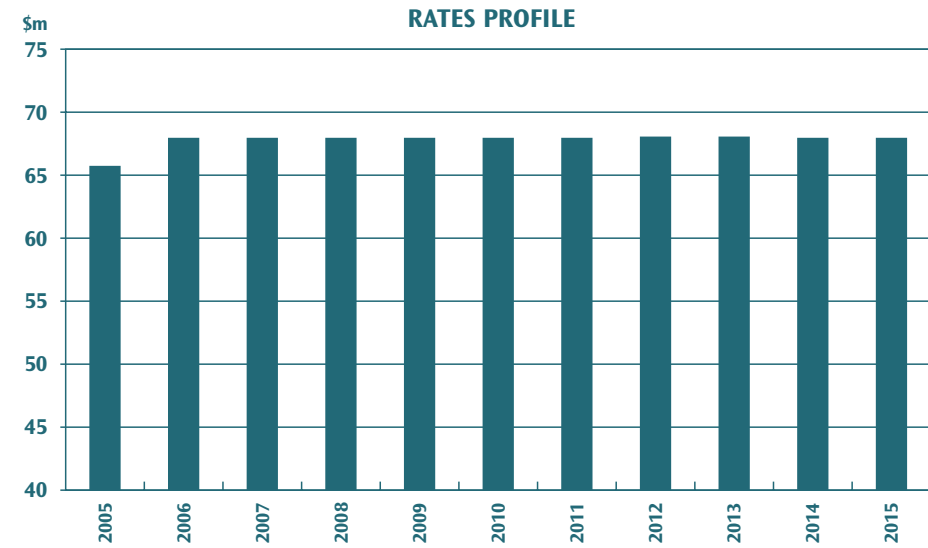
### Net Debt Profile in 2005/2006 Dollars

This graph shows the level of net debt based upon the 2005/2006 Forecast Financial Statements.



### Total Rates Income in 2005/2006 Dollars

This graph shows the forecast rate levels based upon the 2005/2006 Forecast Financial Statements.



## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE OPERATING COST OF ACTIVITIES

For the year ending 30 June 2006

	Actual 30/6/2004 \$000s	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s	Projection 30/6/2013 \$000s	Projection 30/6/2014 \$000s	Projection 30/6/2015 \$000s
<b>People</b>												
Libraries	5,449	6,077	6,227	6,139	6,082	6,058	6,029	6,021	6,004	5,995	5,977	5,966
Museums	1,998	2,026	2,066	2,515	2,512	2,505	2,497	2,489	2,486	2,484	2,480	2,470
Aquatics and Recreation	4,693	4,672	4,844	4,810	4,794	4,781	4,761	4,753	4,737	4,719	4,700	4,675
Parks and Reserves	7,669	8,754	8,931	8,693	8,533	8,486	8,428	8,389	8,344	8,327	8,305	8,229
Community Support	1,900	2,040	2,195	2,086	2,082	2,082	2,083	2,083	2,085	2,085	2,086	2,086
Community Property	3,509	3,052	3,180	3,078	3,036	2,983	2,925	2,878	2,831	2,804	2,777	2,720
<b>Total operating cost of people activities</b>	<b>25,218</b>	<b>26,621</b>	<b>27,443</b>	<b>27,321</b>	<b>27,039</b>	<b>26,895</b>	<b>26,723</b>	<b>26,613</b>	<b>26,487</b>	<b>26,414</b>	<b>26,325</b>	<b>26,146</b>
<b>Utility services</b>												
Roading and Traffic	19,770	20,728	19,460	19,167	19,146	19,019	18,827	18,685	18,544	18,501	18,439	18,206
Water Supply	12,464	12,438	12,636	12,531	12,443	12,326	12,232	12,168	12,110	12,080	12,046	11,954
Wastewater	14,799	15,269	15,284	15,364	15,293	15,142	14,989	14,863	14,746	15,001	15,231	15,036
Stormwater	5,809	6,089	4,805	4,759	4,744	4,663	4,572	4,519	4,472	4,443	4,404	4,295
Solid Waste	4,870	5,040	5,080	6,246	6,230	5,931	5,875	5,823	5,775	5,734	5,694	5,646
<b>Total operating cost of utility services activities</b>	<b>57,712</b>	<b>59,564</b>	<b>57,265</b>	<b>58,067</b>	<b>57,856</b>	<b>57,081</b>	<b>56,495</b>	<b>56,058</b>	<b>55,647</b>	<b>55,759</b>	<b>55,814</b>	<b>55,137</b>
<b>Environment</b>												
Environmental Management	4,528	5,074	5,239	5,230	5,217	5,218	5,219	5,221	5,224	5,225	5,226	5,227
Emergency Management	739	912	604	601	599	603	605	606	606	609	610	608
<b>Total operating cost of environment activities</b>	<b>5,267</b>	<b>5,986</b>	<b>5,843</b>	<b>5,831</b>	<b>5,816</b>	<b>5,821</b>	<b>5,824</b>	<b>5,827</b>	<b>5,830</b>	<b>5,834</b>	<b>5,836</b>	<b>5,835</b>
<b>Economy</b>												
Local Urban Design	272	327	477	495	522	521	519	518	516	517	516	514
Economic Development	1,946	2,508	2,546	2,480	2,372	2,327	2,326	2,326	2,326	2,327	2,327	2,325
<b>Total operating cost of economy activities</b>	<b>2,218</b>	<b>2,835</b>	<b>3,023</b>	<b>2,975</b>	<b>2,894</b>	<b>2,848</b>	<b>2,845</b>	<b>2,844</b>	<b>2,842</b>	<b>2,844</b>	<b>2,843</b>	<b>2,839</b>

## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE OPERATING COST OF ACTIVITIES

For the year ending 30 June 2006

	Actual 30/6/2004 \$000s	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s	Projection 30/6/2013 \$000s	Projection 30/6/2014 \$000s	Projection 30/6/2015 \$000s
<b>Organisation</b>												
Elected Members	1,386	1,497	1,622	1,516	1,508	1,509	1,510	1,511	1,613	1,514	1,515	1,515
Advice and Support	3,073	3,262	3,239	3,205	3,373	3,165	3,168	3,389	3,188	3,195	3,411	3,201
Managing Services	1,644	1,026	1,057	1,033	1,033	1,032	1,033	1,033	1,032	1,033	1,033	1,032
Consolidated cost adjustments	(2,845)	(3,177)	(2,726)	(2,731)	(2,731)	(2,731)	(2,731)	(2,731)	(2,731)	(2,731)	(2,731)	(2,731)
<b>Total operating cost of organisation activities</b>	<b>3,258</b>	<b>2,608</b>	<b>3,192</b>	<b>3,023</b>	<b>3,183</b>	<b>2,975</b>	<b>2,980</b>	<b>3,202</b>	<b>3,102</b>	<b>3,011</b>	<b>3,228</b>	<b>3,017</b>
<b>TOTAL OPERATING COST OF ACTIVITIES</b>	<b>93,673</b>	<b>97,614</b>	<b>96,766</b>	<b>97,217</b>	<b>96,788</b>	<b>95,620</b>	<b>94,867</b>	<b>94,544</b>	<b>93,908</b>	<b>93,862</b>	<b>94,046</b>	<b>92,974</b>



## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE CAPITAL COST OF ACTIVITIES

For the year ending 30 June 2006

	Actual 30/6/2004 \$000s	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s	Projection 30/6/2013 \$000s	Projection 30/6/2014 \$000s	Projection 30/6/2015 \$000s
<b>People</b>												
Libraries	3,958	1,746	729	727	723	730	730	730	730	730	730	730
Museums	14	141	4,195	1,000	20	28	25	30	45	26	29	26
Aquatics and Recreation	305	359	588	231	583	225	450	475	225	225	225	225
Parks and Reserves	1,557	2,166	3,381	970	760	780	1,685	1,740	760	780	760	1,045
Community Support	148	–	–	–	–	–	–	–	–	–	–	–
Community Property	541	658	843	224	459	630	520	653	595	580	645	645
<b>Total capital cost of people activities</b>	<b>6,523</b>	<b>5,070</b>	<b>9,736</b>	<b>3,152</b>	<b>2,545</b>	<b>2,393</b>	<b>3,410</b>	<b>3,628</b>	<b>2,355</b>	<b>2,341</b>	<b>2,389</b>	<b>2,671</b>
<b>Utility services</b>												
Roading and Traffic	8,186	7,551	8,875	7,541	7,346	7,211	6,804	7,484	6,656	7,089	6,656	7,089
Water Supply	1,157	1,170	1,709	1,440	1,568	1,490	1,590	2,290	1,981	1,893	1,878	2,097
Wastewater	3,942	2,636	12,412	4,917	3,507	4,259	3,446	4,118	4,204	23,751	3,951	3,958
Stormwater	629	2,000	4,240	3,535	3,830	1,025	1,230	3,092	1,759	1,033	1,112	908
Solid Waste	616	1,210	4,190	5,450	2,550	750	320	750	325	800	275	530
<b>Total capital cost of utility services activities</b>	<b>14,530</b>	<b>14,567</b>	<b>31,426</b>	<b>22,883</b>	<b>18,801</b>	<b>14,735</b>	<b>13,390</b>	<b>17,734</b>	<b>14,925</b>	<b>34,566</b>	<b>13,872</b>	<b>14,582</b>
<b>Environment</b>												
Environmental Management	–	27	–	–	–	–	–	–	–	–	–	–
Emergency Management	–	–	85	–	85	–	85	–	–	85	–	–
<b>Total capital cost of environment activities</b>	<b>–</b>	<b>27</b>	<b>85</b>	<b>–</b>	<b>85</b>	<b>–</b>	<b>85</b>	<b>–</b>	<b>–</b>	<b>85</b>	<b>–</b>	<b>–</b>
<b>Economy</b>												
Local Urban Design	537	517	1,480	1,200	200	200	200	200	200	200	200	200
Economic Development	51	74	480	130	130	30	30	30	30	30	30	30
<b>Total capital cost of economy activities</b>	<b>588</b>	<b>591</b>	<b>1,960</b>	<b>1,330</b>	<b>330</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>

## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE CAPITAL COST OF ACTIVITIES

For the year ending 30 June 2006

	Actual 30/6/2004 \$000s	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s	Projection 30/6/2013 \$000s	Projection 30/6/2014 \$000s	Projection 30/6/2015 \$000s
<b>Organisation</b>												
Elected Members	–	–	–	–	–	–	–	–	–	–	–	–
Advice and Support	–	–	–	–	–	–	–	–	–	–	–	–
Managing Services	1,260	1,426	2,322	896	1,311	1,220	1,220	1,520	1,520	1,320	1,320	1,320
Consolidated cost adjustments	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total capital cost of organisation activities</b>	<b>1,260</b>	<b>1,426</b>	<b>2,322</b>	<b>896</b>	<b>1,311</b>	<b>1,220</b>	<b>1,220</b>	<b>1,520</b>	<b>1,520</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>
<b>TOTAL CAPITAL COST OF ACTIVITIES</b>	<b>22,901</b>	<b>21,681</b>	<b>45,529</b>	<b>28,261</b>	<b>23,072</b>	<b>18,578</b>	<b>18,335</b>	<b>23,112</b>	<b>19,030</b>	<b>38,542</b>	<b>17,811</b>	<b>18,803</b>

## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2006

	Actual 30/6/2004	Estimate 30/6/2005	Budget 30/6/2006	Forecast 30/6/2007	Forecast 30/6/2008	Projection 30/6/2009	Projection 30/6/2010	Projection 30/6/2011	Projection 30/6/2012	Projection 30/6/2013	Projection 30/6/2014	Projection 30/6/2015
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Operating revenue</b>												
Rates funding	62,400	65,708	67,921	67,921	67,921	67,921	67,921	67,921	67,921	67,921	67,921	67,921
User charges	20,133	21,130	21,405	21,959	22,779	22,779	22,779	22,779	22,779	22,779	22,779	22,779
Operating subsidies	3,936	3,781	2,707	2,628	2,628	2,628	2,628	2,628	2,628	2,628	2,628	2,628
Capital subsidies	2,965	3,735	6,748	3,309	3,189	3,055	2,955	3,250	2,927	3,027	2,927	3,027
Upper Hutt City Council operating contribution	1,980	2,036	2,046	2,046	2,046	2,046	2,046	2,046	2,046	2,046	2,046	2,046
Interest earned	187	169	90	66	66	65	66	66	65	66	66	65
Gain on disposal of assets	223	–	–	–	–	–	–	–	–	–	–	–
Other revenue	2,968	1,791	1,218	1,772	1,847	1,783	1,789	1,865	1,795	1,795	1,865	1,795
<b>Total operating revenue</b>	<b>94,792</b>	<b>98,350</b>	<b>102,135</b>	<b>99,701</b>	<b>100,476</b>	<b>100,277</b>	<b>100,184</b>	<b>100,555</b>	<b>100,161</b>	<b>100,262</b>	<b>100,232</b>	<b>100,261</b>
<b>Operating expenditure</b>												
Employee costs	16,296	17,103	17,543	17,644	17,644	17,644	17,644	17,644	17,644	17,644	17,644	17,644
Operating costs	52,590	55,044	52,889	52,287	51,946	51,566	51,563	51,782	51,666	51,567	51,780	51,569
Interest expenditure	5,220	5,223	5,200	5,192	5,165	4,737	4,136	3,670	3,197	3,046	2,842	2,123
Depreciation	19,567	20,244	21,134	22,094	22,033	21,673	21,524	21,448	21,401	21,605	21,780	21,638
<b>Total operating expenditure</b>	<b>93,673</b>	<b>97,614</b>	<b>96,766</b>	<b>97,217</b>	<b>96,788</b>	<b>95,620</b>	<b>94,867</b>	<b>94,544</b>	<b>93,908</b>	<b>93,862</b>	<b>94,046</b>	<b>92,974</b>
<b>OPERATING SURPLUS BEFORE TAX</b>	<b>1,119</b>	<b>736</b>	<b>5,369</b>	<b>2,484</b>	<b>3,688</b>	<b>4,657</b>	<b>5,317</b>	<b>6,011</b>	<b>6,253</b>	<b>6,400</b>	<b>6,186</b>	<b>7,287</b>
<b>Tax expense</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>NET SURPLUS AFTER TAX</b>	<b>1,119</b>	<b>736</b>	<b>5,369</b>	<b>2,484</b>	<b>3,688</b>	<b>4,657</b>	<b>5,317</b>	<b>6,011</b>	<b>6,253</b>	<b>6,400</b>	<b>6,186</b>	<b>7,287</b>

## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE MOVEMENTS IN EQUITY

For the year ending 30 June 2006

	Actual 30/6/2004 \$000s	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s	Projection 30/6/2013 \$000s	Projection 30/6/2014 \$000s	Projection 30/6/2015 \$000s
<b>Total equity</b>												
<b>At beginning of the year</b>	731,393	730,924	731,660	737,029	739,513	743,201	747,858	753,175	759,186	765,439	771,839	778,025
Net surplus after tax	1,119	736	5,369	2,484	3,688	4,657	5,317	6,011	6,253	6,400	6,186	7,287
Change in asset revaluation reserves and other movements	(1,588)	–	–	–	–	–	–	–	–	–	–	–
<b>Total recognised revenue and expenses for the year</b>	<b>(469)</b>	<b>736</b>	<b>5,369</b>	<b>2,484</b>	<b>3,688</b>	<b>4,657</b>	<b>5,317</b>	<b>6,011</b>	<b>6,253</b>	<b>6,400</b>	<b>6,186</b>	<b>7,287</b>
<b>TOTAL EQUITY AT END OF THE YEAR</b>	<b>730,924</b>	<b>731,660</b>	<b>737,029</b>	<b>739,513</b>	<b>743,201</b>	<b>747,858</b>	<b>753,175</b>	<b>759,186</b>	<b>765,439</b>	<b>771,839</b>	<b>778,025</b>	<b>785,312</b>

## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE FINANCIAL POSITION

As at 30 June 2006

	Actual 30/6/2004 \$000s	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s	Projection 30/6/2013 \$000s	Projection 30/6/2014 \$000s	Projection 30/6/2015 \$000s
<b>Equity</b>												
Accumulated funds	403,605	404,491	409,758	412,192	415,980	420,587	425,854	431,965	438,168	444,518	450,804	458,041
Restricted reserves	52	52	52	52	52	52	52	52	52	52	52	52
Council created reserves	8,451	8,301	8,403	8,453	8,353	8,403	8,453	8,353	8,403	8,453	8,353	8,403
Revaluation reserves	318,816	318,816	318,816	318,816	318,816	318,816	318,816	318,816	318,816	318,816	318,816	318,816
<b>TOTAL EQUITY</b>	<b>730,924</b>	<b>731,660</b>	<b>737,029</b>	<b>739,513</b>	<b>743,201</b>	<b>747,858</b>	<b>753,175</b>	<b>759,186</b>	<b>765,439</b>	<b>771,839</b>	<b>778,025</b>	<b>785,312</b>
<b>Represented by:</b>												
<b>Current assets</b>												
Cash and short term deposits	4,960	2,151	2,200	2,250	2,150	2,200	2,250	2,150	2,200	2,250	2,150	2,200
Sinking funds – current	124	–	–	–	–	–	–	–	–	–	–	–
Property intended for sale	1,846	10,890	–	600	600	–	–	–	–	–	–	–
Other current assets	8,943	8,943	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143
<b>Total current assets</b>	<b>15,873</b>	<b>21,984</b>	<b>11,343</b>	<b>11,993</b>	<b>11,893</b>	<b>11,343</b>	<b>11,393</b>	<b>11,293</b>	<b>11,343</b>	<b>11,393</b>	<b>11,293</b>	<b>11,343</b>
<b>Non-current assets</b>												
Property, plant and equipment	801,550	800,468	821,889	826,720	826,711	823,013	819,391	820,568	817,694	828,658	824,279	820,895
Assets under construction	7,699	413	413	413	413	413	413	413	413	413	413	413
Sinking funds – non-current	77	–	–	–	–	–	–	–	–	–	–	–
Investment in subsidiaries and associates	2,769	2,769	2,769	2,769	2,769	2,769	2,769	2,769	2,769	2,769	2,769	2,769
Other non-current assets	358	358	358	358	358	358	358	358	358	358	358	358
<b>Total non-current assets</b>	<b>812,453</b>	<b>804,008</b>	<b>825,429</b>	<b>830,260</b>	<b>830,251</b>	<b>826,553</b>	<b>822,931</b>	<b>824,108</b>	<b>821,234</b>	<b>832,198</b>	<b>827,819</b>	<b>824,435</b>
<b>Total assets</b>	<b>828,326</b>	<b>825,992</b>	<b>836,772</b>	<b>842,253</b>	<b>842,144</b>	<b>837,896</b>	<b>834,324</b>	<b>835,401</b>	<b>832,577</b>	<b>843,591</b>	<b>839,112</b>	<b>835,778</b>
<b>Current liabilities</b>												
Bank overdraft (unsecured)	3,359	–	–	–	–	–	–	–	–	–	–	–
Public debt – current	55,190	55,513	60,424	63,421	59,624	50,719	41,830	36,896	27,819	32,433	21,768	11,147
Other current liabilities	20,237	20,637	21,137	21,137	21,137	21,137	21,137	21,137	21,137	21,137	21,137	21,137
<b>Total current liabilities</b>	<b>78,786</b>	<b>76,150</b>	<b>81,561</b>	<b>84,558</b>	<b>80,761</b>	<b>71,856</b>	<b>62,967</b>	<b>58,033</b>	<b>48,956</b>	<b>53,570</b>	<b>42,905</b>	<b>32,284</b>

## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE FINANCIAL POSITION

As at 30 June 2006

	Actual 30/6/2004 \$000s	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s	Projection 30/6/2013 \$000s	Projection 30/6/2014 \$000s	Projection 30/6/2015 \$000s
<b>Non-current liabilities</b>												
Public debt – non-current	15,434	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Other non-current liabilities	3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182
<b>Total non-current liabilities</b>	<b>18,616</b>	<b>18,182</b>	<b>18,182</b>	<b>18,182</b>	<b>18,182</b>	<b>18,182</b>	<b>18,182</b>	<b>18,182</b>	<b>18,182</b>	<b>18,182</b>	<b>18,182</b>	<b>18,182</b>
<b>Total liabilities</b>	<b>97,402</b>	<b>94,332</b>	<b>99,743</b>	<b>102,740</b>	<b>98,943</b>	<b>90,038</b>	<b>81,149</b>	<b>76,215</b>	<b>67,138</b>	<b>71,752</b>	<b>61,087</b>	<b>50,466</b>
<b>NET ASSETS</b>	<b>730,924</b>	<b>731,660</b>	<b>737,029</b>	<b>739,513</b>	<b>743,201</b>	<b>747,858</b>	<b>753,175</b>	<b>759,186</b>	<b>765,439</b>	<b>771,839</b>	<b>778,025</b>	<b>785,312</b>

## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE CASH FLOWS

For the year ending 30 June 2006

	Actual 30/6/2004 \$000s	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s	Projection 30/6/2013 \$000s	Projection 30/6/2014 \$000s	Projection 30/6/2015 \$000s
<b>Cash flows from operating activities</b>												
<b>Cash was provided from:</b>												
Rates	62,243	65,708	67,921	67,921	67,921	67,921	67,921	67,921	67,921	67,921	67,921	67,921
User charges and other income	29,779	32,473	34,124	31,714	32,489	32,291	32,197	32,568	32,175	32,275	32,245	32,275
Interest received	150	169	90	66	66	65	66	66	65	66	66	65
Tax received	–	–	–	–	–	–	–	–	–	–	–	–
Regional Council rates	11,590	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100
	<b>103,762</b>	<b>109,450</b>	<b>113,235</b>	<b>110,801</b>	<b>111,576</b>	<b>111,377</b>	<b>111,284</b>	<b>111,655</b>	<b>111,261</b>	<b>111,362</b>	<b>111,332</b>	<b>111,361</b>
<b>Cash was applied to:</b>												
Payments to suppliers and employees	65,287	71,747	70,132	69,931	69,590	69,210	69,207	69,426	69,310	69,211	69,424	69,213
Interest paid	5,139	5,223	5,200	5,192	5,165	4,737	4,136	3,670	3,197	3,046	2,842	2,123
Regional Council rates	12,118	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100
Net GST paid to IRD	366	–	–	–	–	–	–	–	–	–	–	–
	<b>82,910</b>	<b>88,070</b>	<b>86,432</b>	<b>86,223</b>	<b>85,855</b>	<b>85,047</b>	<b>84,443</b>	<b>84,196</b>	<b>83,607</b>	<b>83,357</b>	<b>83,366</b>	<b>82,436</b>
<b>Net cash flows from operating activities</b>	<b>20,852</b>	<b>21,380</b>	<b>26,803</b>	<b>24,578</b>	<b>25,721</b>	<b>26,330</b>	<b>26,841</b>	<b>27,459</b>	<b>27,654</b>	<b>28,005</b>	<b>27,966</b>	<b>28,925</b>
<b>Cash flows from investing activities</b>												
<b>Cash was provided from:</b>												
Sale of property, plant and equipment	282	271	10,890	–	600	600	–	–	–	–	–	–
Withdrawals from sinking funds	3,965	1,798	–	–	–	–	–	–	–	–	–	–
Other receipts and investments	95	–	–	–	–	–	–	–	–	–	–	–
	<b>4,342</b>	<b>2,069</b>	<b>10,890</b>	<b>–</b>	<b>600</b>	<b>600</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE CASH FLOWS

For the year ending 30 June 2006

	Actual 30/6/2004 \$000s	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s	Projection 30/6/2013 \$000s	Projection 30/6/2014 \$000s	Projection 30/6/2015 \$000s
<b>Cash was applied to:</b>												
Purchase and construction of property, plant and equipment	22,935	21,681	45,529	28,261	23,072	18,578	18,335	23,112	19,030	38,542	17,811	18,803
less UHCC capital contribution	(505)	(490)	(2,974)	(736)	(448)	(603)	(433)	(487)	(503)	(5,973)	(410)	(549)
Contributions to sinking funds	2,975	1,597	–	–	–	–	–	–	–	–	–	–
Other investments and payments	251	–	–	–	–	–	–	–	–	–	–	–
	<b>25,656</b>	<b>22,788</b>	<b>42,555</b>	<b>27,525</b>	<b>22,624</b>	<b>17,975</b>	<b>17,902</b>	<b>22,625</b>	<b>18,527</b>	<b>32,569</b>	<b>17,401</b>	<b>18,254</b>
<b>Net cash flows from investing activities</b>	<b>(21,314)</b>	<b>(20,719)</b>	<b>(31,665)</b>	<b>(27,525)</b>	<b>(22,024)</b>	<b>(17,375)</b>	<b>(17,902)</b>	<b>(22,625)</b>	<b>(18,527)</b>	<b>(32,569)</b>	<b>(17,401)</b>	<b>(18,254)</b>
<b>Cash flows from financing activities</b>												
<b>Cash was provided from:</b>												
Funds raised from public debt	234,530	220,649	226,963	244,693	249,887	229,591	193,987	162,386	138,507	115,890	119,067	76,451
	<b>234,530</b>	<b>220,649</b>	<b>226,963</b>	<b>244,693</b>	<b>249,887</b>	<b>229,591</b>	<b>193,987</b>	<b>162,386</b>	<b>138,507</b>	<b>115,890</b>	<b>119,067</b>	<b>76,451</b>
<b>Cash was applied to:</b>												
Repayment of public debt	236,643	220,760	222,052	241,696	253,684	238,496	202,876	167,320	147,584	111,276	129,732	87,072
	<b>236,643</b>	<b>220,760</b>	<b>222,052</b>	<b>241,696</b>	<b>253,684</b>	<b>238,496</b>	<b>202,876</b>	<b>167,320</b>	<b>147,584</b>	<b>111,276</b>	<b>129,732</b>	<b>87,072</b>
<b>Net cash flows from financing activities</b>	<b>(2,113)</b>	<b>(111)</b>	<b>4,911</b>	<b>2,997</b>	<b>(3,797)</b>	<b>(8,905)</b>	<b>(8,889)</b>	<b>(4,934)</b>	<b>(9,077)</b>	<b>4,614</b>	<b>(10,665)</b>	<b>(10,621)</b>
Net (decrease)/increase in cash	(2,575)	550	49	50	(100)	50	50	(100)	50	50	(100)	50
Plus cash balance at beginning of the year	4,176	1,601	2,151	2,200	2,250	2,150	2,200	2,250	2,150	2,200	2,250	2,150
<b>Cash balance at end of the year</b>	<b>1,601</b>	<b>2,151</b>	<b>2,200</b>	<b>2,250</b>	<b>2,150</b>	<b>2,200</b>	<b>2,250</b>	<b>2,150</b>	<b>2,200</b>	<b>2,250</b>	<b>2,150</b>	<b>2,200</b>
Cash balance at end of the year comprises:												
Cash and on call deposits	4,960	2,151	2,200	2,250	2,150	2,200	2,250	2,150	2,200	2,250	2,150	2,200
Bank overdraft (unsecured)	(3,359)	–	–	–	–	–	–	–	–	–	–	–
<b>Cash balance at end of the year</b>	<b>1,601</b>	<b>2,151</b>	<b>2,200</b>	<b>2,250</b>	<b>2,150</b>	<b>2,200</b>	<b>2,250</b>	<b>2,150</b>	<b>2,200</b>	<b>2,250</b>	<b>2,150</b>	<b>2,200</b>



## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE NET DEBT POSITION

For the year ending 30 June 2006

	Actual 30/6/2004 \$000s	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s	Projection 30/6/2013 \$000s	Projection 30/6/2014 \$000s	Projection 30/6/2015 \$000s
<b>Net debt at beginning of the year</b>												
Current debt	57,272	55,190	55,513	60,424	63,421	59,624	50,719	41,830	36,896	27,819	32,433	21,768
Non-current debt	15,465	15,434	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Less: Sinking funds	(1,148)	(201)	–	–	–	–	–	–	–	–	–	–
Less: Cash and short term deposits	(4,176)	(1,601)	(2,151)	(2,200)	(2,250)	(2,150)	(2,200)	(2,250)	(2,150)	(2,200)	(2,250)	(2,150)
<b>Net debt at beginning of the year</b>	<b>67,413</b>	<b>68,822</b>	<b>68,362</b>	<b>73,224</b>	<b>76,171</b>	<b>72,474</b>	<b>63,519</b>	<b>54,580</b>	<b>49,746</b>	<b>40,619</b>	<b>45,183</b>	<b>34,618</b>
<b>Plus capital expenditure</b>												
Expenditure improving services	12,095	10,926	30,046	14,970	9,380	5,351	5,106	8,639	4,901	12,076	3,576	4,221
Expenditure maintaining services	10,806	10,755	15,483	13,291	13,692	13,227	13,229	14,473	14,129	26,466	14,235	14,582
<b>Total capital expenditure</b>	<b>22,901</b>	<b>21,681</b>	<b>45,529</b>	<b>28,261</b>	<b>23,072</b>	<b>18,578</b>	<b>18,335</b>	<b>23,112</b>	<b>19,030</b>	<b>38,542</b>	<b>17,811</b>	<b>18,803</b>
<b>Less non-debt funding for capital expenditure</b>												
Reserve funding	170	160	160	160	160	160	160	160	160	160	160	160
UHCC capital contribution	505	490	2,974	736	448	603	433	487	503	5,973	410	549
Capital subsidies	2,965	3,735	6,748	3,309	3,189	3,055	2,955	3,250	2,927	3,027	2,927	3,027
Depreciation	19,567	20,244	21,134	22,094	22,033	21,673	21,524	21,448	21,401	21,605	21,780	21,638
<b>Total non-debt funding for capital expenditure</b>	<b>23,207</b>	<b>24,629</b>	<b>31,016</b>	<b>26,299</b>	<b>25,830</b>	<b>25,491</b>	<b>25,072</b>	<b>25,345</b>	<b>24,991</b>	<b>30,765</b>	<b>25,277</b>	<b>25,374</b>
<b>Less asset sale proceeds</b>												
Asset sales – CCOs	2,250	–	–	–	–	–	–	–	–	–	–	–
Asset sales – other	291	271	10,890	–	600	600	–	–	–	–	–	–
<b>Total asset sale proceeds</b>	<b>2,541</b>	<b>271</b>	<b>10,890</b>	<b>–</b>	<b>600</b>	<b>600</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

## FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE NET DEBT POSITION

For the year ending 30 June 2006

	Actual 30/6/2004 \$000s	Estimate 30/6/2005 \$000s	Budget 30/6/2006 \$000s	Forecast 30/6/2007 \$000s	Forecast 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s	Projection 30/6/2013 \$000s	Projection 30/6/2014 \$000s	Projection 30/6/2015 \$000s
<b>Less other items</b>												
Rate funding	(4,647)	(3,009)	(1,588)	(1,035)	439	1,392	2,152	2,701	3,116	3,163	3,199	4,050
Cashflow movements	(2,575)	550	49	50	(100)	50	50	(100)	50	50	(100)	50
Other adjustments	2,966	(300)	300	–	–	–	–	–	–	–	–	–
<b>Total other items</b>	<b>(4,256)</b>	<b>(2,759)</b>	<b>(1,239)</b>	<b>(985)</b>	<b>339</b>	<b>1,442</b>	<b>2,202</b>	<b>2,601</b>	<b>3,166</b>	<b>3,213</b>	<b>3,099</b>	<b>4,100</b>
<b>Net debt at end of the year</b>												
Current debt	55,190	55,513	60,424	63,421	59,624	50,719	41,830	36,896	27,819	32,433	21,768	11,147
Non-current debt	15,434	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Less: Sinking funds	(201)	–	–	–	–	–	–	–	–	–	–	–
Less: Cash and short term deposits	(1,601)	(2,151)	(2,200)	(2,250)	(2,150)	(2,200)	(2,250)	(2,150)	(2,200)	(2,250)	(2,150)	(2,200)
<b>Net debt at end of the year</b>	<b>68,822</b>	<b>68,362</b>	<b>73,224</b>	<b>76,171</b>	<b>72,474</b>	<b>63,519</b>	<b>54,580</b>	<b>49,746</b>	<b>40,619</b>	<b>45,183</b>	<b>34,618</b>	<b>23,947</b>



# *Policies*





# Policies

## **INTRODUCTION TO FINANCIAL AND OTHER POLICIES**

This section contains policies required by the Local Government Act 2002. The policies are:

### **Significance Policy**

This policy is intended to guide Council when making decisions of varying importance to the community. It also lets the community know what to expect in terms of consultation.

### **Policy on Partnerships with the Private Sector**

This policy outlines under what circumstances Council will enter into partnership arrangements with private businesses, what conditions will be imposed and what consultation will take place.

### **Policy on Development and Financial Contributions**

This policy describes what financial contributions Council will require from developers when their property developments impose increased demand on Council services.

### **Liability Management Policy**

This policy explains Council's approach to managing its liabilities and the ways in which associated risks are controlled.

### **Investment Policy**

This policy explains Council's approach to managing investments.

### **Statement of Accounting Policies**

These policies form part of the Forecast Financial Statements included in the Community Plan.

<b>Page</b>	<b>Revenue and Financing Policy</b>	<b>188</b>
<b>170</b>	This policy replaces the Funding Policy that Council adopted under the Local Government Act 1974. The Revenue and Financing Policy utilises much of the analysis contained in the previous policy, although in a revised context. The policy identifies how Council allocates the costs of its activities against available sources of funds, including rates and user charges.	
	<b>Funding Impact Statement</b>	<b>222</b>
<b>173</b>	The Funding Impact Statement outlines all funding mechanisms Council intends to use and the level of funds produced by each. The system of differential rating is also defined in the Funding Impact Statement.	
	<b>Policy for Remission and Postponement of Rates on Maori Freehold Land</b>	<b>228</b>
<b>175</b>	This policy outlines Council's practice for remission and postponement of rates on Maori freehold land. There is very little land of this type in Hutt City.	
	<b>Rates Postponement Policy</b>	<b>229</b>
<b>177</b>	This policy outlines Council's practice for the treatment of rates postponement applications.	
	<b>Rates Remissions Policy</b>	<b>230</b>
<b>181</b>	There are a number of parts to this policy. Each part deals with an area where Council may consider it appropriate to assist by providing rates relief. These specific areas include economic development, community, sporting and other organisations, penalties on unpaid rates and land protected for natural, historic or cultural conservation purposes, and affected by natural calamity.	
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# Policy on Significance

## SIGNIFICANCE POLICY

### 1. BACKGROUND

Hutt City Council was required by section 90 of the Local Government Act 2002 to, by 30 June 2003, adopt a policy setting out:

- Its general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters; and any thresholds, criteria, or procedures that are to be used in assessing the extent to which issues, proposals, decisions, or other matters are significant.
- The policy must list the assets considered by Council to be strategic assets.
- The policy may be amended from time to time.
- A council must use the special consultative procedure both in relation to:
  - a. the adoption of the policy; and
  - b. the amendment of the policy.

### 2. PURPOSE

All decisions Council makes must be made in accordance with the decision-making requirements of the Local Government Act 2002 (set out in sections 76–81). Council must make judgements about the appropriate level of compliance with those requirements, largely in proportion to the ‘significance’ of the matters affected by the decision (section 79 of the Act).

The level of ‘compliance’ with the decision-making requirements in the Act includes (section 79(1)(b)):

- The extent to which different options are to be identified and assessed
- The degree to which benefits and costs are to be quantified
- The extent and detail of the information to be considered
- The extent and nature of any written records kept as to compliance.

If a decision is determined to be ‘significant’ in accordance with the general approach, thresholds, and criteria set out in this policy, a higher standard of compliance is required, including considering whether specific consultation or further assessment of the options is required.

### 3. DEFINITIONS

Section 5 of the Local Government Act 2002 defines ‘*significance*’, ‘*significant*’ and ‘*strategic asset*’ as follows:

**significance**, *in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for:*

- (a) *the current and future social, economic, environmental, or cultural well-being of the district or region*
- (b) *any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter*
- (c) *the capacity of the local authority to perform its role, and the financial and other costs of doing so.*

**significant**, *in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.*

**strategic asset**, *in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority’s capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community, and includes:*

- a) *any asset or group of assets listed in accordance with section 90(2) by the local authority; and*
- (b) *any land or building owned by the local authority and required to maintain the local authority’s capacity to provide affordable housing as part of its social policy; and*
- (c) *any equity securities held by the local authority in:*
  - (i) *a port company within the meaning of the Port Companies Act 1988*
  - (ii) *an airport company within the meaning of the Airport Authorities Act 1966.*

#### 4. GENERAL APPROACH

In accordance with the definitions set out in Section 3 above, Council, in determining whether an issue, proposal, or other matter requiring a decision is of significance, will consider the likely impact of that decision on:

- The social, cultural, economic and environmental well-being of the city, now and in the future
- The ability of Council to achieve its strategic objectives as set out in the Community Plan
- The capacity of Council to perform its role and carry out its services or activities, and the cost of doing so, now and in the future, and
- Any persons who are likely to be affected or particularly interested in the issue, proposal, or matter.

In determining whether any issue, proposal, or other matter requiring decision is of significance consideration will also be given to sections 5 and 6 of this policy.

#### 5. THRESHOLDS

When undertaking a process to determine whether an issue, proposal, or other matter is significant Council will consider the following thresholds:

- Any transfer of ownership or control, or the disposal or abandonment, of a strategic asset in its entirety
- The loss of Council control of any Council-controlled trading organisation or Council-controlled organisation
- A decision that will, directly or indirectly, severely affect the capacity (including financial capacity) of Council to carry out any activity identified in the Community Plan
- Entry into any partnership with the private sector to carry out a significant activity.

If an issue, proposal, or other matter requiring decision does not meet one or more of the above thresholds, sections 4 and 6 of this policy should still be considered in determining whether or not it is significant.

#### 6. CRITERIA

In considering whether any issue, proposal, or other matter requiring decision is significant Council will consider whether:

- The issue, proposal, or other matter affects all or a large portion of the community in a way that Council considers is not inconsequential
- The impact or consequences of the issue, proposal, or other matter on the affected persons will, in Council's view, be substantial
- The financial implications of the issue, proposal, or other matter on Council's overall resources are, in Council's view, substantial
- The issue, proposal, or other matter has the potential to, in the view of Council, generate considerable public controversy.

#### 7. PROCEDURE

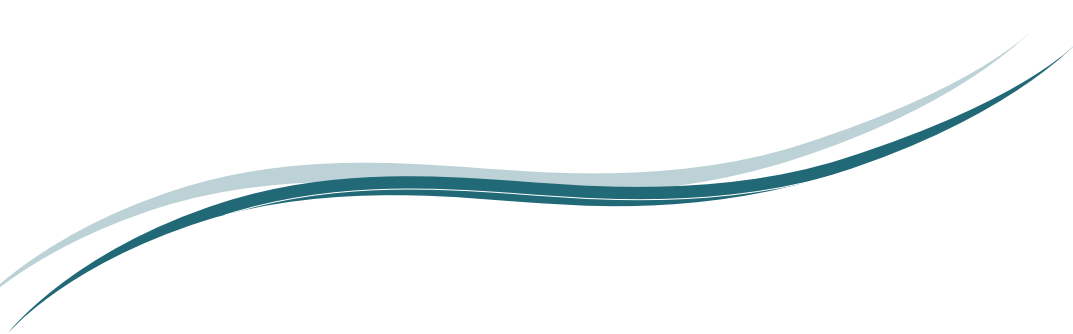
In achieving this policy the following procedure will be applied:

- Where any issue, proposal or other matter is considered to be significant the Chief Executive will report the matter to Council including an assessment of the degree of significance of the issue, proposal, or other matter, and how appropriate compliance with sections 77–82 of the Local Government Act 2002 will be achieved.
- Council will report annually in its Annual Report on all issues, proposals, or other matters determined to be significant, and subject to the procedure outlined in sections 76, 77, 78, 80, & 81 of the Local Government Act 2002 as appropriate.

#### 8. STRATEGIC ASSETS

In accordance with section 90(2) of the Local Government Act 2002 Hutt City Council considers the following assets to be strategic:

- Wastewater Network and Treatment Plant in its entirety
- Roading Network in its entirety
- Stormwater Network in its entirety
- Water Supply Network in its entirety
- Silverstream Landfill
- Parks and reserves and open space network managed as reserves of citywide importance

- 
- The land and buildings owned by Council and required to maintain Council's capacity to provide affordable housing as part of its social policy
  - Dowse and Settlers' collections in their entirety.

Council considers each group of assets listed above to be, in its entirety, a strategic asset. An issue, proposal, or other matter relating to a group of assets will not be considered significant unless it concerns the whole group of assets and not an individual component, unless the issue, proposal, or other matter regarding an individual component is considered significant in terms of this policy.

#### **9. QUALIFICATION**

Council may elect not to consult on an issue, proposal, or other matter requiring a decision considered significant in terms of this policy if that issue, proposal, or other matter is still subject, at a future date, to statutory processes such as those set out in the Resource Management Act or Reserves Act and after taking into account the financial implications of consulting on the matter.



# Policy on Partnerships with the Private Sector

(1) A policy adopted under section 102(4)(e) –

(a) must state the local authority's policies in respect of the commitment of local authority resources to partnerships between the local authority and the private sector; and

(b) must include –

- (i) the circumstances (if any) in which the local authority will provide funding or other resources to any form of partnership with the private sector, whether by way of grant, loan, or investment, or by way of acting as a guarantor for any such partnership; and
- (ii) what consultation the local authority will undertake in respect of any proposal to provide funding or other resources to any form of partnership with the private sector; and what conditions, if any, the local authority will impose before providing funding or other resources to any form of partnership with the private sector; and
- (iii) an outline of how risks associated with any such provision of funding or other resources are assessed and managed; and
- (iv) an outline of the procedures by which any such provision of funding or other resources will be monitored and reported on to the local authority; and
- (v) an outline of how the local authority will assess, monitor, and report on the extent to which Community Outcomes are furthered by any provision of funding or other resources or a partnership with the private sector.

(2) In this section, partnership with the private sector means any arrangement or agreement that is entered into between one or more local authorities and one or more persons engaged in business; but does not include:

(a) any such arrangement or agreement to which the only parties are:

- (i) local authorities; or
- (ii) one or more local authorities and one or more council organisations; or

(b) a contract for the supply of any goods or services to, or on behalf of, a local authority.

The policy can only be amended as an amendment to the Community Plan.

## PURPOSE

The policy is linked to the statutory principle that a local authority should collaborate and cooperate with other local authorities and bodies as it considers appropriate to promote or achieve its priorities and desired outcomes, and make efficient use of its resources (section 14(e) of the Local Government Act refers).

This policy only applies to partnerships with the private sector. 'Partnership with the private sector' is defined in the Local Government Act to mean any arrangement or agreement that is entered into between one or more local authorities and one or more persons engaged in business, but does not include:

- Arrangements or agreements to which the only parties are local authorities or one or more local authorities and one or more council organisations, or
- A contract for the supply of goods or services to, or on behalf of, a local authority.

To clarify, Council has considered this definition with regard to the apparent overall intent of the legislation and the nature of Council's business. Council has determined that specifically this policy shall apply to:

- arrangements or agreements for provision of grants, loans, guarantees, or investments between Council and persons engaged in business
- agreements for a venture where Council participates with a person engaged in business with some joint objective
- any agreement with a person engaged in business to form a Council organisation, or any agreement to sell shares in a Council-Controlled Organisation or Council-Controlled Trading Organisation to a person engaged in business (this will be in addition to the requirements of section 56 of the Local Government Act if applicable).



But shall NOT apply to:

- Contracts between Council and its ordinary suppliers of goods and services (for example, purchase of office supplies or legal services)
- Contracts between Council and its customers for the ordinary supply of goods and services (for example, sale of swimming equipment or provision of various consents or licences)
- Contracts for the supply of goods and services between Council and its agents for undertaking activities of Council (such as building or maintaining roads)
- Borrowing by Council and the investment of Council's funds purely for financial gain as these transactions will be addressed in the Liability Management and Investment Policies respectively
- Agreements with or grants to community organisations, charitable trusts and other community groups, government departments, not-for-profit organisations, other local authorities and Council-Controlled Organisations where the other organisation is to supply any goods or services to, or on behalf of, Council
- Memoranda of Understanding or Heads of Agreement where Council is not providing any funding or other significant resources to the other party.

### **CIRCUMSTANCES UNDER WHICH COUNCIL MAY CONSIDER A PARTNERSHIP WITH THE PRIVATE SECTOR**

Council may consider a partnership with the private sector where there are benefits to Council of committing resources to a partnership with the private sector such as when:

- A need, that a partnership with the private sector would address, has been defined in measurable terms
- The partnership is the most effective means of realising Council's strategic goals or Community Outcomes as defined in Council's Community Plan
- The partnership will lower the cost of the provision of identified services to the community
- Risk allocation is shared equitably
- There is scope for the private sector to contribute particular skills and/or innovative capacity.

### **CONSULTATION**

Council will only undertake consultation in respect of any proposal to provide funding or other resources to any form of partnership with the private sector if that partnership is determined to be significant in terms of Council's approved Significance Policy. Council will generally not undertake consultation in respect of a proposal to provide funding or other resources to any partnership with the private sector that is not considered significant.

### **CONDITIONS**

The conditions any Public/Private Sector partnership will be subject to will depend on the nature of the partnership but will include the following where appropriate:

- Private sector participation will be subject to approved procurement processes, with an emphasis on transparency and disclosure of processes and outcomes, acknowledging the need to protect commercial confidentiality where appropriate.
- Any proposed partnership will be assessed against Council's policies, plans, strategic goals and Community Outcomes as specified in the Community Plan.
- Outputs will be clearly specified including measurable performance standards
- The partnership is compliant with other relevant legislation.
- All private sector parties will be fully accountable to Council for the delivery of the specified project and/or services.

### **RISK MANAGEMENT**

Council will assess and manage any risks associated with any Public/Private Sector partnership in the following manner:

- Risk will be assessed, monitored and reported in accordance with Council's risk management framework.
- Risk allocation between the partners will be clear and enforceable, with consequential financial outcomes.
- The major principle governing risk will be a risk transfer regime where risk will be transferred to whoever is best able to manage it, taking into account public interest considerations.
- Each party must have the freedom to choose how to handle and minimise any risk.
- Where Council is not the only user of an asset, demand (or volume/usage) risk may also be transferred.

# Policy on Development and Financial Contributions

## MONITORING AND REPORTING

Council will monitor and report on a Public/Private Sector partnership by:

- Ensuring transparency and disclosure of key processes and outcomes
- Clearly setting out responsibilities for the monitoring of outcomes
- Monitoring and reporting progress on partnership contracts in accordance with Council's financial and programme reporting regime
- Assessing and monitoring Community Outcomes as required under the Local Government Act 2002 Annual Report requirements.

## GENERAL

Section 102(4) of the Local Government Act 2002 states *inter alia* that a local authority must adopt a policy on development contributions or financial contributions.

Details relating to the specific matters that must be covered in any policy on development contributions or financial contributions are specified in section 106 and these matters are explained below.

Council considers at this stage that it will rely on the financial contributions specified in its District Plan prepared under the Resource Management Act 1991, as this has been subject to considerable community consultation and is well accepted by the community. Within three years Council will investigate further the need for development contributions under the Local Government Act 2002.

Currently financial contributions obtained under the provisions of the District Plan account for less than 5% of the total amount of capital expenditure. It is considered that this amount is not likely to change in the near future.

## FINANCIAL CONTRIBUTIONS IN THE DISTRICT PLAN – A SUMMARY

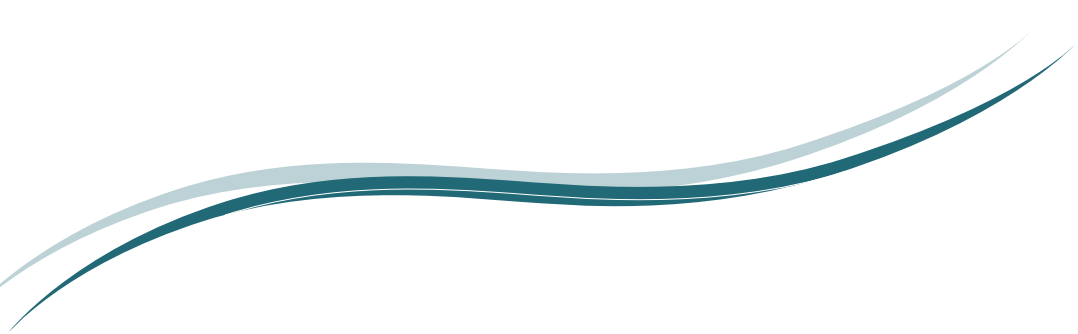
Chapter 12 of the District Plan specifies in detail the issues, objectives, policies and rules relating to financial contributions. The provisions of the District Plan on financial contributions relate mainly to two matters:

- Financial contributions relating to the subdivision and development of land
- Traffic impact fees relating to large-scale retail activities and places of assembly in Residential and Rural Activity Areas, which may have adverse effects on the roading network.

Each of these matters is discussed and analysed below.

### Reserve Contributions – Subdivision of Land

There is a long history of requiring subdividers of land to provide land or money for the purpose of providing public open space as reserves. Reserves are generally required



as part of the subdivision process as they provide the open space and recreation facilities and opportunities necessary to cater for additional demand generated and also to protect or enhance amenity values. As communities continue to grow in size and population there is a need to provide recreation and open space to meet their needs and requirements.

As part of its section 32 requirements under the Resource Management Act 1991, a number of options were evaluated by Council and after considerable consultation with the public, developers and other special interest groups it was considered that reserve contributions should be set at a maximum of 7.5% of the value of each additional allotment [Rule 12.2.1.7 (a)]. It was recognised that the maximum reserve contribution is not appropriate in all cases and this can be adjusted taking into account criteria specified in Rule 12.2.1.7 (b).

### **Reserve Contributions – Development of Land**

The District Plan also recognises that the development of land for business/commercial purposes can increase the number of people employed at a particular location and consequently there may be an increase in demand for open space and recreation areas.

After considerable consultation with the public, property owners, developers and other special interest groups, and after evaluating various options, it was considered by Council that where commercial or industrial development will result in an increase or intensification of use of land, a reserve contribution in the form of money equivalent to 0.5% of the value of the development in excess of \$200,000 was appropriate [Rule 12.2.2.2(a)]. It was also recognised that the maximum reserve contribution is not appropriate in every case and the maximum could be adjusted based on criteria specified in Rule 12.2.2.2 (b).

### **Financial Contributions – Services**

In the District Plan the developer of a subdivision or development is responsible for funding all work within its boundaries relating to services directly required for the subdivision or development (Rules 12.2.1.1, 12.2.1.2, 12.2.1.3, 12.2.1.4, 12.2.1.5, and 12.2.1.6). This approach has been in practice for a very long period of time.

Two main methods for imposing financial contributions have been adopted in the District Plan, these being the recoupment impact fee (or sometimes called the recognised equity method) and the capital improvements programme fee.

In summary the District Plan requires financial contributions as follows:

- In subdivision or development of land the rules specify that the developer is responsible for all work within its boundaries relating to services directly required
- The rules specify that where, as a result of subdivision or development of land, services in adjoining land which were previously adequate become inadequate, then the subdivider or developer should pay for the full and actual costs of upgrading services
- Where subdivision or development takes place and the services in the adjoining land are already inadequate, then the rules specify that the subdivider or developer should pay a proportion of the costs of upgrading services
- In cases where Council has upgraded services in advance of land being subdivided then the subdivider or developer should pay the full and actual costs of upgrading, taking into account the time value of money, when the land is subsequently subdivided or developed.

### **Financial Contributions – Traffic Impact Fee for Retail Activities and Places of Assembly in all Residential and Rural Activity Areas**

The District Plan recognises that large-scale retail activities exceeding 3,000 square metres in floor area and all places of assembly in residential and rural activity areas may have adverse effects on the surrounding roading network and on pedestrian circulation (Rule 12.2.2.1). In such circumstances the District Plan requires that the developer contribute to the upgrading or modification of the surrounding roads, intersections and footpaths.

### **CONCLUSION**

Copies of the District Plan are available for inspection at the main Council Building and at public libraries.

# Liability Management Policy

## INTRODUCTION

Section 102(4)(b) of the Local Government Act 2002 requires Council to adopt a liability management policy. The requirements of that policy are listed in section 104. The relevant legislation is reproduced below:

Section 104 Liability Management policy

*A policy adopted under section 104(4)(b) must state the local authority's policies in respect of the management of both borrowing and other liabilities, including –*

- *interest rate exposure; and*
- *liquidity; and*
- *credit exposure; and*
- *debt repayment; and*
- *specific borrowing limits; and*
- *the giving of securities.*

## GENERAL POLICY

Council's liabilities comprise borrowings and various other liabilities. Council's Liability Management Policy focuses on borrowing as this is the most significant component and exposes Council to the most significant risks.

Other liabilities are generally non-interest bearing. Cash flows associated with other liabilities are incorporated in cash flow forecasts for liquidity management purposes and determining future borrowing requirements.

Council raises borrowing for the following primary purposes:

- General debt to fund Council's balance sheet and from time to time liquidity requirements
- Specific debt associated with 'special one-off' projects and capital expenditure
- To fund assets with intergenerational qualities.

Council is able to borrow through a variety of market mechanisms including the issue of bonds or commercial paper and direct bank borrowing.

In evaluating new borrowings (in relation to source, term, size and pricing) the General Manager Finance and Treasurer will take into account the following:

- The size and economic life of the related project
- The impact of the new debt on the borrowing limits
- Relevant interest rate margins payable under each borrowing source
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time
- Prevailing interest rates relative to term for bond and commercial paper issuance and bank borrowing, and management's view of future interest rate movements
- Available terms from bond and commercial paper issuance and from banks
- Legal documentation and financial covenants
- Alternative funding mechanisms such as leasing are evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation takes into consideration ownership, redemption value and effective cost of funds.

Interest expenses arising on the existing debt portfolio and future borrowings will generally be allocated to specific activities of Council in proportion to the assets employed by each activity. Subject to the approval of the Executive Management Team, selected interest costs may be charged directly to Council activities if related borrowings are clearly identifiable as relating to that activity.

## OVERALL BORROWING LIMITS

In managing borrowing, Council adheres to the following limits:

### Limit

Net debt as a percentage of equity	<20%
Net debt as a percentage of income	<150%
Net interest as a percentage of income	<10%
Net interest as a percentage of annual rates income	<15%
Liquidity (Term debt + committed loan facilities to peak net 12 month debt)	>100%
Net debt	<\$100 million
Net debt per capita	<\$1,000

*Net debt* is defined as the amount of total debt net of liquid financial assets/investments (including sinking funds).

*Income* is defined as earnings from rates, government grants and subsidies, user charges, interest and other revenue.

*Rates* exclude regional levies.

Debt is repaid as it falls due in accordance with the applicable loan agreement. Subject to the debt limits, a loan may be rolled over or renegotiated as and when appropriate.

### MANAGING DEBT REFINANCING RISK

Cash flow deficits in various future periods based on long term financial forecasts are reliant on the maturity structure of loans and facilities. Liquidity risk management focuses on the ability to borrow at that future time to fund the gaps. Funding risk management centres on the ability to refinance or raise new debt at a future time at the same or more favourable pricing (fees and borrowing margins) and maturity terms of existing facilities.

Managing Council's funding risks is important as several risk factors can arise to cause an adverse movement in borrowing margins, term availability and general flexibility including:

- Local Government risk is priced to a higher fee and margin level
- Council's own credit standing or financial strength as a borrower deteriorates due to financial, regulatory or other reasons
- A large individual lender to Council experiences its own financial/exposure difficulties resulting in Council not being able to manage its debt portfolio as optimally as desired
- The New Zealand investment community experiences a substantial over supply of Council investment assets.

A key factor in funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time so that if any of the above events occur, the overall borrowing cost is not unnecessarily increased, nor is the desired maturity profile compromised due to market conditions.

### Liquidity/Funding Risk Control Limits

Council manages liquidity and funding risk through application of the following limits and principles:

- Term debt and committed debt facilities are maintained at an amount that averages 100% of projected peak net debt levels over the next 12 months (per long term cash and debt forecasts)
- An allocated amount of committed credit facilities is designated as cover for special funds as outlined in the Investment Policy and other legislative requirements
- The maturity profile of total committed funding in respect to all loans and committed facilities is maintained within the following limits:

Period	Minimum	Maximum
0 to 3 years	10%	60%
3 to 5 years	20%	60%
5 years plus	10%	60%

- A maturity profile outside these limits requires specific approval of the Finance and Corporate Review Committee. A 12 month non-compliance period from August 2002 is permitted while this revised Liability Management Policy is being phased in.
- Treasury staff provide comprehensive daily and weekly cash management reporting, together with rolling 12 month forecasts, annual cash/debt forecasting and long-term debt forecasts out to 10 years. This reporting is used to monitor actual and forecast liquidity and funding risk and plan accordingly
- The General Manager Finance has the discretionary authority to refinance existing debt on more favourable terms.

### MANAGING INTEREST RATE RISK

#### Risk Recognition

Interest rate risk is the risk that funding costs (due to adverse movements in market interest rates) will materially exceed adopted annual plans and 10 year interest cost projections, so as to adversely impact cost control, capital investment decisions/returns/and feasibilities.

Given Council's debt level, it has a large exposure to interest rate movements (a 1% interest rate movement on \$50 million of debt over 12 months = \$500,000). Accordingly, the primary objective of interest rate risk management is to reduce the uncertainty of interest rate movements through fixing of funding costs. However, a secondary objective is to minimise the net funding costs for Council within acceptable risk parameters. Both objectives are to be achieved through the active management of underlying interest rate exposures.

## Approved Financial Instruments

Dealing in interest rate products must be limited to the following financial instruments:

Category	Instrument
<b>Cash management and borrowing</b>	Bank overdraft
	Committed cash advance and bank accepted bill facilities (term facilities)
	Uncommitted money market facilities
	Bond issuance
<b>Investments</b>	Short term bank deposits
	Bank bills
	Bank certificates of deposit (CD's)
	Treasury bills
	Local Authority stock or State Owned Enterprise (SOE) bonds
	Corporate bonds
	Promissory notes/commercial paper
	Forward rate agreements ('FRA's') on:
	– Bank bills
	– Government bonds
<b>Interest rate risk management</b>	Interest rate swaps including:
	– Forward start swaps (start date <24 months)
	– Amortising swaps (whereby notional principal amount reduces)
	Interest rate options on:
	– Bank bills (purchased caps and 1:1 collars)
	– Government bonds
	Interest rate swaptions (purchased only).

Any other financial instrument must be specifically approved by Council on a case-by-case basis and only be applied to the one transaction being approved.

Credit exposure on these financial instruments is restricted by counterparty credit limits specified in Council's Treasury Policy.

## INTEREST RATE RISK CONTROL LIMITS

### Borrowings

Council borrowings must be within the following fixed/floating interest rate risk control limits:

#### Master Fixed/Floating Risk Control Limits

Minimum Fixed Rate	Maximum Fixed Rate
55%	95%

'Fixed Rate' is defined as an interest rate repricing date beyond 12 months forward on a continuous rolling basis.

'Floating Rate' is defined as an interest rate repricing within 12 months.

The percentages are calculated on the rolling 12 month projected net debt level calculated by the Treasury Accountant (signed off by the Treasurer). This allows for pre-hedging in advance of projected physical drawdowns of new debt. When approved forecasts are changed, the amount of fixed rate cover in place may have to be adjusted to comply with the policy minimums and maximums.

The fixed rate amount at any point in time must be within the following maturity bands:

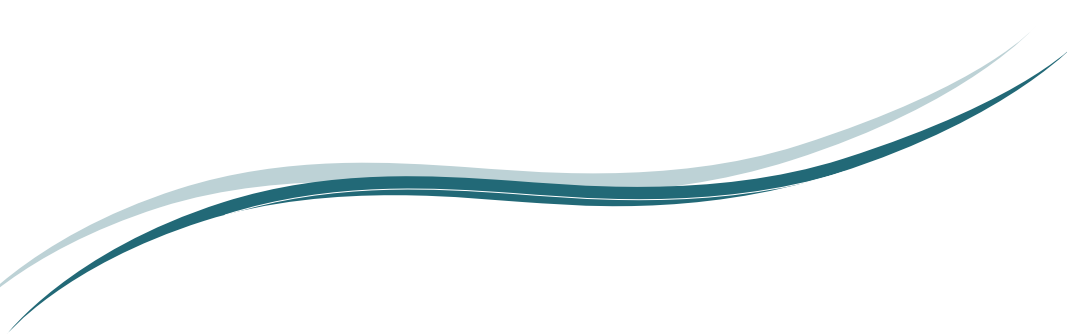
#### Fixed Rate Maturity Profile Limit

Period	Minimum Cover	Maximum Cover
1 to 3 years	20%	50%
3 to 5 years	20%	50%
5 to 10 years	15%	50%

A fixed rate maturity profile outside the above limits requires specific approval of the Finance and Corporate Review Committee. A 12 month non-compliance period from August 2002 is permitted while this revised Liability Management Policy is being phased in.

The following additional controls are applied to manage interest rate risk:

- Floating rate debt may be spread over any maturity out to 12 months. Bank advances may be for a maximum term of 12 months.
- FRA's outstanding at any one time must not exceed 75% of the total floating rate debt. FRA's may be 'closed out' before maturity date by entering an equal and opposite FRA



to the same maturity date or, alternatively, by purchasing an option on an FRA for the equal and opposite amount to the same date.

- Interest rate options must not be sold outright. However, 1:1 collar option structures are allowable whereby the sold option is matched precisely by amount and maturity to the simultaneously purchased option. During the term of the option, one side of the collar cannot be closed out by itself, both must be closed simultaneously. The sold option leg of the collar structure must not have a strike rate 'in-the-money'.
- Purchased borrower swaptions must mature within 12 months unless specifically approved by the Finance and Corporate Review Committee.
- Interest rate options with a maturity date beyond 12 months, that have a strike rate (exercise rate) higher than 1.00% above the appropriate swap rate, cannot be counted as part of the fixed rate cover percentage calculation.

### **Security**

Council's borrowings and interest-rate risk management instruments will generally be secured by way of a charge over Council's rate revenue. However, if it is considered advantageous, Council's borrowings and other financial arrangements may be on an unsecured basis, or secured by way of a charge over physical assets.

Physical assets will be charged only where:

- There is a direct relationship between the debt and the purchase or construction of the asset that it funds (e.g. an operating lease, or project finance)
- The General Manager Finance considers a charge over physical assets to be appropriate
- The Treasurer ensures that the required register of charges and any associated documents are provided, filed and kept in accordance with the provisions of the Local Government Act 2002 and any other relevant legislation.

Council's utilisation of special funds as detailed in the Investment Policy will be on an unsecured basis.

### **Debt Repayment**

The funds from all asset sales and operating surpluses will be applied to the reduction of debt and/or a reduction in borrowing requirements, unless Council specifically directs that the funds be put to another use.

Council will manage debt on a net portfolio basis at all times with the exception of sinking funds relating to debt raised before 1 July 1998 as provided under legislation. Council will only make the statutory minimum contributions to these sinking funds. This also applies to funds vested to Council for specific purposes as dictated by legislation.

### **Contingent Liabilities**

Council from time to time provides financial guarantees to community, sporting, cultural and similar non-profit organisations. Management ensures that the organisation is financially sound and the project is financially viable on a stand-alone basis.

Council's maximum liability is limited to \$1.2 million and \$300,000 for any single loan. Financial guarantees are given for a period of no more than 10 years.

Financial statements are received annually and Council is notified if the loan falls into arrears. Should any guarantee be called upon, Council will take immediate steps to recover the money.



# Investment Policy

## INTRODUCTION

Section 102(4)(c) of the Local Government Act 2002 requires Council to adopt an investment policy. The requirements of that policy are listed in section 105. The relevant legislation is reproduced below:

Section 105 Investment Policy

*A policy adopted under section 102(4)(c) must state the local authority's policies in respect of investments including –*

- *the objectives in terms of which financial and equity investments are to be managed; and*
- *the mix of investments; and*
- *the acquisition of new investments; and*
- *an outline of the procedures by which investments are managed and reported on to the local authority; and*
- *an outline of how risks associated with investments are assessed and managed.*

## GENERAL POLICY

As Council is a net borrower of funds and applies surplus funds to debt repayment, investments are only maintained to meet specified business objectives. An example is the holding of minor equity investments in order to participate in selected local authority mutual funds for risk management purposes. The mix of investments held is outlined below. Investments are generally managed by Council's finance group, which monitors investments, assesses associated risks and reports monthly to Council's Executive Management Team and quarterly to Council's Finance and Corporate Review Committee.

## LIQUID INVESTMENTS

For the foreseeable future, Council will have a permanent net debt/borrowing position and will use flexible short-term working capital money market funding lines. Accordingly, it does not have any requirement to be in a surplus cash situation.

Therefore, any liquid investments must be restricted to a term that meets future cash flow projections. Any liquid investments must be placed within the counterparty credit limits specified in Council's Treasury Policy.

## SINKING FUNDS

Council is no longer required to use sinking funds as a mechanism for loan repayments. Where practical, Council will actively pursue the cessation of contributions to existing sinking funds. Accordingly, the existing sinking funds established before 1 July 1998 will run down over their attributable life to zero.

Given that Council will be a net borrower for the remaining life of the existing sinking funds, the sinking funds should be used for internal borrowing purposes. This will negate any interest rate gap risk that occurs when Council borrows at a higher rate compared with the investment rate achieved by sinking funds. Such internal borrowings should be netted from the 'net debt level'.

A statement of sinking funds is prepared annually by the Sinking Fund Commissioners.

## SPECIAL FUNDS

Liquid assets will not be required to be held against special funds. Instead, Council will manage these funds using internal borrowing facilities.

Accounting entries representing monthly interest accrual allocations will be made using Council's average weighted cost of funds for that period.

## TRUST FUNDS

These represent funds administered by Council in terms of a bequest trust deed, document etc, that has been created by a third party. Such funds are to be separately invested and used for the express purpose for which they are intended.

## EQUITY INVESTMENTS

Council's equity investments are restricted to minor strategic holdings in selected organisations and interests in several Council-Controlled Organisations.

The objectives of Council-Controlled Organisations are as defined in section 59 of the Local Government Act 2002, and as set out in their statements of intent approved by Council each year.

# Statement of Accounting Policies

Council will consider selling its non-strategic shareholdings where the rate of return from owning the asset is lower than the financial benefit to ratepayers of selling and of using the proceeds of sale to repay debt. In its considerations Council will take into account the risks associated with continuing to own the asset and the risks associated with Council's total debt.

Proceeds from the sale of equity investments will go to repay existing debt, unless Council specifically directs that the funds be put to another use.

## INVESTMENT PROPERTIES

Council does not currently hold any investment properties. Investment properties will only be purchased in the future where such acquisition would strategically fit Council's core activities.

Any investment properties held by Council will be managed by the Property Manager.

All buildings and fittings on investment properties will be insured for material damage and skilled property personnel will monitor pricing trends in the area for potential price variations.

Any rental funds received for investment properties held by Council will be used to offset costs incurred within the appropriate property activity.

Any funds received from the sale of investment properties will be used to repay existing debt, unless Council specifically directs that the funds be put to another use.

## LOANS AND ADVANCES

Council does not normally give out loans to Community groups and will only consider doing so in exceptional circumstances.

Council occasionally provides financial guarantees to community, sporting, cultural and similar non-profit organisations. The circumstances under which Council will consider providing a financial guarantee are limited. They are contained in a separate policy entitled 'Requirements and Conditions Relating to the Giving of Financial Guarantees'.

## INTRODUCTION

Schedule 10(8) of the Local Government Act 2002 requires forecast financial statements to be included in a long term council community plan. Section 111 requires that these forecast financial statements be prepared in accordance with generally accepted accounting practice. The relevant legislation is reproduced below.

Section 111 information to be prepared in accordance with generally accepted accounting practice

*All information that is required by any provision of this part or of Schedule 10 to be included in any plan, report, or other document must be prepared in accordance with generally accepted accounting practice if that information is of a form or nature for which generally accepted accounting practice has developed standards.*

The Statement of Accounting Policies is included to meet the requirements of generally accepted accounting practice and support the Forecast Financial Statements and other budgetary information included in the Community Plan.

The Statement of Accounting Policies and Forecast Financial Statements have been prepared using current New Zealand generally accepted accounting practice.

Council intends adopting New Zealand International Accounting Standards from 1 July 2006.

## REPORTING ENTITY AND STATUTORY BASE

The Hutt City Council (referred to as 'Council') is a territorial local authority governed by the Local Government Act 2002. Council was first formed as Lower Hutt City Council on 1 November 1989 by the amalgamation of five local authorities. The name was changed to "The Hutt City Council" by a special Act of Parliament on 8 October 1991.

The activities of Council Controlled Organisations ('CCO's') controlled by Council are included in the Forecast Financial Statements only to the extent of any dividends forecast to be paid to Council.

## MEASUREMENT BASE

These Forecast Financial Statements have been prepared using a historical cost basis, modified by the revaluation of certain assets.

## SPECIFIC ACCOUNTING POLICIES

### Revenue

Rates revenue is recognised when levied.

Water billing revenue is recognised on an accrual basis. Unbilled sales, as a result of unread meters at year-end, are accrued on an average usage basis.

Subsidies from Transfund New Zealand and grants from other government agencies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants and bequests, and assets vested in Council – with or without conditions – are recognised as revenue when control over the assets is obtained.

Dividends are recognised on an accrual basis net of imputation credits.

### Construction Contracts

Profits on contracts are recognised progressively over the period of each contract. The amount recognised in the Statement of Financial Performance, and the value of contract work in progress, are established by assessment of individual contracts taking into account the proportion of work completed, cost analysis and estimated final results.

Foreseeable losses on a contract are recognised immediately.

### Goods and Services Tax 'GST'

These Forecast Financial Statements have been prepared exclusive of GST with the exception of accounts receivable and accounts payable, which are stated inclusive of GST. When GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

### Taxation

Income tax expense is recognised in the Statement of Financial Performance in respect of the current year's surplus after allowing for permanent differences.

Deferred tax is determined on a comprehensive basis using the liability method. Deferred tax assets attributable to timing differences or income tax losses are only recognised when there is virtual certainty of realisation.

### Equity

Equity is the community's interest in Council as measured by total assets less total liabilities. Equity is classified into a number of reserves to enable clearer identification of the specified uses that Council makes of their accumulated surpluses. The components of equity are:

- Accumulated funds
- Council created reserves
- Restricted reserves
- Asset revaluation reserves.

Reserves represent a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Council created reserves are established by Council. They may be altered without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

Restricted reserves are subject to specific conditions accepted as binding by Council, which may not be revised by the Parent without reference to the courts or third party. Transfers from these reserves may be made only for specified purposes or when certain conditions are met.

### Accounts Receivable

Accounts receivable are recognised at expected realisable values after providing for doubtful and uncollectable debts.

### Inventories

Inventories are recognised at the lower of their cost, determined on a first-in first-out basis, and net realisable value.

## PROPERTY, PLANT AND EQUIPMENT

Expenditure of a capital nature of \$1,000 or more for information technology hardware, and \$2,500 or more for other items, has been capitalised. Expenditure of less than \$1,000 for information technology hardware, or less than \$2,500 for other items, has been charged to operating expenditure.

Property, plant and equipment consists of:

- Infrastructure assets. The fixed utility systems owned by Council and include resource consents. Each asset type includes all items that are required for the network to function. For example, sewerage reticulation includes reticulation piping and sewer pump stations.
- Operational assets. These include land, buildings, improvements, library books, plant and equipment, and motor vehicles.
- Restricted assets. Parks and reserves owned by Council that cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community.

### Upper Hutt City Council's interest in the bulk wastewater system

The Hutt Valley and Wainuiomata bulk wastewater system is managed by Council. Upper Hutt City Council pays an annual levy to the Hutt City Council based on an apportionment formula equating to between 26% and 31% of the funding requirements. While Upper Hutt City Council does not have legal ownership of the bulk wastewater system, it is entitled to a share of the proceeds from any sale of the assets.

Upper Hutt City Council's interest in the bulk wastewater system assets is deducted from the value of property plant and equipment recognised in the Statement of Financial Position. Funding contributions from Upper Hutt City Council are recognised as revenue in the Statement of Financial Performance if the contributions are for the operation of the bulk wastewater system. Funding contributions for capital work are recognised as an increase in Upper Hutt City Council's interest in the bulk wastewater system assets.

## Valuation

All assets are valued at historical cost except for the following:

- Land and buildings have been valued at fair value. Revaluations are carried out five yearly.
- Infrastructure assets have been valued at optimised depreciated replacement cost. Revaluations are carried out five yearly. The exceptions are:
  - wharves, which are valued at indemnity value, reflecting their minimum residual value
  - traffic signs, which are stated at cost
  - infrastructure land under roads, which is valued at 45% of the average land market value
- Library literary assets are valued at depreciated replacement cost in accordance with draft guidelines released by the New Zealand Library Association and the National Library of New Zealand. Revaluations are carried out five yearly.

All revaluations are carried out by independent valuers who specialise in the asset classes listed above. The exception is library literary assets, which are valued by staff with specialist knowledge in this area.

Property, plant and equipment valuation increases and decreases are charged to the appropriate asset revaluation reserves. If the decreases would have resulted in a debit balance in the asset revaluation reserve, then this debit balance would be recognised as an expense in the Statement of Financial Performance.

Any subsequent increase on revaluation that off-sets the previous decrease in value in the Statement of Financial Performance will be recognised first in the Statement of Financial Performance up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Costs incurred in obtaining any resource consents are capitalised as part of the asset to which they relate. If a resource consent application is declined then all capitalised costs are written off.

### *Additions*

Additions between valuations are recorded at cost, except for vested assets. Certain infrastructure assets and land have been vested in Council as part of the subdivisional consent process. Vested infrastructure assets have been valued based on the actual quantities of infrastructure components vested and the current 'in the ground' cost of providing natural services. Vested infrastructure assets are recognised as revenue in the Statement of Financial Performance.

### *Assets under construction*

Assets under construction are included at cost. The total cost of a project is transferred to the relevant capital class on its completion and then depreciated.

### **Depreciation**

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives, except that art, museum collections and land are not depreciated.

The expected useful economic lives have been estimated as follows:

<b>Estimated economic lives</b>	<b>Years</b>
Operational assets	
Buildings	50 – 80
Piers at Seaview Marina	25
Parking meters	15
Office equipment	10
Plant	10
Pay and display	10
Recycling depots	5 – 10
Playground equipment	5 – 10
Computer equipment	3 – 5
Infrastructure assets	
Bridges	75 – 100
Drainage including manholes and drainpipe	50 – 80
Kerbing	80
Footpaths	50
Unsealed pavement (base course and sub base)	50
Street lights	29
Wharves	15
Road surface	20
Traffic signals and signs	16
Reservoirs	80
Storm water pipe network assets	60 – 100
Water pipe network assets	60 – 90
Seaview wastewater treatment plant	20
Milliscreen plant	26
Pump and gauging stations	20 – 50
Sewerage pipe network assets	40 – 80
Gauging, milliscreen and reservoir equipment	15
Pump station control equipment	8 – 10
Resource consents	consent term

## **Investments**

### *Investments in subsidiaries*

Investments in subsidiaries are valued at the lower of their cost and net realisable value. Increases and decreases in the value of investments are recorded in the Statement of Financial Performance.

### *Investments in associates*

Investments in associates are valued at the lower of their cost and net realisable value in Council's Statement of Financial Position. Increases and decreases in the value of investments are recorded in the Statement of Financial Performance.

### *Investment properties*

Investment properties are revalued annually at net current value by an independent registered valuer. Increases and decreases in the value of assets are credited to the appropriate asset revaluation reserves. If the decreases would have resulted in a debit balance in the asset revaluation reserve, then this debit balance has been expensed in the Statement of Financial Performance. There is no depreciation recognised on investment properties.

### *Other investments*

All other investments are valued at the lower of their cost and net realisable value.

## **Sinking funds**

Funds have been set aside to meet future repayments of loans. These funds are invested with the Sinking Fund Commissioners of the City of Lower Hutt and the National Provident Fund. Interest earned on sinking funds is recognised as revenue in the Statement of Financial Performance.

## **Employee entitlements**

Provision is made in respect of the Group's liability for annual leave, long service leave, and retirement gratuities. Annual leave has been calculated on an actual basis at current

rates of pay, while the other provisions have been calculated on an actuarial basis based on the present value of expected future entitlements.

## **Leases**

### *Operating Leases*

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are recognised as expenses and income is recognised as revenue in the Statement of Financial Performance in the periods in which they are incurred.

## **Landfill post closure costs**

As operator of the Silverstream and Wainuiomata landfill sites, Council has an obligation to ensure the ongoing maintenance and monitoring services at these landfill sites after closure. Council also has an obligation to monitor closed landfill sites previously operated by local authorities subsequently amalgamated to form the Hutt City Council.

A site restoration and aftercare provision has been recognised as a liability in the Statement of Financial Position. Provision is made for the present value of closure and post closure costs when the obligation for post closure arises. The calculated cost is based on estimates of future site trade waste charges and monitoring costs. The estimated length of time needed for post closure care is Silverstream 30 years, and Wainuiomata 28 years.

The calculations assume no change in the legislative requirements or technological changes for closure and post closure treatment. The discount rate used is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to Council.

## **Financial instruments**

Council is party to financial instruments as part of its normal operations. These financial instruments include cash and on call deposits, accounts receivable, investments, accounts payable, public debt, deposits held, other liabilities, financial guarantees and interest rate swaps and options.

Revenue and expense arising from these financial instruments is recognised in the Statement of Financial Performance. The financial instruments are recognised in the Statement of Financial Position in accordance with the accounting policies outlined below.

#### *Cash and on call deposits, accounts payable, public debt, deposits held and other liabilities*

These financial instruments are recognised in the Statement of Financial Position on a historical cost basis.

#### *Accounts receivable and investments*

Related accounting policies are described in sections above.

#### *Financial guarantees*

Financial guarantees are not recognised in the Statement of Financial Performance unless it becomes probable that a financial loss will be incurred as a result of a guarantee.

#### *Interest rate swaps and options*

Council enters into interest rate swaps and options to hedge interest rate risk associated with public debt. The following accounting treatments are applied:

- The net differential paid or received on interest rate swaps is recognised as a component of interest income or expense over the period of the agreement.
- Interest rate option premiums paid or received and net settlements on maturity are amortised as a component of interest income or expense over the period of the underlying asset or liability.
- As all interest rate swaps and options are hedges of underlying assets or liabilities, they are not stated at market value in the Statement of Financial Position. However, any interest differentials paid or received, option premiums and net settlements that are unamortised at balance date are recognised in the Statement of Financial Position.

#### **Operating statements included in the Statement of Service Performance**

The operating statements report the net cost of services for significant activities of Council. Council has derived the net cost of services for each significant activity using the cost allocation system outlined below.

- Direct costs are charged directly to significant activities. Indirect costs are charged to the significant activities based on cost drivers and related activity or usage information.
- Each significant activity has been charged an internal interest cost. The net interest cost incurred by Council is allocated to each significant activity based on the net book value of property plant and equipment used by the activity.

#### **Statement of cash flows**

Cash means cash balances on hand, in bank accounts, demand deposits and other highly liquid investments which Council holds as part of its day-to-day cash management.

Operating activities include cash received from all income sources within Council and cash paid for the supply of goods and services. Agency transactions (the collection of regional council rates) are recognised as receipts and payments in the Statement of Cash Flows given that they flow through Council's main bank account.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities include the change in equity and debt capital structure of Council.

#### **CHANGES IN ACCOUNTING POLICIES**

Revaluations of land and buildings, infrastructure assets and library literary assets are now carried out five yearly, with the next revaluation under this new policy being due during the 2007/2008 financial year. Previously these revaluations were carried out every three years. This change in accounting policy has had no significant impact on these Forecast Financial Statements.

There are no other significant changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

# Revenue and Financing Policy

## INTRODUCTION

Council previously adopted a Funding Policy to meet the requirements of Part VIIA of the Local Government Act 1974. This Act has now been replaced by the Local Government Act 2002 ('the Act'), under which Council is required to adopt a Revenue and Financing Policy using the special consultative procedure outlined in the Act.

This Revenue and Financing Policy contains Council's policies in respect of funding operating and capital expenditure from available sources. It is an important policy, as it determines who pays for Council's activities.

This policy is set out under the following major headings:

- Policy statement
- Legal requirements of the Revenue and Financing Policy
- Council's process for applying these legal requirements
- Overall funding considerations
- Individual activity analysis.

## POLICY STATEMENT

### Funding of Operating Expenditure

Council funds operating expenditure from the following sources:

- General rates and including any Uniform Annual General Charge
- Targeted rates on water supply and wastewater
- Fees and charges
- Interest and dividends from investments
- Grants and subsidies towards operating expenses (grants and subsidies towards capital expenditure are applied to the related capital expenditure only)
- Other operating revenue.

Council may choose to not fully fund operating expenditure in any particular year, if the deficit can be funded from operating surpluses in the immediately preceding or subsequent years. An operating deficit will only be budgeted when beneficial to avoid significant fluctuations in rates, fees or charges.

Council may choose to fund from the above sources more than is necessary to meet the operating expenditure in any particular year. Council will only budget for such an operating surplus if necessary to fund an operating deficit in the immediately preceding or following years, or to repay debt. Council will have regard to forecast future debt levels when ascertaining whether it is prudent to budget for an operating surplus for debt repayment.

Council has determined the proportion of operating expenditure to be funded from each of the sources listed above, and the method for apportioning rates and other charges. The process used is as specified by the Act. The next two sections of this Revenue and Financing Policy show the Act's requirements and how Council has interpreted them.

The following two sections contain the detailed analysis Council has undertaken to meet these requirements.

The results of this work are that Council has determined that it will seek to fund its operating expenditure as follows:

General rates – residential	26.1%
General rates – business	21.3%
General rates – utilities	1.3%
General rates – rural	0.4%
Targeted rate – water supply	10.6%
Targeted rate – wastewater	13.1%
Fees and charges	21.0%
Interest income	0.2%
Operating subsidies	4.4%
Other sources	1.6%
	<b>100.0%</b>

General rates shown above and elsewhere in this policy include any Uniform Annual General Charge.



The Act also requires Council to produce a Funding Impact Statement that provides details on the funding mechanisms to be used for each year covered by the Community Plan. The Funding Impact Statement shows how Council intends to implement the Revenue and Financing Policy each year. It also shows the amounts to be collected from each available source, including how various rates are to be applied.

### **Funding of Capital Expenditure**

Council funds capital expenditure from borrowing and then spreads the repayment of that borrowing over several years. This enables Council to best match charges placed on the community against the period of benefits from capital expenditure.

Borrowing is managed within the framework specified in the Liability Management Policy. While seeking to minimise interest costs and financial risks associated with borrowing is of primary importance, Council seeks to match the term of borrowings with the average life of assets when practical.

Council's overall borrowing requirement is reduced to the extent that other funds are available to finance capital expenditure. Such other funds include:

- Council reserves, including reserves comprising financial contributions under the Resource Management Act 1991
- Contributions towards capital expenditure from other parties such as Transfund (in relation to certain roading projects) and Upper Hutt City Council (in relation to joint wastewater activities)
- Annual revenue collected to cover depreciation charges
- Proceeds from the sale of assets
- Operating surpluses.

The Forecast Financial Statements included in the Community Plan contain a Statement of Prospective Net Debt Position. This Statement provides a summary of forecast borrowing levels, identifying the impact of capital expenditure and the various other capital funding sources listed above.

## **LEGAL REQUIREMENTS OF THE REVENUE AND FINANCING POLICY**

Section 102(4)(a) of the Local Government Act 2002 requires Council to adopt a Revenue and Financing Policy. The requirements of that policy are listed in Section 103. The relevant legislation is reproduced below:

### **Section 103 Revenue and financing policy**

*(1) A policy adopted under section 102(4)(a) must state –*

- (a) the local authority's policies in respect of the funding of operating expenses from the sources listed in subsection (2)*
- (b) the local authority's policies in respect of the funding of capital expenditure from the sources listed in subsection (2).*

*(2) The sources referred to in subsection (1) are as follows:*

- (a) general rates, including –
  - (i) choice of valuation system*
  - (ii) differential rating*
  - (iii) uniform annual general charges;**
- (b) targeted rates;*
- (c) fees and charges;*
- (d) interest and dividends from investments;*
- (e) borrowing;*
- (f) proceeds from asset sales;*
- (g) development contributions;*
- (h) financial contributions under the Resource Management Act 1991;*
- (i) grants and subsidies;*
- (j) any other source.*

*(3) A policy adopted under section 102(4)(a) must also show how the local authority has, in relation to the sources of funding identified in the policy, complied with section 101(3).*

### **Section 101(3)**

*The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of:*

- (a) *in relation to each activity to be funded –*
- (i) *the Community Outcomes to which the activity primarily contributes*
  - (ii) *the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals*
  - (iii) *the period in or over which those benefits are expected to occur*
  - (iv) *the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity*
  - (v) *the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities*
- (b) *the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.*

### **Section 14 Principles relating to local authorities**

This section lists a set of general principles applying to all significant decisions, which includes the funding policy. In summary the general principles of section 14 require the conduct of Council business and decision making to be:

- Transparent and accountable
- Efficient and effective
- Focused on meeting Community Outcomes
- Responsive to diverse community interests including future generations
- Inclusive of Maori
- Collaborative with other local authorities
- Based on sound business practices in the case of commercial transactions
- Demonstrative of prudent stewardship of resources
- Based on a sustainable approach reflecting the social, economic, environmental and cultural well-being of future generations.

### **Section 77 Decision Making**

This section provides further guidance including the need to identify:

- The comprehensive costs and benefits of options
- The impact of decisions on achieving outcomes
- The impact on capacity to meet current and future generations' needs
- Maori issues.

### **COUNCIL'S PROCESS FOR APPLYING THESE LEGAL REQUIREMENTS**

The first step of the process followed by Council when developing the Revenue and Financing Policy has been to analyse the requirements of section 101(3)(a) of the Act. This has involved considering each of the 18 significant activities of Council in terms of this section of the Act. The headings used for this analysis are:

- Community Outcomes
- Distribution of benefits
- Period of benefits
- Exacerbator pays
- Costs and benefits of distinct funding.

The commentary below explains the issues discussed under each heading and how they relate to the Act's requirements. This is the first step used by Council in determining how its activities should be funded.

The next step in Council's process has been to consolidate the results of the individual significant activity analyses. The consolidated results were then considered in terms of section 101(3)(b), whereby the overall impact on the community was assessed. The matters taken into account, and the ability to adjust funding demands across different groups, are discussed under the 'overall considerations' heading below.

Council then used the results of this work to formulate its policy for funding operating and capital expenditure from the available sources. The policy itself is presented under the heading 'Policy Statement' above.

## Analysis of Section 101(3)(a) requirements Community Outcomes

Section 101(3)(a)(i) requires Council to identify the Community Outcome to which each activity primarily contributes. The Community Outcomes developed by Council and described in the Community Plan are:

- 1 Clean air, water and land.
- 2 Everyone has affordable access to services that improve health.
- 3 A city that is safe, friendly and welcoming, where people experience a sense of belonging.
- 4 Affordable access to excellent educational services.
- 5 A quality standard of affordable housing.
- 6 A local economy that is attractive to both business and residents.
- 7 Affordable access to community facilities that include arts, cultural and recreational options.
- 8 A diverse natural environment that is accessible, enjoyable and safe.
- 9 A healthy balance between natural and built environments.
- 10 A built environment that is attractive, safe and healthy.

This Revenue and Financing Policy lists, for each activity, the Outcome or Outcomes to which it primarily contributes, and states why each activity is undertaken.

## Distribution of Benefits

Section 101(3)(a)(ii) requires Council to assess the benefits from each activity flowing to the community as a whole, and those flowing to individuals or identifiable parts of the community.

In order to assess the distribution of benefits, it is necessary to first describe and define the different types of benefits that flow from Council activities.

## Definition of Terms

This policy uses a number of terms, which are defined below, in the course of the assessment of benefit distribution:

- *Existence benefit* – an existence benefit is one that arises simply from the fact that a facility or service exists. For an activity such as libraries, the fact that the community protests when library closures are mooted suggests that the community (including non-library users) derives a benefit from the existence of the libraries.

- *Option benefit* – a similar concept to existence benefit. The fact that people are prepared to pay through rates to maintain museums suggests that they value the option of using the museums if they wish to, even if they don't actually visit them.
- *Prestige benefit* – a benefit arising from a facility such as the Dowse which has a high reputation both in and outside Hutt City, and consequently enhances residents' sense of well-being and pride in their city.
- *Non-rival* – the enjoyment of a benefit by a person does not prevent the benefit being enjoyed by other people at the same time. An example is street lighting. *Rival* has the opposite meaning.
- *Non-excludable* – no person or group can be prevented from enjoying the benefit. An example is beaches. *Excludable* has the opposite meaning.
- *Public goods* – goods or services that can often only be supplied by the community, and are usually both non-rival and non-excludable.

Benefits flow to the community as a whole directly where:

- Additional people benefiting has little or no impact on costs e.g. democracy
- The person or people benefiting cannot be identified e.g. parks and reserves
- The community in general benefits e.g. Elected Members.

The community as a whole can also benefit indirectly from option benefits, existence benefits, and prestige benefits. Generally, benefits that flow to the community as a whole are non-rival and non-excludable.

For benefits of this type it is either not possible, not practical, or undesirable to charge people directly, so they are funded through general rates. It is not necessary that the entire community benefits for this principle to be applied.

Direct benefits to an individual or groups of people can be identified when it is possible to identify the user and to withhold the service if the user chooses not to pay. An example is refuse disposal. In this case the costs of those benefits should prima facie be funded on a user pays basis.

### **Period of Benefits**

Section 101(3)(a)(iii) requires Council to assess the period over which the benefits from each activity will flow. This in turn indicates the period over which the operating and capital expenditure should be funded.

For all activities, operating costs are directly related to providing benefits in the year of expenditure. As such, they are appropriately funded on an annual basis from annual revenue.

Assets, purchased from capital expenditure, provide benefits for the duration of their useful lives. Useful lives range from a few years in the case of computer equipment through to many decades for infrastructural assets such as pipe networks. This introduces the concept of intergenerational equity. This concept reflects the view that benefits occurring over time should be funded over time. This is particularly relevant for larger capital investments such as the wastewater treatment plant, bridges, landfills etc. One method used to spread these costs over time is loan funding. This ensures that current ratepayers do not pay for benefits received by future ratepayers. Each year's ratepayers pay the interest (representing the cost of capital) and depreciation charges that are associated with the asset. This results in infrastructural costs being spread more evenly across the life of the asset and the different ratepayers who benefit from it. The costs of reducing existing debt are also relevant in this concept.

These principles of funding operating and capital expenditure are as stated in the Policy Statement section of this policy. They are assumed to apply to each activity, unless otherwise stated in the Individual Activity Analysis section. Accordingly, this heading is only included in the analysis of those activities which are funded other than in accordance with these principles.

### **Exacerbator Pays**

Section 101(3)(a)(iv) requires Council to assess the extent to which each activity exists only because of the actions or inaction of an individual or group. Examples are fixing a chemical spill, dog control, littering and parking fines.

Sometimes known as polluter pays, this principle aims to identify the costs to the community of controlling the negative effects of individual or group actions. The principle suggests that Council should recover any costs directly from those causing the problem.

Most activities do not exhibit exacerbator pays characteristics. This heading is only included in the analysis of those activities which do demonstrate such characteristics.

### **Costs and Benefits of Distinct Funding**

Section 101(3)(a)(v) requires Council to consider the costs and benefits of distinct funding for each activity. This section is interpreted as requiring Council to consider the costs and benefits of funding each activity in a way that relates exclusively to that activity. An example of this would be funding swimming pools entirely from user charges, or water from a targeted rate. The consideration of the costs and benefits of distinct funding must include the consequences of the chosen funding method for transparency and accountability.

Transparency and accountability are most evident when an activity is totally distinctly funded. This allows ratepayers, or payers of user charges as the case may be, to see exactly how much money is being raised for and spent on the activity, and to assess more readily whether or not the cost to them of the activity represents good value.

Funding every activity on such a distinct basis would be extremely administratively complex. For some activities the quantity of rates funding to be collected amounts to only a few cents per ratepayer. The administrative costs and lack of significance lead Council to fund a number of activities by way of a general rate. The Individual Activity Analysis section of policy does not repeat this argument for each activity, but rather assumes that the requirements of transparency and accountability for each activity's funding are adequately met by the publication of the estimates of activity expenditure in the Community Plan, and actual activity costs in Council's Annual Report.

Similarly, the funding method indicated by the distribution of benefits for a particular activity may include user charges. In some activities such as parks and reserves the cost of collection (structures and staff) may well be higher than revenue collected.

In a number of cases, the Distribution of Benefits analysis points to the use of a targeted rate on a sector of the community as the most appropriate method of funding that sector's

share of the activity costs. In other cases the analysis suggests that a sector benefits less than the rest of the community, or not at all. Council believes that it is most efficient to include the costs in the costs to the community as a whole, and recognise different cost and benefit patterns amongst sectors of the community through the use of differentials on the general rate.

The Individual Activity Analysis sets out for each activity the results of Council's consideration of these matters, and any modifications that have been made to the funding shares and sources that are indicated by the distribution of benefits for the activity. It also outlines the distribution of the public funding between different rating groups, and the basis for that distribution.

### OVERALL FUNDING CONSIDERATIONS

Once the consideration of the matters referred to in section 101(3)(a) has been completed, a picture emerges of how different parts of the community benefit from Council's services and an overall indicative allocation of costs is compiled. The indicative allocation of costs is then examined in the light of the overall considerations set out in section 101(3)(b). This section of the Act requires Council to consider the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community. Elected member judgement is important at this point, because many of the benefit distribution assessments and resulting adjustments are subjective, and benefit from final assessment by community representatives.

The results of the individual activity analysis are presented on the following page. This indicative allocation of costs suggests that Council's costs should be funded from the following sources:

#### Private Funding:

Targeted rates	23.7%
Fees and charges	21.0%
Operating subsidies	4.4%
Interest income	0.2%
Other sources	1.6%
<b>Total private funding</b>	<b>50.9%</b>

#### Public Funding:

General rates – residential	28.8%
General rates – business	18.6%
General rates – utilities	1.3%
General rates – rural	0.4%
<b>Total public funding</b>	<b>49.1%</b>

Council has considered the overall impact of the indicative private funding allocations on the community and determined that no changes are required. The allocations shown above approximate current levels of charging, adjusted upwards in some areas due to rising input costs. The exception is the level of charges for landfills, which have been increasing. Increases in this area were necessary for reasons relating to regional relativity, as mentioned in the analysis of Council's solid waste activity. The current level of user charges for each of Council's activities is the result of evaluation over a number of years having regard to the Community Outcomes sought by each activity.

Council considered the overall impact of the indicative public funding allocations on the community and determined that some changes were required. The indicative allocations shown above differ from the 2003 allocations. The table below shows the approximate 2003 allocations, and the level of increase or decrease that would be required to the general rate in each category to align it to the indicative allocation. The comments that follow explain how Council intends to modify this indicative allocation.

	2003	Indicative	Change
General rates – residential	26.1%	28.8%	10%
General rates – business	21.9%	18.6%	(15)%
General rates – utilities	0.7%	1.3%	80%
General rates – rural	0.4%	0.4%	3%

## SUMMARY OF INDIVIDUAL ANALYSIS – INDICATIVE ALLOCATION OF COSTS

	Private Funding						Total %	Public Funding				Total %
	Fees & charges %	Operating subsidies %	Interest %	Other revenue %	Reserve funding %	Targeted rates %		Residential & other %	Business %	Utilities %	Rural %	
<b>RATEABLE VALUE PROPORTIONS JULY 2002</b>								<b>78.3%</b>	<b>15.6%</b>	<b>4.6%</b>	<b>1.5%</b>	<b>100.0%</b>
Libraries	4.0%			2.0%			6.0%	73.6%	14.7%	4.3%	1.4%	94.0%
Museums	5.0%			15.0%			20.0%	51.1%	25.0%	3.0%	1.0%	80.0%
Aquatics and Recreation	30.0%			5.0%			35.0%	50.9%	10.1%	3.0%	1.0%	65.0%
Parks and Reserves	10.0%						10.0%	70.5%	15.4%	4.1%		90.0%
Community Support							0.0%	78.3%	15.6%	4.6%	1.5%	100.0%
Community Property	55.0%						55.0%	35.2%	7.0%	2.1%	0.7%	45.0%
Roading and Traffic	14.0%	12.0%					26.0%	18.3%	42.9%	12.6%	0.2%	74.0%
Water Supply	17.0%					73.0%	90.0%	7.8%	1.6%	0.5%	0.2%	10.0%
Wastewater	4.0%	13.0%				78.0%	95.0%	3.9%	0.8%	0.2%	0.1%	5.0%
Stormwater							0.0%	57.3%	39.0%	3.4%	0.4%	100.0%
Solid Waste	124.0%						124.0%	-18.8%	-3.7%	-1.1%	-0.4%	-24.0%
Environmental Management	53.0%						53.0%	6.5%	40.0%	0.4%	0.1%	47.0%
Emergency Management				7.0%			7.0%	72.8%	14.5%	4.3%	1.4%	93.0%
Local Urban Design							0.0%	9.3%	90.0%	0.5%	0.2%	100.0%
Economic Development							0.0%		88.6%	11.4%		100.0%
Elected Members							0.0%	78.3%	15.6%	4.6%	1.5%	100.0%
Advice and Support							0.0%	78.3%	15.6%	4.6%	1.5%	100.0%
Managing Services	50.0%		10.0%	45.0%	-5.0%		100.0%					0.0%
Consolidated cost adjustments	9.0%						9.0%	1.8%	13.7%	75.6%		91.0%
<b>INDICATIVE ALLOCATION OF COSTS</b>	<b>21.0%</b>	<b>4.4%</b>	<b>0.2%</b>	<b>1.7%</b>	<b>-0.1%</b>	<b>23.8%</b>	<b>50.9%</b>	<b>28.8%</b>	<b>18.6%</b>	<b>1.3%</b>	<b>0.4%</b>	<b>49.1%</b>

The increase in residential rates required to achieve the indicative allocation would adversely affect the economic well-being of the community. This is because it would result in residential rates within Hutt City being higher than in neighbouring cities in the region, and this could have flow-on effects on the attraction of Hutt City as a place to live.

Council is also concerned to have business rates at a level that makes Hutt City an attractive place to do business. However, it is not possible to lower the business rates to the level suggested by the indicative allocation of costs in the medium term. To do so would require the residential rates to increase as discussed above.

On average, business rates in Hutt City have declined in recent years due to three reasons. Firstly, Council has been endeavouring to rectify a similar indicative funding discrepancy highlighted in Council's previous Funding Policy. Secondly, business rateable values have been declining as a proportion of the total rateable value of the city. And thirdly, Council has been tightly controlling overall rating levels.

With these issues in mind, Council is proposing that the public funding allocation to business reduce only slightly, rather than change to the extent suggested by the indicative allocation of costs. However, Council will reconsider this position and relative differential factors should the proportion that business comprises of the city's total rateable value increase.

It is worth noting that Council has several different levels of rating within the business sector to reflect differences in the costs Council incurs in support of different geographical business areas and other business groupings. The differentials are described in detail in the Funding Impact Statement, but in summary are as follows:

- Business Central 4.80
- Business Queensgate 4.80
- Business Suburban 4.00
- Business Suburban JSP 4.00
- Business Accommodation 3.00
- Business Eastbourne 3.65

The Business Central differential applies to the central business district. It is higher than the average business differential as Council incurs proportionally more expenditure in support of this area.

Business Queensgate is a differential specifically for that shopping complex. The differential is currently set the same as Business Central. However, the separate differential is to signal Council's intention to reconsider the equitable level of rating for this complex should proposed redevelopments proceed. It is possible that the rateable value per square metre will be much higher than surrounding properties and Council will assess whether the rating burden will be fair on future tenants. Any proposed change to this differential will be subject to public consultation at the time.

Business Suburban applies to all business areas other than those covered by separate differentials.

Business Suburban JSP applies to a specified area in Petone that has agreed to be rated slightly higher than the Business Suburban differential in order to fund a street development programme.

Business Accommodation is a lower business differential for accommodation facilities, reflecting that a significant portion of the costs attributable to this sub-group is reflected in the targeted rates for water and wastewater.

One of these differentials, for businesses in Eastbourne, is lower than other business differentials for historical reasons. Council intends to continue adjusting this particular differential until it equates to Business Suburban.

Council introduced utility network rating in the 2002/2003 financial year. At that time Council's Funding Policy did not refer to utilities, so the differential applied was set at 1.5 times the residential rate. This approximated the equivalent on an undifferentiated rating level. The indicative allocation of costs above suggests that this level was too low, and the level of utility rating increased accordingly in 2003/2004.

Council is by far the biggest utility network owner in the city. This increase effectively transferred additional costs to Council's water-related activities, which was offset by a reduction in the overall general rate requirement. The reversal of Council's rates on its own assets is achieved by a consolidated cost adjustment as shown on the table on the previous page.

The indicative allocation suggests a minor increase in the level of costs allocated to the rural sector. Council proposes that this minor increase proceed.

Taking into account all of the above considerations, Council has determined that the indicative allocation of costs to public funding shall be modified as shown below.

	2003	Indicative	Proposed	Change
General rates – residential	26.1%	28.8%	26.1%	0%
General rates – business	21.9%	18.6%	21.3%	(3)%
General rates – utilities	0.7%	1.3%	1.3%	80%
General rates – rural	0.4%	0.4%	0.4%	3%
<b>Total public funding</b>	<b>49.1%</b>	<b>49.1%</b>	<b>49.1%</b>	

## INDIVIDUAL ACTIVITY ANALYSIS

### 1. LIBRARIES

#### Description

Council provides, maintains and manages eight libraries in the city. These are run as a single citywide service. Their primary role is the provision of written and recorded media, such as books, videos and audiotapes as well as access to information. This material is used for many purposes including entertainment, learning and research.

#### Community Outcomes

##### s101(3)(a)(i)

The provision, maintenance and management of libraries contributes primarily to Community Outcome 7 – ‘affordable access to community facilities that include arts, cultural and recreation options’, and to Outcome 4 – ‘affordable access to excellent educational services’. Reviews are undertaken from time to time to ensure they meet changing public requirements and remain efficient.

## Distribution of Benefits

### s101(3)(a)(ii)

#### *Whole Community*

There is vigorous debate on the extent to which libraries provide benefits to the community as a whole. The most common argument in favour of the existence of such benefits is that the universal availability of literature and knowledge resources promotes social cohesion and enables individuals, particularly young people, to fulfil their potential in positive ways. This argument may well be true but it is virtually impossible to prove in any objective manner. It is, therefore, a matter for subjective judgements of Councillors.

What is quite clear, however, is that the community feels very strongly that Council should provide libraries. A mere hint of closing a library produces strong community protest. This suggests that, even while many people do not use libraries, they value them either for their existence, or as an option should they ever want to use them. The fact that a majority of the community is willing to part with rates money to have a local library implies they receive some form of either existence or option benefits.

Option benefits are a more defensible argument for the presence of community benefits than is social cohesion through literacy. This is clearly an area where the majority of the community is prepared to fund the provision of libraries to a level above their day-to-day personal needs. Such benefits are both non-excludable and non-rival.

The extent of these benefits to the community as a whole is assessed as being equal to the benefits received by individuals.

#### *Identifiable Parts of the Community*

There are no identifiable parts of the community that derive benefits distinct from the whole community benefits.

#### *Individuals*

Benefits to individuals, on the other hand, are readily apparent. They accrue to users of the libraries’ borrowing services and research facilities every time these services



are used. On this basis, the assessment of the distribution of benefits between the community as a whole, identifiable parts of the community, and individuals would be weighted towards individual benefits.

<b>Total benefit to the community as a whole:</b>	<b>50%</b>
<b>Total benefit to individuals:</b>	<b>50%</b>

### Costs and Benefits of Distinct Funding

#### s101(3)(a)(v)

The Distribution of Benefits assessment suggests that 50% of the Libraries activity should be funded from general rates, and 50% from a distinct funding source such as user charges.

Funding 50% of the activity cost from user charges would have benefits in terms of the transparency of cost allocation and charging. It would also increase accountability by relating the service received to the charge imposed.

On the other hand, there are a number of costs associated with this level of distinct funding. There is broad public support for the provision of libraries by Council, and Council views libraries as an important part of the social infrastructure of the city. The library system would simply not exist if it operated on a user pays system based on the recovery of 50% of costs in line with the benefits assessed as flowing directly to users. Even limited charging would impact adversely on the lower income groups in the city. Council views the open and free access to information and books for children as being in the best interests of the city as a whole. Finally, charging for reading material would run contrary to the Community Outcome of ‘affordable access to community facilities that include arts, cultural and recreational options’.

<b>Total costs allocated to the community as a whole:</b>	<b>94%</b>
<b>Total costs allocated to individuals:</b>	<b>6%</b>

### FINAL COST ALLOCATION PERCENTAGE

<b>Private Funding</b>	
User Charges	4.0
Other Revenue	2.0
<b>Total Private Funding</b>	<b>6.0</b>
<b>Public Funding</b>	
General Rate	
Residential	73.6
Business	14.7
Utility	4.3
Rural	1.4
<b>Total Public Funding</b>	<b>94.0</b>
<b>TOTAL</b>	<b>100.0</b>

The level of user charges is based on Council’s experience of recent years, and reflects the perceived maximum level of user charges consistent with Council’s social objectives.

The allocation of public funding across residential, business, utility and rural ratepayers is in direct proportion to each segment’s share of the total capital value of the city.

## 2. MUSEUMS

### Description

Council operates two museums. The Dowse Art Museum displays art, craft and other cultural materials. The Petone Settlers’ Museum specialises in the social history of the Lower Hutt Valley and Petone. These institutions are open to the public at no charge, other than for special exhibitions.

## Community Outcomes

### s101(3)(a)(i)

The operation of museums contributes primarily to Community Outcome 7 – ‘affordable access to community facilities that include arts, cultural and recreation options’.

There is strong public preference for maintaining the current level of service. Reviews are undertaken from time to time to ensure the museums meet changing public requirements and remain efficient.

## Distribution Of Benefits

### s101(3)(a)(ii)

#### *Whole Community*

Museums provide more obvious benefits to the whole community than is the case with libraries. Museums expenditure is generally independent of the number of people benefiting from the service making it non-rival. The benefits of the historical information database held at the Settlers’ are more non-rival in that the private sector is unlikely to provide such a service.

The presence of existence benefits also appears to be more apparent than is the case with libraries. This is particularly strong with the Settlers’ and the art collections associated with the heritage of the local area. Conversely there are less apparent option benefits in that the public have shown more ambivalence toward the Dowse. It should be noted, however, that prestige benefits are significant with the Dowse. To many outside the city, it is Hutt’s primary attraction and commands considerable respect as an arts institution.

#### *Identifiable Parts of the Community*

The Dowse, and to a lesser extent the Settlers’, draw a large number of visitors to the city. Consequent expenditure by those visitors provides considerable benefit to the business community.

#### *Individuals*

The direct user benefits as an individual from the enjoyment and knowledge gained from visiting a museum. In addition, a number of people (many from outside the Hutt area) are

using the service to obtain specific information relating to their history and as such are receiving a private benefit.

<b>Total benefit to the community as a whole:</b>	<b>20%</b>
<b>Total benefit to identifiable parts of the community:</b>	<b>30%</b>
<b>Total benefit to individuals:</b>	<b>50%</b>

## Costs and Benefits of Distinct Funding

### s101(3)(a)(v)

The distribution of benefits assessment suggests that 20% of the Museums activity should be funded from general rates, 30% from a targeted museums rate on the business community, and 50% from a source such as user charges.

Funding 50% of the activity cost from user charges would have benefits in terms of the transparency of cost allocation and charging. It would also increase accountability by relating the service received to the charge imposed.

In terms of efficiency, however, funding 50% of this activity by user charges poses difficulties. Charging a small entry fee may dissuade some patrons, and the revenue would be offset by the costs of setting up and operating a door charge system. It is likely that the desired private funding target could not be reached, as the number of visits would decline as the price increases. Council views museums as an important part of the social infrastructure of the city. Council views free or nearly free access to the museums by all residents to be in the best interests of the city as a whole. Free or low cost access to all residents supports the Community Outcome of ‘affordable access to community facilities that include arts, cultural and recreational options’.

Efficiency considerations also argue against a targeted museums rate on the business community. Such a rate would have benefits for transparency of charging, but the fact that Museums is only one of the activities from which the business community as a group benefits would require each of the activities to have a targeted business rate. Council believes that it is more efficient to assess the overall benefit to businesses from Council activities and recover the costs through the use of a business differential within the general rate. As a result of this assessment, costs allocated to the business community become part of the costs allocated to the community as a whole.

<b>Total costs allocated to the community as a whole:</b>	<b>80%</b>
<b>Total costs allocated to individuals:</b>	<b>20%</b>

#### FINAL COST ALLOCATION PERCENTAGE

##### Private Funding

User Charges	5.0
Other Revenue	15.0
<b>Total Private Funding</b>	<b>20.0</b>

##### Public Funding

General Rate	
Residential	51.0
Business	25.0
Utility	3.0
Rural	1.0
<b>Total Public Funding</b>	<b>80.0</b>
<b>TOTAL</b>	<b>100.0</b>

The business rating group has been allocated double its property value share on the basis of the benefit it receives from the large numbers of visitors attracted to the city by its museums. The balance of the public funding is based on property value proportions of the other rating groups.

### 3. AQUATICS AND RECREATION

#### Description

Council provides and maintains six swimming pools in the city as part of its portfolio of recreational facilities. Recreational programmes are community based programmes designed to encourage residents to engage in a range of recreational activities. These services are provided to promote health and enjoyment and stimulate the community's interest in different recreational opportunities.

#### Community Outcomes

##### s101(3)(a)(i)

The provision and maintenance of swimming pools and the provision of recreational programmes contribute primarily to Community Outcome 7 – 'affordable access to community facilities that include arts, cultural and recreation options'. The activity is undertaken because there are insufficient incentives for private interests to provide swimming pools and recreation programmes in the number the community desires.

#### Distribution of Benefits

##### s101(3)(a)(ii)

##### *Whole Community*

Like libraries, swimming pools enjoy widespread and vociferous public support, implying significant option benefits. However, it is noted by the Hillary Commission that pools are largely patronised by middle and upper income groups.

Community benefits from recreational programmes come from meeting the specific recreational and life skill aspirations of Hutt City residents. It is widely accepted that increased recreational activity in a group situation delivers benefits to the community at large in the areas of health and crime prevention.

##### *Identifiable Parts of the Community*

There are no identifiable parts of the community that derive benefits distinct from the whole community benefits.

##### *Individuals*

Swimming pools provide a perfect environment in which to learn to swim. It should also be noted that many people swim for fitness reasons and that this is in direct competition with private sector gyms and other recreational facilities.

The recreational programmes carried out in this activity have a set of obvious, direct, rival and excludable private benefits that go to those using the programmes. This is particularly true if the participants are not from a disadvantaged section of the community.

<b>Total benefit to the community as a whole:</b>	<b>40%</b>
<b>Total benefit to individuals:</b>	<b>60%</b>

## Costs and Benefits of Distinct Funding

### s101(3)(a)(v)

The distribution of benefits assessment suggests that 40% of the Aquatics and Recreational Programmes activity should be funded from general rates, and 60% from user charges.

It is estimated that the marginal cost of pool use is around 50c. The \$3.50 charge, therefore, covers significant amounts of fixed costs, which make up the bulk of the costs of swimming pools. Council could take a purely revenue maximising approach to pool charges. This, however, needs to be balanced with social objectives such as not preventing low income families from using pools. Affordability for lower income groups is considered to be a sufficient reason to keep pool charges and recreation programmes below the full cost. Experience has shown that raising prices to levels that deter usage results in lower overall income. These detriments are seen as outweighing the benefits to transparency and accountability that would accrue from funding the activity as per the distribution of benefits.

**Total costs allocated to the community as a whole: 65%**

**Total costs allocated to individuals: 35%**

### FINAL COST ALLOCATION PERCENTAGE

#### Private Funding

User Charges	30.0
Other Revenue	5.0
<b>Total Private Funding</b>	<b>35.0</b>

#### Public Funding

General Rate	
Residential	50.9
Business	10.1
Utility	3.0
Rural	1.0
<b>Total Public Funding</b>	<b>65.0</b>
<b>TOTAL</b>	<b>100.0</b>

The allocation of public funding across the residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

## 4. PARKS AND RESERVES

### Description

Council provides and maintains passive recreational facilities in the city for the enjoyment and well-being of the public, free of charge. Sports fields are provided and maintained through charges to sports codes. Recreation areas are both natural and created, with the majority of effort targeted at maintenance and returning areas to their natural state.

This activity also includes Council's cemeteries.

### Community Outcomes

#### s101(3)(a)(i)

The provision and maintenance of passive recreational facilities and sports fields contributes primarily to Community Outcome 7 – 'affordable access to community facilities that include arts, cultural and recreation options'. The activity is undertaken because the market does not provide such facilities at levels desired by the community.

### Distribution of Benefits

#### s101(3)(a)(ii)

##### *Whole Community*

The major public good characteristic of passive recreation facilities such as parks, reserves and beaches is that they are non-rival. It is technically feasible to exclude people from their use, but it is likely that there would be a high cost to this. The costs of maintaining passive recreation facilities are generally the same regardless of the number of users. Accordingly, the benefit to the whole community for passive recreation facilities is assessed at 95%.

There is strong community support for sports fields, which suggests that, even while many people do not use the sports fields, they value the option to use them should they so wish. The community also recognises the public benefits obtained by children and young people through increased health and social skills. The benefit to the whole community for sports fields is assessed at 70%.

Cemeteries are not seen as providing any significant benefit to the community as a whole.

#### *Identifiable Parts of the Community*

There are no identifiable parts of the community that derive benefits from passive recreation facilities distinct from the whole community benefits.

The majority of the costs of sports fields arise out of having to maintain them to the standard required by whichever sports code is using the field. The codes represent identifiable groups within the community and the fields are both rival and excludable.

#### *Individuals*

On occasion a commercial operator will rent a reserve for an event or recreational business (such as the holiday park). In these cases the benefit characteristics of the property switch from whole community to individual benefit for the duration of the rental period. A market rent is charged to reflect this.

Cemetery plots are both rival and excludable. Benefits from the provision of cemeteries are assessed at 100% to individuals.

On the basis of this analysis, the overall distribution of benefits for this activity is:

<b>Total benefit to the community as a whole:</b>	<b>80%</b>
<b>Total benefit to identifiable parts of the community:</b>	<b>15%</b>
<b>Total benefit to individuals:</b>	<b>5%</b>

### **Period of Benefits**

#### **s101(3)(a)(iii)**

Capital costs of both passive recreation facilities and sports fields have generally been paid by developers, or the facility has been in public ownership for a long time. There is an ongoing opportunity cost of capital, which should be funded annually in the same way as interest on loans is funded for other asset rich activities. Where land is assessed as surplus to requirements Council should initiate the process to dispose of it.

For cemeteries Council maintains plots in perpetuity. As the benefit assessment is 100% individual benefit, the fees charged for plots should include the maintenance and capital costs of providing the cemetery in perpetuity.

### **Exacerbator Pays**

#### **s101(3)(a)(iv)**

The actions of sports codes contribute significantly to the need for Council to undertake the maintenance of sports fields.

### **Costs and Benefits of Distinct Funding**

#### **s101(3)(a)(v)**

The distribution of benefits assessment suggests that 80% of the Parks and Reserves activity should be funded from general rates, 18% from charges for the use of sports fields, and 2% from other user charges such as cemetery plot fees.

Council views the active participation of residents in outdoor activities as beneficial to the whole community. Affordability for sporting clubs is now a factor in limiting participation. For these reasons Council has modified the private benefit of the sports fields activity down to approximate the current level of charges.

<b>Total costs allocated to the community as a whole:</b>	<b>90%</b>
<b>Total costs allocated to identifiable parts of the community:</b>	<b>5%</b>
<b>Total costs allocated to individuals:</b>	<b>5%</b>

## FINAL COST ALLOCATION PERCENTAGE

### Private Funding

User Charges	10.0
<b>Total Private Funding</b>	<b>10.0</b>

### Public Funding

General Rate	
Residential	70.5
Business	15.4
Utility	4.1
Rural	0.0
<b>Total Public Funding</b>	<b>90.0</b>
<b>TOTAL</b>	<b>100.0</b>

The distribution of public funding between rating groups is based on property valuations reflecting a generally even spread of benefits across all ratepayers. The exception is the rural sector where property owners generally supply their own open space recreation areas. This proportion has been allocated to the business sector to recognise the intense use of gardens in the central area.

## 5. COMMUNITY SUPPORT

### Description

Council seeks to support its communities through appropriately responding to community needs. This support includes facilitation, advocacy, consultation and allocation of grants to community organisations and groups. These services are carried out through Council's Community Development Services division or through private contracts.

## Community Outcomes

### s101(3)(a)(i)

The Community Support activity contributes primarily to Community Outcome 3 – 'a city that is safe, friendly and welcoming, where people experience a sense of belonging', and Community Outcome 7 – 'affordable access to community facilities that include arts, cultural and recreation options'. Council has a policy of identifying and understanding its communities and their issues. Through greater knowledge of local needs, Council is able to respond suitably to social issues affecting members and groups of communities it represents. The support Council contributes assists groups to achieve their goals when it would not otherwise have been possible due to lack of resources.

## Distribution of Benefits

### s101(3)(a)(ii)

#### *Whole Community*

Council's Social Policy framework is a frame of reference for Council policies in general. On this basis the benefits can be said to accrue to the community in general. In addition the costs are largely independent of the number of persons who benefit. Benefits are also non-rival and non-excludable.

High levels of community support exist for devoting resources to the delivery of social policy, suggesting significant option values. In most cases the grants or community houses funded are acting as the coordinator between Council and the most disadvantaged groups of people. These funds are contestable to a large extent and therefore open to anyone to apply for to help achieve Council's objective to help those least able to help themselves.

It is considered, therefore, that the activity is defined as distributing grants on behalf of ratepayers in general. This point and the fact that the service is targeted at parts of the community that are unable to achieve their objectives without Council help, suggest a majority of public funding.

### Individuals and Identifiable Parts of the Community

The delivery of Social Policy has a private benefit component reflecting the fact that the service is delivered to identifiable individuals and groups. The direct benefits of the activity are both rival, in that if one group receives it another cannot, and excludable, in that Council can withhold the service from beneficiaries if it chooses. Grants to community houses largely benefit the part of the city in which they are located. Community grants involve the transfer of funds from the general ratepayer to individuals or groups.

This activity includes discretionary rate remissions. These are largely of private benefit to clearly identifiable groups of people.

**Total benefit to the community as a whole:** 80%  
**Total benefit to individuals and identifiable parts of the community:** 20%

### Period of Benefits

#### s101(3)(a)(iii)

There is an intergenerational aspect to this activity, in that the Social Policy Framework was developed over a few years but its benefits will occur over a longer period.

### Costs and Benefits of Distinct Funding

#### s101(3)(a)(v)

The distribution of benefits assessment suggests that 80% of the Community Support activity should be funded from general rates, and 20% from user charges.

The benefits from transparency and accountability flowing from such a funding mix are more than offset by the social costs that would result. Council acts to help support the part of the community that can least afford to take care of itself. Council believes that providing some community support to those in need is in the interests of the whole community. Council is focused on providing some support for the community groups that help the community in this fashion.

**Total costs allocated to the community as a whole:** 100%

### FINAL COST ALLOCATION PERCENTAGE

<b>Total Private Funding</b>	<b>0.0</b>
<b>Public Funding</b>	
General Rate	
Residential	78.3
Business	15.6
Utility	4.6
Rural	1.5
<b>Total Public Funding</b>	<b>100.0</b>
<b>TOTAL</b>	<b>100.0</b>

The allocation of public funding across residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

## 6. COMMUNITY PROPERTY

### Description

Council manages a variety of properties for use by the community. These properties are mainly community and civic halls and venues, public toilets and community houses. Progressive reviews of these facilities ensure they remain efficient and meet changing public requirements.

Council also provides and maintains a number of other properties, including housing units for elderly people, buildings used for Council's administration and other miscellaneous properties.

### Community Outcomes

#### s101(3)(a)(i)

Community Property as an activity contributes primarily to Community Outcome 7 – 'affordable access to community facilities that include arts, cultural and recreation options', and Outcome 5 – 'everyone has a quality standard of affordable housing'.

Council's ownership of most of these properties is largely historical. There is significant public preference for retaining Council ownership of the properties used by the community, and facilitating community events, meetings and gatherings. Public toilets are provided for community convenience and to safeguard public health. Council periodically reviews its ownership of other properties to ensure it is also contributing to these outcomes in the most efficient manner.

### Distribution of Benefits

#### s101(3)(a)(ii)

This activity consists of community property and other property functions. These functions have distinct economic characteristics that are discussed separately below.

#### *Community Properties*

The provision of halls and venues (including community houses) is rival and excludable with many private sector substitutes being offered. Where suitable alternative structures are not available developers would provide them given an adequate rental. Public benefits arguably exist in that some groups serving the community's interest could not afford to pay the market price for hall rental and a subsidy provides net benefits to the public. There might also be benefits in having 'neutral territory' on which some community groups can meet, and places where Council can hold public meetings.

Public toilets have both public and private good characteristics. Public toilets are an activity intended to minimise the negative effects of individual actions. The fouling of public areas is seen as a public health issue and is difficult to prevent. Public toilets are seen as an effective alternative. It is acknowledged that to encourage greater use of public toilets, the standard would need to be improved. The community is currently asking Council to provide more public toilets. This fact points to a recognition that the community sees public benefits from providing clean public toilets for residents and visitors to the city.

Council provides a small number of public toilets in shopping areas and at parks and reserves. Toilets are provided by the private sector for use by the public in many areas such as shopping malls and fast-food outlets. The service is both rival and excludable, and the direct benefits are private in nature. In many countries this service is provided on a user pays basis.

**Total benefit to the community as a whole: 40%**  
**Total benefit to individuals or identifiable parts of the community: 60%**

#### *Other Properties*

Housing is both a rival and an excludable activity. Council owns housing for the use of elderly people but is in direct competition with central government and private providers. While there is currently a community preference to maintain the housing assets the benefits of this are not quantifiable.

Other property is generally a private good with considerable private sector competition. Council has been selling some of this property, and this is expected to continue. Property used for Council's activities should be fully cost recovered and those costs shown in the appropriate activity of Council.

**Total benefit to the community as a whole: 5%**  
**Total benefit to individuals or identifiable parts of the community: 95%**

### Period of Benefits

#### s101(3)(a)(iii)

This activity involves the ownership and management of a large number of assets, and intergenerational issues apply.

Many of the community property structures have been provided to some extent by past generations of residents' fundraising activities helping to pay for the private benefits of the users. If the community wishes these facilities to be maintained, and to be replaced at the end of their useful lives, it is appropriate that each year's ratepayers make a capital cost contribution through depreciation charges.



## Exacerbator Pays

### s101(3)(a)(iii)

The provision of toilets is seen as being an exacerbator pays issue, which would indicate the use of user charges to fund this part of the activity, but the public health issues arising from non-use indicate against such charges.

## Costs and Benefits of Distinct Funding

### s101(3)(a)(iv)

Halls and venues provide community groups and individual residents with opportunities to carry out recreational, cultural and governance activities. Charging the full costs of running these community facilities would result in many of the community groups ceasing to operate with consequent negative impacts on the community at large. It is likely that the desired private funding target would not be reached, as the total revenue would actually decline as the price increases. The modification to the funding of this activity recognises that current charges are at a level that is at the upper limit of what the community is prepared to tolerate.

Charging for public toilets would defeat the purpose for which Council has provided them. For public health reasons toilets need to be freely available to ensure usage.

There is benefit in charging market rentals for housing units. Costs exclude the full cost of capital, and therefore make no allowance for the fact that Council could choose to sell these properties and retire debt. Market rentals more closely reflect the full cost to Council of providing the service.

<b>Total costs allocated to the community as a whole:</b>	<b>45%</b>
<b>Total costs allocated to individuals or identifiable parts of the community:</b>	<b>55%</b>

## FINAL COST ALLOCATION PERCENTAGE

<b>Private Funding</b>	
User Charges	55.0
<b>Total Private Funding</b>	<b>55.0</b>
<b>Public Funding</b>	
General Rate	
Residential	35.2
Business	7.0
Utility	2.1
Rural	0.7
<b>Total Public Funding</b>	<b>45.0</b>
<b>TOTAL</b>	<b>100.0</b>

The allocation of public funding across residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

The final cost allocation assumes internal charges to other activities for properties used directly by Council are not included in the user charges percentage above. These internal charges are treated as a reduction in the costs allocated.

## 7. ROADING AND TRAFFIC

### Description

The roading and traffic significant activity consists of five sub-functions – roading and footpaths, street cleaning, street lighting, traffic management and parking. Council provides, maintains and cleans sealed roads and footpaths throughout the city. Traffic control measures are utilised to ensure the efficient and safe movement of motor vehicles, cyclists, pedestrians and other forms of transport. Street lighting is provided to ensure the safety and security of road and footpath users at night.

Parking involves the provision, maintenance and regulation of on-street and off-street carparks in the commercial areas of the city. The location and regulation of carparks is designed to ensure fair, easy and efficient access to the city's commercial areas.

## Community Outcomes

### s101(3)(a)(i)

The roading activity primarily contributes to Community Outcome 6 – ‘a local economy that is attractive to both businesses and residents’, Outcome 9 – ‘a healthy balance between natural and built environments’, and Outcome 10, – ‘a built environment that is attractive, safe and healthy’.

The provision of roads is a legal requirement. The public nature of the road reserve and the absence of private markets result in Council’s role as asset owner and funder.

The legal status and public nature of the road reserve require that Council own the parking asset. Council is responsible for regulation and enforcement due to its legal ability to ration carparks through by-laws.

## Distribution of Benefits

### s101(3)(a)(ii)

This significant activity comprises a set of functions including roading, street cleaning, traffic management, street lighting and parking. These activities have distinct economic characteristics, which are discussed separately below.

#### *Roading*

Roading provides a strip of commonly owned land by which people and goods can move without having to enter into complex transactions with individual land owners. This common strip is generally non-rival and practically non-excludable and the benefits of it go to the community in general. This aspect of the road network has negligible operating costs associated with it. Its costs lie in the purchase price of the land and the opportunity cost of keeping the community’s resources in that form (cost of capital).

Maintaining the road surface and structure, or ‘carriageway’, is where the bulk of the operating costs lie. Carriageway technology is provided almost exclusively for the motorist. The benefits, therefore, are received by an identifiable group within the community.

The whole community does not benefit equally from this expenditure – the more you use the road, the more you benefit. Road surfaces are technically excludable through the vehicle registration regime. In reality Council is unable to exclude any users by law (given a legal vehicle) and is unable in law to place a toll on the road. They are also rival, in that they are worn out as each vehicle passes over them (exponentially according to the weight of the vehicle). They are also rival when congested, as every extra vehicle that goes on to the road imposes a cost on all the other vehicles present. In this sense, the carriageway aspect is not a pure public good.

Footpaths, like carriageways, are designed for a certain transport mode – mainly pedestrians. Unlike the carriageway, however, they are not easily worn out through use, are more difficult to exclude from use and are rarely congested. For these reasons they more closely resemble public goods.

Prestige values are also present in that people express considerable concern to Council over the state of roads in their localities. People generally feel that untidy or damaged roads reflect poorly on the city as a whole.

Generally major arterial routes pay more than their own way in fuel tax and road user charges. At the other extreme cul de sacs will never do so. The roading system is a network, however, and such individual components can only crudely be treated in isolation. Central government draws off around \$800 million per annum in fuel tax without an explicit purpose or use. Local authorities contribute around \$250 million in rates to their local roads. A superior outcome would be to have all approved carriageway costs funded from road user sources rather than rates. However, road tolling is practicable in only limited circumstances and Hutt City Council already maximises its roading ‘subsidy’ from Transfund. The level of rates funding must continue if Council is to maintain and improve its roading network. Applying the principles of the Act suggests that Council should seek the replacement of rates funding for approved carriageway expenditure with Transfund money.

A greater contribution from Transfund would also eliminate the need for any rates differentiation on the basis that commercial traffic accounts for approximately 50% of traffic counts around the city and a proportion greater than 50% by axle weight.

Roading provides a higher level of user benefit to urban residents and businesses because of higher surface, footpath and lighting standards. For these reasons, allocation of a lower proportion of costs can be considered for rural ratepayers.

**Total benefit to the community as a whole: 35%**  
**Total benefit to individuals or identifiable parts of the community: 65%**

*Street Cleaning*

Street cleaning is necessary due to natural and human factors. Leaves and dust are unavoidable consequences of weather. The litter component falls into the exacerbator principle.

Prestige values again are present in that people express considerable concern to Council over the amount of litter in their localities.

**Total benefit to the community as a whole: 80%**  
**Total benefit to individuals or identifiable parts of the community: 20%**

*Traffic Management*

In traffic management Transfund, Greater Wellington – The Regional Council and Land Transport Safety Authority subsidised works are regarded to be of private benefit to users of the road with the balance relating to cyclists and pedestrians throughout the whole city. Public benefits come from the safety aspect to the community in general. The Transfund subsidy meets the costs of the private benefits to, and negative effects caused by, vehicle users.

**Total benefit to the community as a whole: 60%**  
**Total benefit to individuals or identifiable parts of the community: 40%**

*Street lighting*

Street lighting is provided to certain standards for traffic and pedestrian safety in a way that is both non-rival and non-excludable. Also the cost of providing the service is largely independent of the number of users once certain levels are reached.

There are private benefits obtained from the service though, and the major beneficiaries are the motorists. Motorists are an identifiable group of beneficiaries best recognised and dealt with through the Transfund subsidy. This subsidy is currently at around 45% and this should be used as a proxy for private benefit.

**Total benefit to the community as a whole: 55%**  
**Total benefit to individuals or identifiable parts of the community: 45%**

*Parking*

Parking fees are seen as a short-term rental on a plot of land that has an excess demand for its use, and are therefore a private good, as parking spaces are both rival and excludable. Parking fees are a rationing mechanism for a scarce resource. Parking fines are a mechanism to force the user to vacate the park and allow another user the opportunity to rent the space. Free alternatives are available as private landowners offer free rentals to entice customers into their properties. In areas where supply exceeds demand no rationing mechanism is needed and parks are free.

The private funding of 150% includes an allocation of 50% to provide for a return on the cost of capital including new meters.

**Total benefit to the community as a whole: -50%**  
**Total benefit to individuals or identifiable parts of the community: 150%**

**Exacerbator Pays**

**s101(3)(a)(iv)**

Road and parking congestion has exacerbator pays considerations that point towards use of user charges to ensure effective use of the resource.

The litter component of street cleaning falls into the exacerbator principle. It is not possible to identify the exacerbator in most cases, however, and even large penalties would not generate enough net revenue to fund street cleaning, even while reducing the need for it.

## Costs and Benefits of Distinct Funding

### s101(3)(a)(v)

#### Roading

The Transfund portion of funding covers the private good element of roading.

Roading costs make up the majority of this activity and vehicle weights are the major factor in creating damage. The majority of the costs of roading are therefore caused by heavy vehicle movements, which are generated by businesses. This is recognised in the road user charges system run by central government.

Under the Local Government (Rating) Act 2002 Council has no ability to directly impose charges on road users. All road reserves are free to access for all vehicles. A separate Act of Parliament is needed to collect tolls on a specific road. The level of user charges is therefore set at the level of subsidy received from Transfund. This situation could change in the medium term with the government now reviewing transport legislation.

#### Street cleaning

There is an issue of whether the cost of street cleaning in commercial areas should be significantly borne by the business community. This is probably more fair and efficient than charging the community at large. Not all people use the commercial areas equally and where the cost is placed on the business owners, it:

- Provides incentives for businesses to reduce packaging
- Offers the opportunity for business owners to pass on the cost to those who actually use the shopping area
- Gives businesses the incentive to seek from Council the level of service they require.

#### Traffic Management

Council recognises that the operating subsidies do not cover the private benefits of pedestrian areas and cyclists. In order to promote alternatives to the use of car based trips this benefit is seen to be one that should be paid for by the public in general.

#### Street lighting

Street lighting is a relatively pure public good that is most appropriately funded from general rates.

#### Roading excluding parking

**Total costs allocated to the community as a whole: 78%**  
**Total costs allocated to individuals or identifiable parts of the community: 22%**

#### Parking

The target has been modified to reflect the current level of charges. Income from this activity is applied to general roading and traffic expenditure.

**Total costs allocated to the community as a whole: -58%**  
**Total costs allocated to individuals or identifiable parts of the community: 158%**

### FINAL COST ALLOCATION PERCENTAGE

#### Private Funding

User Charges	14.0
Operating Subsidies	12.0
<b>Total Private Funding</b>	<b>26.0</b>

#### Public Funding

General Rate	
Residential	18.3
Business	42.9
Utility	12.6
Rural	0.2
<b>Total Public Funding</b>	<b>74.0</b>
<b>TOTAL</b>	<b>100.0</b>

In recognition of the fact that businesses give rise to the majority of the costs of maintaining the roading network, 75% of public funding requirements have been allocated to businesses, including utility networks. The remaining public funding has been allocated between residential and to a lesser extent rural ratepayers for reasons discussed in the benefits section above, in direct proportion to each segment's share of the total capital value of the city.

## 8. WATER

### Description

This activity involves the supply of high quality drinkable water for domestic and commercial use. Council purchases bulk water from the Greater Wellington – The Regional Council, and this accounts for 56% of the total cost of water supply to the city. Water is then distributed around the city through the local pipe network.

### Community Outcomes

#### s101(3)(a)(i)

The supply of high quality drinkable water for domestic and commercial use contributes primarily to the ‘clean air, water and land’ and ‘a local economy that is attractive to both business and residents’ Community Outcomes. Council’s ownership of the pipe network is historical. There is a legal requirement for Council to retain control of these assets.

### Distribution of Benefits

#### s101(3)(a)(ii)

The public health benefits lie in the treatment of the water and in having a sealed reticulation system made from safe materials. The treated water is both excludable and rival.

Third party benefits are considered to exist in the avoidance of infectious waterborne diseases. The expenditure on the public health component is costs associated with treatment and the marginal cost of ‘healthy’ pipe technology, e.g. the extra expense of having non-asbestos pipes. The costs of using healthy pipe technology, as well as the cost of hygienic headworks, are significant.

Fire-fighting capacity is available to all within the reticulated area. Once the capacity is provided, newcomers can be accommodated at negligible extra cost. In this sense it is non-rival. It is also neither practicable nor desirable to exclude people from this benefit. Fire-fighting capacity, therefore, is a public good component. While significant, this forms a relatively minor part of the overall costs of this activity.

In the absence of metering, the uniform annual charge (UAC) can be seen as a proxy for user charges. It is proposed that the public health benefits, along with fire-fighting benefits, should be funded from general revenues rather than the UAC.

All connections are charged the UAC and this is assumed to cover the supply of the average residential user. Commercial water users are charged on a metered rate for water consumption over and above this volume. The user charges account for around 20% of the total operating cost of the activity and are 100% private benefit funded. This forms part of the 90% overall private funding.

There is unaccounted water use equivalent to around 20% of total water use. This includes fire-fighting, flushing (cleaning) of the system and cleaning out reservoirs. Leakage from the system accounts for 10–15% of total water use. This leakage results from breaks and leaks throughout the network and cannot be attributed to any specific users. The cost of this leakage is spread evenly across all users.

<b>Total benefit to the community as a whole:</b>	<b>10%</b>
<b>Total benefit to individuals or identifiable parts of the community:</b>	<b>90%</b>

### Costs and Benefits of Distinct Funding

#### s101(3)(a)(v)

Ensuring consumers see the true costs of their consumption assists the efficient allocation of water. A general rate would not achieve this aim. Water metering would be effective, but the costs of meter installation and reading are high. A targeted rate for water is seen as a cost effective means of providing transparency of the true cost of supply.

<b>Total costs allocated to the community as a whole:</b>	<b>10%</b>
<b>Total costs allocated to individuals or identifiable parts of the community:</b>	<b>90%</b>

## FINAL COST ALLOCATION PERCENTAGE

### Private Funding

User Charges	17.0
Targeted Rate	73.0
<b>Total Private Funding</b>	<b>90.0</b>

### Public Funding

General Rate	
Residential	7.8
Business	1.6
Utility	0.5
Rural	0.2
<b>Total Public Funding</b>	<b>10.0</b>
<b>TOTAL</b>	<b>100.0</b>

The allocation of public funding across residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

## 9. WASTEWATER

### Description

Council ensures the treatment and disposal of household and commercial effluent according to regional and national environmental standards. A new treatment plant was commissioned in 2002 to ensure effluent is treated to higher standards.

### Community Outcomes

#### s101(3)(a)(i)

The wastewater activity primarily contributes to Community Outcome 1 – 'clean air, water and land' and to a lesser extent to Outcome 6 – 'a local economy that is attractive to both businesses and residents', and Outcome 9 – 'a healthy balance between natural and built environments'.

Through treating and disposing of wastewater, Council is protecting both the physical environment and the health of the community. There is also a legal requirement for Council to retain control of these assets.

### Distribution of Benefits

#### s101(3)(a)(ii)

Public goods are generally those that the market will not supply in sufficient quantities. Wastewater, like any other form of pollution, is something we want less of. The private sector would be more than happy to supply wastewater infrastructure so any market failure lies in its monopoly characteristics. Users of wastewater services can be identified and charged for and therefore the activity delivers significant private benefits.

There are also some public good characteristics in wastewater. These exist in the benefits to the community from maintaining public health (as opposed to the benefits of being healthy to an individual) and environmental protection. These benefits are in the area of public health infrastructure.

Current funding is consistent with a high, or total, private benefit component, if the uniform annual charge is treated as a proxy for user charges. User charges are possible via either metering wastewater, or more simply by charging for wastewater on the basis of volume of water supplied.

Commercial users of the wastewater system meet the full costs associated with the treatment and disposal of the waste they generate in the new Wastewater Treatment Plant via a trade waste charging system introduced in 2002. Charges are based on the strength of the waste as well as the volume. This has the effect of shifting part of the funding from the UAC to direct user charges. It has no impact on the private/public benefit split as the UAC is treated as a proxy charge for user pays.

The rural sector is generally not a user of this activity. The significant use of user charges or targeted rates ensures that payments are sought only where the service is provided. However the rural community enjoys the same public health benefits as the wider community and should meet a proportionate share of these public good costs.

<b>Total benefit to the community as a whole:</b>	<b>5%</b>
<b>Total benefit to individuals or identifiable parts of the community:</b>	<b>95%</b>

## Exacerbator Pays

### s101(3)(a)(iv)

The majority of wastewater is not a public good at all, but rather an exacerbator issue, where the polluter should pay. This indicates funding via a high proportion of direct user charges to encourage waste reduction by those parties creating the pollution.

## Costs and Benefits of Distinct Funding

### s101(3)(a)(v)

Funding by user charges has the benefit of ensuring that polluters face the true costs of their activity and encourages waste reduction. User charges can however present ability to pay problems for residents with limited means and in extreme cases of hardship present public health risks if user charges result in disconnection.

**Total costs allocated to individuals or identifiable parts of the community: 95%**

**Total costs allocated to the community as a whole: 5%**

## FINAL COST ALLOCATION PERCENTAGE

### Private Funding

User Charges	4.0
Operating Subsidies	13.0
Targeted Rate	78.0
<b>Total Private Funding</b>	<b>95.0</b>

### Public Funding

General Rate	
Residential	3.9
Business	0.8
Utility	0.2
Rural	0.1
<b>Total Public Funding</b>	<b>5.0</b>
<b>TOTAL</b>	<b>100.0</b>

The allocation of public funding across the residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

## 10. STORMWATER

### Description

Council operates an effective drainage system to protect property from flooding damage. Stormwater infrastructure includes pipe networks, street-side gutters, retention dams and open watercourses. These are provided and maintained according to the reasonable costs of managing foreseeable flooding events.

### Community Outcomes

#### s101(3)(a)(i)

The stormwater activity primarily contributes to Community Outcome 1 – 'Clean air, water and land' and to a lesser extent to Outcome 6 – 'A local economy that is attractive to both businesses and residents, and Outcome 9 – 'A healthy balance between natural and built environments'.

There is a legal requirement for Council to retain control of these assets.

### Distribution of Benefits

#### s101(3)(a)(ii)

Stormwater reticulation, watercourses, major storm events and watercourse quality management, addressed under this heading, are partly for private benefit but mainly for public benefit. This is in terms of dealing with public spaces and the public stormwater system, managing damage from severe flooding and conducting monitoring and pollution control for the community at large. These attributes are generally non-excludable and non-rival. Private benefit exists, however, in that buildings and pavements increase the need for the expenditure. Economies of scale associated with the provision of an overall system are also recognised.

The system's benefits are to the community in general and the costs are not driven by individuals.

**Total benefit to the community as a whole: 80%**

**Total benefit to individuals or identifiable parts of the community: 20%**

## Exacerbator Pays

### s101(3)(a)(iv)

Buildings and pavements increase the need for expenditure and in this respect the exacerbator should pay. Stormwater impacts are created largely by run-off from impervious surfaces. The normal business sector property has more than double the impervious surfaces than the average residential property and the average rural property significantly less. The severity of negative impacts generated, in ranked order from highest to lowest by property type, is therefore business, residential then rural. This would support a degree of distinct or differential funding from each sector.

## Costs and Benefits of Distinct Funding

### s101(3)(a)(v)

Council has decided that the stormwater system is a network type asset that is far more efficient to be operated on a citywide basis to deliver economies of scale. It is not acceptable to have individual properties opting out of the system by refusing to pay for it. For these reasons Council has modified the allocation of costs to 100% public.

**Total costs allocated to the community as a whole: 100%**

### FINAL COST ALLOCATION PERCENTAGE

<b>Total Private Funding</b>	<b>0.0</b>
<b>Public Funding</b>	
General Rate	
Residential	57.3
Business	39.0
Utility	3.4
Rural	0.4
<b>Total Public Funding</b>	<b>100.0</b>
<b>TOTAL</b>	<b>100.0</b>

To reflect the exacerbator pays issues discussed above, the business sector has been allocated 2.5 times, and the rural sector approximately one quarter, of their respective

capital value proportion of costs. The allocation of the remainder of the public funding across the residential and utility ratepayers is in direct proportion to each segment's share of the total capital value of the city.

## 11. SOLID WASTE

### Description

Council contracts out the collection of most residential and some commercial solid waste and household recycling. It also owns two landfills for the disposal of the city's refuse. Council's Waste Management Plan guides this activity.

### Community Outcomes

#### s101(3)(a)(i)

The collection of solid waste and recycling and the operation of landfills contribute primarily to Community Outcome 1 – 'clean air, water and land'. Council wishes to promote recycling and waste reduction and to provide for the disposal of the city's solid waste. Residents and businesses can opt out of Council controlled service but as yet no private sector operators have put forward acceptable proposals for significant non-Council landfills.

### Distribution of Benefits

#### s101(3)(a)(ii)

##### *Whole Community*

By offering a kerbside recycling service Council is attempting to promote good environmental behaviour in encouraging the community to minimise waste. The value of the recycled material is less than its collection and processing costs. Where this is the case the activity requires some form of public intervention to ensure it will happen. While the costs of recycling are high the community benefits from a reduction in the waste stream to the landfill that will result in lower capital costs over the long term. Given the very strong support for this activity the community also benefits from the knowledge that it is making an effort to reduce waste.



### Identifiable Parts of the Community

There are no identifiable parts of the community that derive benefits from the Solid Waste activity distinct from the whole community benefits.

### Individuals

The activity of refuse collection is excludable and rival. There are a number of private companies offering a rubbish collection service.

Substantial private benefits are also provided by the recycling service. Most of the recyclables would have to be disposed of through the fully user pays refuse collection service. This results in a substantial saving over time.

Waste from the refuse collection services, both public and private, is dumped at one of two landfills. The landfills also accept industrial waste and general fill. The activity is rival and excludable with both private and public sector competition in the region. Part of the benefit is the control, or minimisation, of the negative effects of individual actions, as opposed to the maximisation of a public good. In addition there is a user pays element for the landfill services as the benefits are directly received by the property owner or resident that is disposing of the waste.

<b>Total benefit to the community as a whole:</b>	<b>5%</b>
<b>Total benefit to identifiable parts of the community:</b>	<b>0%</b>
<b>Total benefit to individuals:</b>	<b>95%</b>

### Period of Benefits

#### s101(3)(a)(iii)

Landfills are unlike other assets. While they too have a finite useful life, the end of that life sees costs incurred not only to develop further landfill sites, but also for the after-care maintenance necessary when the existing landfill is closed. Total user charges include funding for forecast after-care costs.

### Exacerbator Pays

#### s101(3)(a)(iv)

Public health benefits of this activity only arise due to the necessity to minimise, or correct, the negative effects of individual actions. The issue is therefore an exacerbator issue.

### Costs and Benefits of Distinct Funding

#### s101(3)(a)(v)

The distribution of benefits assessment suggests that 5% of the Solid Waste activity should be funded from general rates, and 95% from user charges.

User charges are a transparent mechanism for allowing users to assess the value of the service they receive. The fact that people can opt to use private sector refuse collection services rather than Council services provides accountability – Council must deliver value for money.

The level of user charges must be set with reference to the charges in force at other landfills in the region. If Council's charges are too far below the level charged elsewhere, it may become economic for commercial landfill users to travel into the city to use Council's landfills. This would significantly reduce the useful life of the current landfill sites.

At present, user charges need to be set well above the level needed to cover costs. The surplus will be used to reduce the general rate requirement.

<b>Total costs allocated to the community as a whole:</b>	<b>-24%</b>
<b>Total costs allocated to individuals:</b>	<b>124%</b>

## FINAL COST ALLOCATION PERCENTAGE

### Private Funding

User Charges 124.0

**Total Private Funding 124.0**

### Public Funding

General Rate

Residential -18.8

Business -3.7

Utility -1.1

Rural -0.4

**Total Public Funding -24.0**

**TOTAL 100.0**

The allocation of public funding across the residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

## 12. ENVIRONMENTAL MANAGEMENT

### Description

Council develops, implements and monitors the District Plan, relevant by-laws and other environmental policies and plans for the sustainable development of the city. Council's statutory resource management and building approval functions as well as liquor licensing and environmental health are also included under this activity. Regular inspections are carried out to ensure compliance with legislative requirements, the District Plan, resource consent and building consent conditions and by-law requirements. Regular inspections of business premises, certification and liquor licensing are undertaken to promote and protect public health in the city. Noise and hazardous substances are controlled by this activity. The control of animals and stock in the city (a large part of which involves dogs and dog registrations) and public education about the care and control of animals are also covered.

### Community Outcomes

#### s101(3)(a)(i)

This activity contributes primarily to Community Outcome 3 – 'a city that is safe, friendly and welcoming, where people experience a sense of belonging', Outcome 9 – 'a healthy balance between natural and built environments', and Outcome 10 – 'a built environment that is attractive, safe and healthy'.

There is a legal requirement for this activity.

### Distribution of Benefits

#### s101(3)(a)(ii)

This activity consists of environmental policy, environmental approvals, environmental inspection and enforcement, and animal control functions. These functions have distinct economic characteristics that are discussed separately below.

#### *Environmental Policy*

Council has a legal requirement to produce a District Plan. District planning has a mixture of private and public benefits, as well as encouraging optimal resource use over time. A District Plan exists to achieve sustainable management of natural and physical resources. The Plan is determined by the community in terms of the Resource Management Act. It therefore applies to and represents the environmental aspirations of the community as a whole. These benefits are non-rival and non-excludable.

The Plan also exists to control the negative effects of resource use. This is an exacerbation issue and while the benefits accrue to the wider public this is treated as the minimisation of a negative effect, and therefore a private good.

**Total benefit to the community as a whole: 60%**

**Total benefit to individuals or identifiable parts of the community: 40%**

#### *Environmental Approvals*

The environmental approvals activity is undertaken to ensure that public welfare is not jeopardised by the actions of individuals or groups now or in the future. A significant percentage of costs, however, arise in answering general public enquiries on

environmental, building and development issues. It is not possible to determine the costs and quote for this information before the enquiry is dealt with. This is also considered to be public information available to all and part of the customer service of Council.

**Total benefit to the community as a whole:** 40%  
**Total benefit to individuals or identifiable parts of the community:** 60%

#### *Environmental Inspections and Enforcement*

The environmental inspections and enforcement activity ensures that the policies and regulations of Council are being complied with. The service acts to control the negative effects of non-compliance by individuals or groups, nearly all of which are businesses. There is also a general public benefit in the assurance of a safe environment. The provision of an inspection service would be needed even if there were total compliance, so the public good principle also applies.

**Total benefit to the community as a whole:** 20%  
**Total benefit to individuals or identifiable parts of the community:** 80%

#### *Animal Control*

Animal control is primarily the dog control function with a small amount of service involved with general livestock control. The activity exists to control the negative effects associated with dog and stock ownership. While there is a public benefit in having unsafe and noisy dogs controlled the costs of attaining this are the result of individual actions and decisions. Council is increasing activity in patrolling for problem dogs. In some cases it is impossible to identify the owners (if there are any) of these dogs. Similarly, it is often difficult to identify the owners of wandering stock. In these cases the costs are a public good due to the inability to identify the beneficiary.

**Total benefit to the community as a whole** 20%  
**Total benefit to individuals or identifiable parts of the community** 80%

#### **Period of Benefits**

##### **s101(3)(a)(iii)**

An intergenerational effect occurs in that the District Plan remains in force long after it is written.

#### **Exacerbator Pays**

##### **s101(3)(a)(iv)**

The inspections and enforcement function is heavily impacted by individual actions or inaction, and this is recognised in the Distribution of Benefits.

Animal control is almost entirely an exacerbator pays issue. Difficulties in identifying owners of problem dogs or stock, however, make it impossible to recoup costs from those owners. It would be unfair to continue charging the identifiable exacerbators who register their dogs for the increasing costs generated by those who do not register.

#### **Costs and Benefits of Distinct Funding**

##### **s101(3)(a)(v)**

Council has modified the private benefit of this activity down to the existing level of user charges of 53%. Current charges for building permits are already considered to be at the top end of what the customer should reasonably expect to pay. Higher charges will restrict development activity and also lead to a higher level of avoidance. This modification also recognises that some of the services in this activity have fees set by law that do not cover the full cost of providing them.

Dog registration fees are also perceived as being at the top end of the range. In Council's experience, increases in fees have led to lower numbers of registrations. This means that the number of unregistered dogs continues to increase, and fewer 'good' owners are paying for more 'bad' owners.

The extent to which the business community generates costs and receives benefits in this activity, particularly in relation to environmental approvals and inspections and enforcement, would indicate the use of a targeted rate to cover these costs. On efficiency grounds Council will instead recover these costs through the business differential on the general rate. As a result, costs allocated to the business community become part of the costs allocated to the community as a whole.

**Total costs allocated to the community as a whole:** 80%  
**Total costs allocated to individuals and identifiable parts of the community:** 20%

## FINAL COST ALLOCATION PERCENTAGE

### Private Funding

User Charges 53.0

**Total Private Funding 53.0**

### Public Funding

General Rate

Residential 6.5

Business 40.0

Utility 0.4

Rural 0.1

**Total Public Funding 47.0**

**TOTAL 100.0**

The business rating group has been allocated 40% of the cost of this activity on the basis that it is the principal generator of applications for environmental approvals, and the major beneficiary of the inspections and enforcement function. The balance of the public funding is based on property value proportions of the other rating groups.

## 13. EMERGENCY MANAGEMENT

### Description

Council develops and implements citywide emergency management plans, and promotes community preparedness for emergencies. Plans are also in place for dealing with and preventing rural fires. Council maintains the in-house capacity to coordinate responses to both civil defence and rural fire emergencies.

### Community Outcomes

#### s101(3)(a)(i)

This activity contributes primarily to Community Outcome 3 – ‘a city that is safe, friendly and welcoming, where people experience a sense of belonging’. It is also a legal requirement under the Forest and Rural Fires Act and the Civil Defence Act.

### Distribution of Benefits

#### s101(3)(a)(ii)

Emergency management is both non-rival and non-excludable. The costs are usually created by natural disasters and are imposed on the community in a random manner. The activity also has regional and national benefits, in that resources are shared in emergencies with effects beyond the local boundaries. The costs associated with the capital equipment and actual emergency expenditure needed to respond to an emergency have an element of intergenerational equity associated with them. It is impossible to predict when an event will occur and preparations will last over a number of years.

Rural Fire applies largely to Council owned land and therefore any benefits apply to the community.

**Total benefit to the community as a whole: 100%**

### Exacerbator Pays

#### s101(3)(a)(iv)

Rural Fire deals with the consequences of the actions of exacerbators. Exacerbators, where they are identifiable, are dealt with through the Courts and any compensation is obtained in that manner.

### Costs and Benefits of Distinct Funding

#### s101(3)(a)(v)

The distribution of benefits analysis for this activity indicates that all benefits flow to the community as a whole. This has been modified to reflect the current grant from central government that helps Council operate within a New Zealand wide network, although this subsidy is actually sourced from public funds as well.

**Total costs allocated to the community as a whole: 93%**

**Total costs allocated to individuals or identifiable parts of the community: 7%**

## FINAL COST ALLOCATION PERCENTAGE

### Private Funding

Other Revenue	7.0
<b>Total Private Funding</b>	<b>7.0</b>

### Public Funding

General Rate	
Residential	72.8
Business	14.5
Utility	4.3
Rural	1.4
<b>Total Public Funding</b>	<b>93.0</b>
<b>TOTAL</b>	<b>100.0</b>

The allocation of public funding across residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

## 14. LOCAL URBAN DESIGN

### Description

Council aims to develop an urban environment that will help to attract people and investment and enhance the city's image. Council also recognises the contribution the city's heritage buildings and features play in the city's image and history.

### Community Outcomes

#### s101(3)(a)(i)

This activity contributes primarily to Community Outcome 10 – 'a built environment that is attractive, safe and healthy', and Outcome 9 – 'a healthy balance between natural and built environments'.

The public space of the city is managed and developed by Council on behalf of the community. The benefits of preserving buildings of architectural, heritage and historic value are to the community as a whole, as the work required is often of no benefit to the owner or occupier. Council therefore purchases the public benefit on behalf of the community.

### Distribution of Benefits

#### s101(3)(a)(ii)

Council aims to carry out improvements to the public areas to improve the amenity value of the city. Projects in this activity are for the benefit of the whole community and improvements are made only to public land, therefore the benefits apply to the community in general. The benefits of the activity are non-excludable and generally non-rival. In this aspect the applicable principle is public good.

There are however parts of this activity that result in an immediate private benefit being obtained. The suburban shopping centres, CBD development, anti-graffiti, Safer City, signage and environmental safety projects aim to upgrade the image of shopping areas. This work increases the trade and therefore the value of the businesses in that area, making them an identifiable part of the community receiving benefits.

Heritage expenditure has an intergenerational aspect as any expenditure is intended for the benefit of future generations. Any cultural, heritage and aesthetic benefits are both non-rival and non-excludable and the activity is one of the purer public goods Council provides. The existence of private benefits is doubtful. Council's objective is to ensure such sites and buildings are preserved, through contributing to activities such as earthquake strengthening, as private owners have insufficient incentives to do so. Ideally Council's contribution would be just sufficient to ensure preservation and no more. In this way Council is purchasing the public benefit, while the owners invest up to the level of their own private benefit.

<b>Total benefit to the community as a whole:</b>	<b>15%</b>
<b>Total benefit to individuals or identifiable parts of the community:</b>	<b>85%</b>

## Costs and Benefits of Distinct Funding

### s101(3)(a)(v)

Council has a strategic goal of developing an urban environment that will help to attract people and investment. Council is currently implementing projects to achieve this goal and believes that part charging the adjoining property owner for design enhancements will result in the projects not proceeding in a coordinated manner. It is felt that while some benefit will be obtained by neighbouring properties the whole community will also benefit.

**Total costs allocated to the community as a whole: 100%**

#### FINAL COST ALLOCATION PERCENTAGE

<b>Total Private Funding</b>	<b>0.0</b>
<b>Public Funding</b>	
General Rate	
Residential	9.3
Business	90.0
Utility	0.5
Rural	0.2
<b>Total Public Funding</b>	<b>100.0</b>
<b>TOTAL</b>	<b>100.0</b>

The business community gains the primary benefits of this activity as the work is generally carried out in business areas.

## 15. ECONOMIC DEVELOPMENT

### Description

Council has a leading role in fostering the city's growth in a number of ways. These are through creating a business friendly environment, facilitating the expansion and creation of local businesses and employment, increasing tourism to the city and contributing to regional growth through regional economic development initiatives.

## Community Outcomes

### s101(3)(a)(i)

This activity contributes primarily to Community Outcome 6 – 'a local economy that is attractive to both business and residents'. Individual businesses generally have insufficient incentives to explore opportunities that benefit the city as a whole as well as themselves. The city's businesses and residents benefit from Council's support of the business sector and from the promotion of the city as a place to visit.

### Distribution of Benefits

#### s101(3)(a)(ii)

##### *Whole Community*

The general economic development function of Council aims to increase jobs and wealth for the benefit of the whole city. These projects are targeted at regional cooperation and growth industries. Over time the economic growth of the city does not benefit any one group in the community. The direct benefits, however, are firstly to businesses rather than to salary and wage earners.

Council also aims to carry out improvements to the public space in business areas, as requested and partly funded by the business community, specifically to improve economic activity. CBD and Jackson Street projects in this activity have a direct benefit to the businesses in those areas, but there are also indirect benefits to the whole community. Improvements are generally made only to public land, therefore substantial benefits apply to the community in general

The business sector, and the whole community indirectly, also receive benefits from events funding which make visiting the city centre a more attractive experience.

Council also produces promotional material and operates a visitor information service. The majority of the effort in this activity is to develop and disseminate information for visitors and prospective investors and to hone Council's policies into an investment friendly form. These activities are generally non-excludable and non-rival and exist for the betterment of the city as a whole. While the service is open to all businesses and the employment benefits flow through to the whole community, the direct benefits are firstly to businesses rather than to salary and wage earners.

### Individuals and Identifiable Parts of the Community

As noted above, the direct benefits of economic development flow firstly to businesses rather than salary and wage earners. Central city programmes also provide benefits to the businesses in the area. The users of the visitor information service and the businesses promoted in it gain private benefits.

Council's role in this activity is purely as a tax collector. By using its tax collecting powers, Council prevents individual businesses in the CBD from refusing to contribute to the scheme while still receiving its benefits. The policy thus prevents what is known as 'free-riding'. The potential for free-riding infers that the programmes are at least non-excludable within their boundaries. This activity has direct benefits diminishing the further you are from the area concerned.

<b>Total benefit to the community as a whole:</b>	<b>0%</b>
<b>Total benefit to individuals or identifiable parts of the community:</b>	<b>100%</b>

### Costs and Benefits of Distinct Funding

#### s101(3)(a)(v)

For a large part of this activity Council is acting as a tax collector on behalf of the business community.

The Distribution of Benefits assessment suggests that 25% of the activity should be funded from general rates, and 75% from a targeted rate on the business community,

Targeted funding of the activity would have benefits in terms of the transparency of cost allocation and charging. It would also increase accountability by relating the service received to the charge imposed. However, Council believes that it is more efficient to assess the overall benefit to businesses from Council activities and recover the costs through the use of a business differential within the general rate. As a result of this assessment, costs allocated to the business community become part of the costs allocated to the community as a whole.

<b>Total costs allocated to the community as a whole:</b>	<b>100%</b>
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### FINAL COST ALLOCATION PERCENTAGE

<b>Total Private Funding</b>	<b>0.0</b>
<b>Public Funding</b>	
General Rate	
Business	88.6
Utility	11.4
<b>Total Public Funding</b>	<b>100.0</b>
<b>TOTAL</b>	<b>100.0</b>

The distribution of public funding has been assessed at 100% business as the business community gains the primary benefits in general. Utility companies have been grouped with businesses on this occasion, as utility owners will generally also benefit from increased economic activity.

## 16. ELECTED MEMBERS

### Description

Council is an elected body that governs the direction and objectives of the activities it is responsible for on behalf of the city. Community representatives on Community Boards and Ward Committees are part of Council and provide local input into governance issues.

### Community Outcomes

#### s101(3)(a)(i)

This activity contributes to all Community Outcomes in that the elected members of Council are responsible for defining those outcomes and deciding how they are to be achieved. Council is required by law to have elected members.

## Distribution of Benefits

### s101(3)(a)(ii)

#### *Whole Community*

The benefits of this activity are both non-excludable and non-rival. Councillors and members and the direct costs involved in supporting their operation are a legal requirement. The benefits from community representation are largely independent of the number of residents and are spread across the entire community.

#### *Individuals and Identifiable Parts of the Community*

No benefits are seen to flow to individuals or parts of the community other than those that flow to the community as a whole.

**Total benefit to the community as a whole: 100%**

## Costs and Benefits of Distinct Funding

### s101(3)(a)(v)

The distribution of benefits analysis for this activity indicates that all benefits flow to the community as a whole. The most efficient way to fund this benefit pattern is through general rates.

**Total costs allocated to the community as a whole: 100%**

### FINAL COST ALLOCATION PERCENTAGE

<b>Total Private Funding</b>	<b>0.0</b>
<b>Public Funding</b>	
General Rate	
Residential	78.3
Business	15.6
Utility	4.6
Rural	1.5
<b>Total Public Funding</b>	<b>100.0</b>
<b>TOTAL</b>	<b>100.0</b>

The distribution of public funding between rating groups is based on property valuations reflecting an even spread of benefits across all ratepayers.

## 17. ADVICE AND SUPPORT

### Description

This activity involves the processes of policy formation, consultation and public accountability on behalf of Council. The most public examples of this are the annual planning and reporting processes and the development of the city's strategic plans.

### Community Outcomes

#### s101(3)(a)(i)

This activity contributes to all Community Outcomes. Professional advice and support are necessary to assist the community and their representatives on Council, Community Boards, and Ward Committees to make informed decisions on behalf of the community.

### Distribution of Benefits

#### s101(3)(a)(ii)

#### *Whole Community*

The benefits of this activity are both non-excludable and non-rival. Advice and support services are essential to allow the elected members to set policy and manage resource allocation. The benefits from this are largely independent of the number of residents and are spread across the entire community.

#### *Individuals and Identifiable Parts of the Community*

No benefits are seen to flow to individuals or parts of the community other than those that flow to the community as a whole.

**Total benefit to the community as a whole: 100%**



## Costs and Benefits of Distinct Funding

### s101(3)(a)(v)

The distribution of benefits analysis for this activity indicates that all benefits flow to the community as a whole. The most efficient way to fund this benefit pattern is through general rates.

**Total costs allocated to the community as a whole: 100%**

#### FINAL COST ALLOCATION PERCENTAGE

<b>Total Private Funding</b>	<b>0.0</b>
<b>Public Funding</b>	
General Rate	
Residential	78.3
Business	15.6
Utility	4.6
Rural	1.5
<b>Total Public Funding</b>	<b>100.0</b>
<b>TOTAL</b>	<b>100.0</b>

The distribution of public funding between rating groups is based on property valuations reflecting an even spread of benefits across all ratepayers.

## 18. MANAGING SERVICES

### Description

This activity incorporates the organisational support functions that help Council to provide its other activities in the most efficient and effective manner. It includes:

- Customer Relations
- Finance
- General Administration
- Human Resources

- Information Management
- Office of the Chief Executive (including Legal Counsel and Communications)
- Strategic Development.

### Community Outcomes

#### s101(3)(a)(i)

This activity contributes to all Community Outcomes by supporting all of Council's other activities.

#### Distribution of Benefits

##### s101(3)(a)(ii)

### Whole Community

The benefits of this activity are both non-excludable and non-rival. Advice and support services are essential to allow the elected members to set policy and manage resource allocation. The benefits from this are largely independent of the number of residents and are spread across the entire community.

#### *Individuals and Identifiable Parts of the Community*

No benefits are seen to flow to individuals or parts of the community other than those that flow to the community as a whole.

**Total benefit to the community as a whole: 100%**

## Costs and Benefits of Distinct Funding

### s101(3)(a)(v)

The distribution of benefits analysis for this activity indicates that all benefits flow to the community as a whole. However, the costs of the activity are most appropriately funded by allocating the costs across all of Council's other significant activities. Council achieves this through an overhead allocation process whereby the costs are attributed to each significant activity based on selected cost drivers and related activity or usage information. Interest costs are allocated to each activity in proportion to the net book value of fixed assets used by the activity.

# Funding Impact Statement

As a result of this overhead allocation process, no public funding is required for this activity.

The costs of this activity are partially offset by miscellaneous revenues prior to being allocated across other significant activities. These revenues include such things as penalties for late payment of rates, interest and dividends from investments, and commissions for the provision of services to entities other than Council. Forecast revenues are reflected as private funding percentages in the table below.

**Total costs allocated to individuals or identifiable parts of the community: 100%**

## FINAL COST ALLOCATION PERCENTAGE

### Private Funding

User Charges	50.0
Interest Income	10.0
Other Revenue	45.0
Transfers to Reserves	(5.0)
<b>Total Private Funding</b>	<b>100.0</b>
<b>Total Public Funding</b>	<b>0.0</b>
<b>TOTAL</b>	<b>100.0</b>

## INTRODUCTION

In terms of the Local Government (Rating) Act 2002, and the Local Government Act 2002, each council is required to prepare a funding impact statement disclosing the revenue and financing mechanisms it intends to use.

The information in the following sections is intended to achieve compliance with this legislation by, among other things, giving ratepayers full details of how rates are calculated.

This statement should be read in conjunction with Council's Revenue and Financing Policy, which sets out Council's policies in respect of each source of funding of operating expenses.

## SUMMARY OF FUNDING MECHANISMS AND INDICATION OF LEVEL OF FUNDS TO BE PRODUCED BY EACH MECHANISM

The table on the following page sets out the revenue and financing mechanisms planned to be used for each of the next 10 years, and indicates the proportion of revenue forecast to be produced by each mechanism.

Details of user charges and other funding sources, and the proportion applicable to each activity, are shown in more detail in the Revenue and Financing Policy.

## FUNDING IMPACT STATEMENT

For the year ending 30 June 2006

Year Ending 30 June:	Actual 2004	Estimate 2005	Budget 2006	Forecast 2007	Forecast 2008	Projection 2009	Projection 2010	Projection 2011	Projection 2012	Projection 2013	Projection 2014	Projection 2015	Policy Target
<b>FUNDING FOR OPERATING EXPENDITURE OF (\$000):</b>	93,673	97,614	96,766	97,217	96,788	95,620	94,867	94,544	93,908	93,862	94,046	92,974	
General rate – residential	23.5%	24.6%	27.5%	26.9%	27.2%	27.7%	28.1%	28.3%	28.6%	28.5%	28.3%	28.8%	26.0%
General rate – business central/ Queensgate	5.9%	6.1%	5.7%	5.6%	5.6%	5.7%	5.8%	5.9%	5.9%	5.9%	5.9%	6.0%	} 21.3%
General rate – business suburban	12.1%	12.1%	12.5%	12.3%	12.4%	12.6%	12.8%	12.8%	13.0%	12.9%	12.8%	13.1%	
General rate – business suburban JSP	1.0%	1.0%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.2%	
General rate – business accommodation	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	
General rate – business Eastbourne	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	
General rate – rural	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%
General rate – community facilities	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
General rate – utilities	1.2%	1.3%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	1.3%
<b>Total general rate</b>	<b>44.6%</b>	<b>46.0%</b>	<b>48.6%</b>	<b>47.7%</b>	<b>48.1%</b>	<b>48.9%</b>	<b>49.6%</b>	<b>49.9%</b>	<b>50.4%</b>	<b>50.2%</b>	<b>49.9%</b>	<b>50.9%</b>	<b>49.1%</b>
Targeted rate – water supply	9.9%	9.4%	9.6%	10.0%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.8%	9.8%	10.6%
Targeted rate – wastewater	12.1%	11.9%	12.0%	12.2%	12.2%	12.2%	12.1%	12.0%	12.0%	12.3%	12.5%	12.4%	13.1%
User charges	21.5%	21.6%	22.1%	22.6%	23.5%	23.8%	24.0%	24.1%	24.3%	24.3%	24.2%	24.5%	21.0%
Operating subsidies	6.3%	6.0%	4.9%	4.8%	4.8%	4.9%	4.9%	4.9%	5.0%	5.0%	5.0%	5.0%	4.4%
Interest and dividends	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%
Other revenue	3.4%	1.8%	1.3%	1.8%	1.9%	1.9%	1.9%	2.0%	1.9%	1.9%	2.0%	1.9%	1.6%
(Surplus)/deficit applied to borrowing repayment	2.0%	3.1%	1.4%	0.8%	(0.5)%	(1.7)%	(2.5)%	(2.9)%	(3.6)%	(3.7)%	(3.5)%	(4.6)%	0.0%
<b>TOTAL FUNDING FOR OPERATING EXPENDITURE</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

## FUNDING IMPACT STATEMENT – Continued

FUNDING FOR CAPITAL EXPENDITURE OF (\$000):												
	22,901	21,681	45,529	28,261	23,072	18,578	18,335	23,112	19,030	38,542	17,811	18,803
Capital subsidies	15.2%	19.5%	21.4%	14.3%	15.8%	19.7%	18.5%	16.2%	18.0%	23.4%	18.7%	19.0%
Transfers from reserves	0.7%	0.7%	0.4%	0.6%	0.7%	0.9%	0.9%	0.7%	0.8%	0.4%	0.9%	0.9%
Depreciation funding	85.4%	93.4%	46.4%	78.2%	95.5%	116.7%	117.4%	92.8%	112.5%	56.1%	122.3%	115.1%
Asset sales	11.1%	1.2%	23.9%	0.0%	2.6%	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other funding	1.7%	1.2%	0.8%	0.2%	(0.4)%	0.3%	0.3%	(0.4)%	0.3%	0.1%	(0.6)%	0.3%
Operating surpluses/(deficits)	(2.0)%	(3.1)%	(1.4)%	(0.8)%	0.5%	1.7%	2.5%	2.9%	3.6%	3.7%	3.5%	4.6%
Borrowing/(debt repayment)	(12.1)%	(12.9)%	8.6%	7.6%	(14.6)%	(42.4)%	(39.5)%	(12.2)%	(35.2)%	16.4%	(44.9)%	(39.8)%
<b>TOTAL FUNDING FOR CAPITAL EXPENDITURE</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Not specified due to annual variation

### RATES FOR YEAR

For the 2005/2006 year, and for subsequent years, it is intended that Council will set the following rates:

#### Water Supply Rate

A separate targeted rate will be set to meet 90% of the costs of water supply and reticulation in the city. The remaining 10% of these costs will be recovered through the general rate.

Council proposes to set the targeted rate for water supply on the basis of the following factors:

- A charge per separately used or inhabited part of a rating unit which is connected to the water reticulation system.
- A charge of 50% of the above charge per separately used or inhabited part of a rating unit that is not connected to, but is able to be connected to, the water reticulation system.

#### Provided that:

- Rating units situated within 100 metres from any part of the water reticulation network are considered to be able to be connected (i.e. serviceable).
- Rating units that are not connected to the system, and that are not able to be connected, will not be liable for this rate.
- The owner of a rating unit with more than one separately used or inhabited part, may opt to install a water meter to measure the total water consumed. In such a case only one charge will be made for the entire rating unit, but the owner will be liable to pay for water consumed as measured by the meter.

### Wastewater Rate

A separate targeted rate will be set to meet 95% of the costs of wastewater collection, treatment and disposal within the city.

Council proposes to set the targeted rate for the wastewater function on the basis of the following factors:

- A charge for the first water closet or urinal connected to the wastewater system from each rating unit
- A charge of 50% of the above charge for the second and each subsequent water closet or urinal connected to the wastewater system from each rating unit.

Provided that:

- Each household is charged for no more than one water closet, regardless of the actual number
- No charge is made to any rating unit not connected to the wastewater system
- In the case of urinals each 900mm or part thereof will be treated as being equivalent to one water closet.

### Jackson Street Programme Rate

A separate targeted rate, based on the capital value of each rating unit, will be set to raise revenue of \$80,000 from rating units being operated as businesses and located in Jackson Street, Petone between Hutt Road and Cuba Street. The revenue raised from this rate will be applied to meet the costs of the Jackson Street Programme, which is a community based initiative to help reorganise and revitalise commercial activities in Jackson Street.

### General Rate

A general rate will be set:

- To meet the costs of Council activities, other than those detailed above
- Based on the capital value of each rating unit in the city
- On a differential basis, based on the use to which the land is put.

Council proposes to set a Uniform Annual General Charge (UAGC). The UAGC is calculated as one fixed amount per separately used or inhabited portion of a rating unit.

### DIFFERENTIAL RATING DETAILS

Each rating unit is allocated to a differential rating category (based on land use) for the purpose of calculating the general rate, or any specified targeted rate based on capital value.

Set out below are the definitions used to allocate rating units to categories, together with details of the differential rating relationships between each category of rating unit for the purposes of setting and assessing the general rate. The relationships are calculated to produce, as near as is practicable, the correct proportion of general rate revenue from each group, as is indicated by Council's Revenue and Financing Policy.

For the 2005/2006 rating year, only the general rate has been set using these differential categories and relationships.

### Definition of Rating Categories

Category	Description
<b>Residential (RE)</b>	All rating units in the city which are – <ul style="list-style-type: none"><li>– used primarily for residential purposes, or</li><li>– used or set aside for reserve or recreational purposes (other than East Harbour Regional Park), excluding properties categorised as Rural.</li></ul>
<b>Rural (RU)</b>	All rating units in the city which are – <ul style="list-style-type: none"><li>– used primarily for any purpose other than residential, commercial, industrial, recreational or reserve, or</li><li>– used primarily for residential purposes, having an area in excess of 3,000m<sup>2</sup>, but not connected to either water and sewerage reticulation, or</li><li>– East Harbour Regional Park.</li></ul>

**Business Accommodation (BA)** All rating units in any part of the city, other than the area which was formerly the district of the former Eastbourne Borough, which are used primarily for commercial accommodation.

**Business Central (BC)** All rating units which are located within the Central Area Parking District and which are used primarily or predominantly for commercial and/or industrial purposes, excluding properties categorised as:

- Utility Networks, or
- Business Accommodation, or
- Business Queensgate.

**Business Queensgate (BQ)** All rating units which are located in the area bounded by Queens Drive, Waterloo Road, Bloomfield Terrace, Knights Road and Bunny Street and which form part of the Queensgate Mall, and which are used primarily or predominantly for commercial and/or industrial purposes, excluding properties categorised as either:

- Community Facilities, or
- Utility Networks.

**Business Eastbourne (BE)** All rating units in the area of the city which was formerly the district of the former Eastbourne Borough which are used primarily or predominantly for commercial and/or industrial purposes, excluding properties categorised as either:

- Community Facilities, or
- Utility Networks.

**Business Suburban (BS)** All rating units in any part of the city which are used primarily or predominantly for commercial and/or industrial purposes, excluding properties categorised as:

- Community Facilities, or
- Business Central, or

- Business Eastbourne, or
- Utility Networks, or
- Business Accommodation, or
- Business Queensgate.

**Utility Networks (UN)** All rating units which comprise all, or part, of a utility network.

**Community Facilities 1 (CF1)** All land in the city which is:

- non-rateable in terms of the Local Government (Rating) Act 2002, or
- 50% non-rateable in terms of the Local Government (Rating) Act 2002.

**Community Facilities 2 (CF2)** All rating units in the city occupied by charitable trusts and not-for-profit organisations which either:

- Use the land for non-trading purposes for the benefit of the community, or
- Would qualify as land which is 50% non-rateable in accordance with Part 2 of Schedule 1 of the Local Government (Rating) Act 2002 if the organisation did not have a liquor licence, but excluding any rating unit used for residential purposes.

**Community Facilities 3 (CF3)** All rating units in the city occupied by not-for-profit community groups or organisations whose primary purpose is to address the needs of adult members for entertainment or social interaction, and who engage in recreational, sporting, welfare or community services as a secondary purpose.

For the purposes of these definitions:

- Rating units which have no apparent land use (or where there is doubt as to the relevant use) will be placed in a category which best suits the activity area of the property under the Proposed District Plan.
- Rating units which have more than one use (or where there is doubt as to the relevant primary use) will be placed in the category with the highest differential factor.
- Central Area Parking District means the Central Area Parking District as defined in the Proposed District Plan – City of Lower Hutt.
- For the avoidance of doubt, ‘commercial purposes’ includes rating units used:
  - as a hotel, motel, inn, hostel or boarding house
  - primarily as licensed premises
  - as a camping ground
  - as a convalescent home, nursing home, rest home or hospice operating for profit
  - as a fire station
  - by a government, quasi-government or local authority agency for administration or operational purposes
  - as an establishment similar to any of the kinds referred to above, except to the extent that any such rating unit is non-rateable land in terms of the Local Government (Rating) Act 2002.
- A ‘utility network’ includes:
  - a gas, petroleum or geothermal energy distribution system
  - an electricity distribution system
  - a telecommunications or radio communications system
  - a wastewater, stormwater or water supply reticulation system.
- ‘Commercial accommodation’ means the provision of accommodation for more than five persons (with or without any care, medical or other treatment or services) in the course of business, and to that extent includes –
  - a hotel, motel, inn, hostel or boarding house
  - any licensed premises where the provision of accommodation is the primary use

- a camping ground
- a convalescent home, nursing home, rest home or hospice operating for profit.
- Subject to the right of objection set out in section 29 of the Local Government (Rating) Act 2002, it shall be at the sole discretion of Council to determine the use or primary use of any rating unit in the city.

### RELATIONSHIPS OF DIFFERENTIAL CATEGORIES

The rate in the dollar set and assessed in respect of each specified category of rating units shall vary from the rate in the dollar in respect of any other specified category of property as set out below:

Category	Differential Factor
Residential (RE)	1.00
Rural (RU)	0.65
Business Accommodation (BA)	3.00
Business Central (BC)	4.80
Business Queensgate (BQ)	4.80
Business Eastbourne (BE)	3.65
Business Suburban (BS)	4.00
Utility Networks (UN)	2.50
Community Facilities 1 (CF1)	1.00
Community Facilities 2 (CF2)	0.50
Community Facilities 3 (CF3)	2.50

# Policy for Remission and Postponement of Rates on Maori Freehold Land

## INTRODUCTION

Maori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Maori Land Court. Only land that is the subject of such an order may qualify for remission or postponement under this policy.

Whether rates are remitted or postponed in any individual case will depend on the individual circumstances of each application. In general a remission of rates will be considered, unless there is a reasonable likelihood that the subject land will be used or developed in the immediate future.

This policy has been formulated for the purposes of:

- Ensuring the fair and equitable collection of rates from all sectors of the community by recognising that certain Maori owned lands have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide relief from rates
- Meeting the requirements of Sections 102 and 108 and the matters in Schedule 11 of the Local Government Act 2002 to have a policy on the remission and postponement of rates on Maori freehold land.

## OBJECTIVES

The objectives of this policy are:

- To recognise situations where there is no occupier or person gaining an economic or financial benefit from the land
- To set aside land that is better set aside for non-use because of its natural features (whenua rahui)
- To recognise matters related to the physical accessibility of the land
- To recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes
- Where part only of a block is occupied, to grant remission for the portion of land not occupied
- To facilitate development or use of the land where Council considers rates based on the rateable value make the use of the land uneconomic.

## CONDITIONS AND CRITERIA

- Application for this remission or postponement should be made prior to commencement of the rating year. Applications made after the commencement of the rating year may be accepted at the discretion of Council.
- Owners or trustees making application should include the following information in their applications:
  - details of the rating unit or units involved
  - the objectives that will be achieved by providing a remission
  - documentation that shows the land which is the subject of the application is Maori freehold land.
- Council may of its own volition investigate and grant remission or postponement of rates on any Maori freehold land in the city.
- Relief, and the extent thereof, is at the sole discretion of Council and may be cancelled or reduced at any time.
- Council will give a remission or postponement of up to 100% of all rates, except targeted rates set for water supply or wastewater disposal, based on the following criteria:
  - the land is unoccupied and no income is derived from the use or occupation of that land, or
  - the land is better set aside for non-use (whenua rahui) because of its natural features, or is unoccupied, and no income is derived from the use or occupation of that land, or
  - the land is inaccessible and is unoccupied, or
  - only a portion of the land is occupied, or
  - the property carries a best potential use value that is significantly in excess of the economic value arising from its actual use.



# Rates Postponement Policy

## INTRODUCTION

This policy is prepared under sections 102 and 110 of the Local Government Act 2002.

## OBJECTIVE

To assist ratepayers experiencing extreme financial circumstances which affect their ability to pay rates.

## CONDITIONS AND CRITERIA

- Only rating units used solely for residential purposes (as defined by Council) will be eligible for consideration for rates postponement for extreme financial circumstances.
- Only the person entered as the ratepayer, or their authorised agent, may make an application for rates postponement for extreme financial circumstances. The ratepayer must be the current owner of, and have owned for not less than five years, the rating unit which is the subject of the application. The person entered on Council's rating information database as the 'ratepayer' must not own any other rating units or investment properties (whether in the district or in another district).
- The ratepayer (or authorised agent) must make an application to Council on the prescribed form.
- Council will consider, on a case by case basis, all applications received that meet the criteria described in the first two paragraphs under this section.
- When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant including the following factors: age, physical or mental disability, injury, illness and family circumstances.
- Before approving an application Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care and proper provision for maintenance of his/her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.
- Before approving an application Council must be satisfied that the ratepayer has taken all steps necessary to claim any central government benefits or allowances the ratepayer is properly entitled to receive to assist with the payment of rates.

- Where Council decides to postpone rates the ratepayer must first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.
- Any postponed rates will be postponed until:
  - the death of the ratepayer(s), or
  - until the ratepayer(s) ceases to be the owner or occupier of the rating unit, or
  - until the ratepayer(s) ceases to use the property as his/her residence, or
  - until a date specified by Council.
- Council, as authorised by section 88 of the Local Government (Rating) Act 2002, will charge an annual fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Council's administrative and financial costs and may vary from year to year. The fee that will be charged in the 2005/06 financial year is \$50.
- Even if rates are postponed, as a general rule the ratepayer will be required to pay the first \$500 of the rate account.
- The policy will apply from the beginning of the rating year in which the application is made although Council may consider backdating past the rating year in which the application is made depending on the circumstances.
- The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.
- Postponed rates will be registered as a statutory land charge on the rating unit title. This means that Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

## DELEGATIONS

Council will delegate authority to approve applications for rates postponement to particular Council officers.

# Rates Remission Policy

## INTRODUCTION

In order to allow rates relief where it is considered fair and reasonable to do so, Council is required to adopt policies specifying the circumstances under which rates will be considered for remission. There are various types of remission, and the circumstances under which a remission will be considered for each type may be different. The conditions and criteria relating to each type of remission are therefore set out separately in the following pages, together with the objectives of the policy.

This policy is prepared under section 109 of the Local Government Act 2002 for consultation using the special consultative procedure laid down in section 83 of the same Act.

## PART 1 – REMISSION FOR COMMUNITY, SPORTING AND OTHER ORGANISATIONS

### Objectives of the Policy

- To facilitate the ongoing provision of non-commercial community services that meet the needs of the residents of the city.
- To facilitate the ongoing provision of non-commercial recreational opportunities for the residents of the city.
- To assist the organisations' survival, and
- To make membership of the organisations more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people, and economically disadvantaged people.

### Conditions and Criteria

Council may remit rates where the application meets the following criteria:

- The policy will apply to land owned by Council or owned and occupied by a charitable organisation, which is used exclusively or principally for sporting, recreation, or community purposes.
- The policy does not apply to organisations operated for private pecuniary profit.
- The policy will also not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting, or community services as a secondary purpose only.

- Applications for remission must be made in writing to Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.
- Organisations making application should include the following documents in support of their application:
  - statement of objectives
  - financial accounts
  - information on activities and programmes
  - details of membership or clients.
- Any remission granted in relation to the general rate under this policy will not exceed 50% of the amount charged, unless exceptional circumstances exist.
- Any organisation being rated in any of the Community Facilities differential categories will not be eligible for any remission in relation to the general rate, unless exceptional circumstances exist.
- The policy shall apply to such organisations as are approved by Council as meeting the relevant criteria.
- No remission will be granted on targeted rates for water supply under this policy.
- Remission of targeted rates for wastewater disposal under this policy will only be granted as follows, to the types of organisations specified:
  - Places of Religious Worship will be charged for a maximum of two pans, except in circumstances where it is evident that there is regular weekday use of the building for non-worship purposes.
  - Child Care Facilities will be charged for a maximum of two pans.
  - Sports clubs will be charged for a maximum of two pans, unless the club holds a liquor licence.
  - No more than 200 pans are to be charged on any one property.
  - Marae, Maori and other similar meeting places are to be charged for a maximum of two pans.
  - In cases of doubt, each application shall be referred to Council's Finance and Corporate Review Committee for a final decision.

- As a transitional measure, those organisations that received a remission of wastewater charges for the 2002/2003 rating year, during the phasing in of full charges, will continue to receive this remission as follows:

For 2003/2004	50% of actual number of pans to be charged (50% remission)
For 2004/2005	75% of actual number of pans to be charged (25% remission)
For 2005/2006	100% of actual number of pans to be charged (No remission)

### Delegations

Council may delegate the authority to make such approvals to particular Council officers as specified by a resolution of Council.

## PART 2 – REMISSION OF PENALTIES ADDED TO UNPAID RATES

### Objective of the Policy

To enable Council to act fairly and reasonably in its consideration of penalties on rates which have not been paid by the due date.

### Conditions and Criteria

- Upon receipt of an application from the ratepayer, or if identified by Council, Council may remit a penalty where it considers that it is fair and equitable to do so. Matters that will be taken into consideration by Council include the following:
  - the ratepayer’s payment history
  - the impact on the ratepayer of extraordinary events
  - the payment of the full amount of rates due
  - the ratepayer entering into an agreement with Council for the payment of rates.
- Council reserves the right to impose conditions on the remission of penalties.

### Delegations

Decisions on the remission of penalties may be delegated to Council officers or a Committee of Council. All delegations will be recorded in Council’s delegation manual.

## PART 3 – REMISSION OF UNIFORM ANNUAL GENERAL CHARGES AND TARGETED RATES IN CERTAIN CIRCUMSTANCES

### Objective of the Policy

Section 20 of the Local Government (Rating) Act 2002 provides for two or more rating units to be treated as one unit for setting a rate if the units are:

- In the same ownership, and
- Used jointly as a single unit, and
- Contiguous or separated only by a road etc.

This policy provides for the possibility of rates remission where the above three conditions are not all met, but where it is nevertheless considered inequitable for the rating units to be treated as separate.

In addition it provides for remission of uniform annual general charges and/or targeted rates for water and wastewater in cases where a rating unit is liable for multiple charges, but it is considered inequitable or excessive to assess full charges.

### Conditions and Criteria

- The units may be in separate ownership, but if they are contiguous and are used jointly as a single unit, they will be treated as a single unit.
- Contiguous rating units in the same ownership will be treated as a single unit where any of the following circumstances exist:
  - One unit is used as a private residence, and the contiguous unit(s) is used solely as a garden or similar private part of the grounds only in connection with the residence.
  - One unit is used solely for vehicle parking in conjunction with a building on a contiguous rating unit in the same ownership.

- A rating unit used for residential purposes and which includes a separately inhabited part, may apply to be treated as having only one separately used or inhabited part if the second part is occupied by a dependent member of the family of the owner.
- Owners wishing to claim a remission under this policy are required to make a written application and to supply such evidence as may be requested to verify that a remission should be granted under this policy. While a remission may be granted for the current year, no consideration will be given to applications relating to prior years.

### Delegations

Council will delegate authority to consider and approve applications to Council officers.

## PART 4 – REMISSION ON LAND PROTECTED FOR NATURAL, HISTORIC OR CULTURAL CONSERVATION PURPOSES

### Objective of the Policy

- To protect and promote significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites.
- This policy will support the provisions of the District Plan where a number of these features have been identified.

### Conditions and Criteria

- Ratepayers who own rating units which include significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites, including those identified in the District Plan, and who have voluntarily protected these features, may qualify for remission of rates under this part of the policy.
- Land that is non-rateable under section 8 of the Local Government (Rating) Act and is liable only for rates for water supply, wastewater disposal or refuse collection will not qualify for remission under this part of the policy.
- Applications must be made in writing. Applications should be supported by documentary evidence of the protected status of the rating unit e.g. a copy of the Covenant or other legal mechanism.
- In considering any application for remission of rates under this part of the policy Council will consider the following criteria:

- the extent to which the protection and promotion of significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites will be promoted by granting remission of rates on the rating unit
- the degree to which the significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites are present on the land
- the degree to which the significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites inhibit the economic utilisation of the land.

- In granting remissions under this part of the policy Council may specify certain conditions before remission will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.
- Council will decide what amount of rates will be remitted on a case-by-case basis subject to a maximum amount of 50% of rates owing per year.

### Delegations

Applications for the remission for protection of heritage will be considered by a Committee of Council, acting under delegated authority from Council.

## PART 5 – RATES REMISSION FOR ECONOMIC DEVELOPMENT

### Objectives of the Policy

To promote employment and economic development within the city by offering rates remission to:

- Assist new businesses to become established in the city, or
- Assist existing businesses in the city to expand and grow.

This policy is one of a number of initiatives for businesses that Council has in place to assist in achieving the outcomes in its Economic Development Strategy.

## Conditions and Criteria

This part of the policy applies to commercial and/or industrial development that involves the construction, erection or alteration of any building or buildings, fixed plant and machinery, or other works intended to be used for industrial, commercial or administrative purposes. Residential developments will not qualify for remission under this part of the Remission Policy.

In considering applications for remission under this part of the policy Council will have regard to the extent applications meet all of the guidelines in Part A and will also have regard to the extent applications meet all or some of the guidelines in Part B.

### Part A – Mandatory Guidelines

#### 1 General

- The development is of strategic importance for the future economic development of the city. This may be demonstrated by the scale, type or nature of the development.
- The number of new employment opportunities the development will create. Generally a new business would be expected to create at least 50 new full-time-equivalent jobs. An existing business would be expected to increase its full-time-equivalent staff numbers by:
  - over 50% of existing full-time-equivalent jobs, or
  - at least 50 new full-time-equivalent jobs, whichever is the lesser.
- The extent to which the development is likely to be in competition with existing businesses. Generally a business will be required to demonstrate that there is little or no competition with existing businesses, or that there is unfulfilled demand in the market for the type of business.
- The amount of new capital investment the development will bring into the city. The amount of new investment should be not less than \$2,500,000 unless the business falls within the category identified in 2 below. Consideration will be given to the extent that the new development would increase the rating base.

#### 2 Guidelines regarding innovative or rare types of business for Hutt City using advanced science and/or advanced technology

Innovative or rare types of business for Hutt City using advanced science and/or advanced technology are likely to be more favourably considered for remission.

It is recognised that these types of businesses may not initially create 50 new full-time-equivalent jobs or invest at least \$2,500,000 of new capital investment. Therefore applications from such businesses will be considered for remission where the business can demonstrate:

- Through recognised research and development programmes; and/or
- Through ownership or access to recognised intellectual property rights

That it has a realistic future potential to create at least 50 new full-time-equivalent jobs and at least \$2,500,000 of future new capital investment within three years of the granting of any rates remission.

In considering applications for remission under this part of the policy Council will also have regard to the extent applications meet all or some of the guidelines in Part B.

### Part B – Further Guidelines

- The business demonstrates a long-term commitment to remain and operate in the city. Property ownership or a long-term lease of property may be accepted as a proof of commitment.
- The development protects or retains cultural aspects of the city, e.g. maintains and protects a heritage building.
- The development adds new and/or visually attractive infrastructure/ buildings to the city.
- The development has minimal impact on the environment in terms of air, water or soil.
- It is likely that any remission granted would provide encouragement or impetus to proceed with the development.

## Application Process

Applications must be made in writing and must be supported by:

- A description of the development
- A plan of the development (where possible)
- An estimate of costs
- An estimate of the likely number of jobs to be created by the development
- An environmental impact report (if applicable)
- Evidence of ownership or access to intellectual property rights (if applicable)
- Evidence of future commercial potential use of that intellectual property (if applicable).

Where the applicant is not the owner or the ratepayer of the property, the applicant must provide written proof of support from the property owner. If the applicant is a lessee then the lease expiry date should be stated, as well as any rights of renewal etc.

In considering applications Council may decide to seek independent verification of any information provided on an application.

Council will decide what amount of rates will be remitted on a case-by-case basis, having regard to the criteria listed above. Remissions granted will generally be not less than 50%, and may be up to a maximum of 100% of the rates levied by Hutt City Council on the capital value of the new investment only, and for up to a maximum remission period of three years.

In granting remissions under this part of the policy Council may specify certain conditions before remission will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.

## Delegations

Applications for a remission of rates for economic development will be decided by full Council. Council may elect to refer all or part of an application to a committee for additional review and recommendation.

## PART 6 – REMISSION FOR RESIDENTIAL LAND IN COMMERCIAL OR IN INDUSTRIAL AREAS

### Objective

To ensure that owners of residential rating units situated in commercial or industrial areas are not unduly penalised by the zoning decisions of this Council and previous local authorities.

### Conditions and Criteria

To qualify for remission under this part of the policy the rating unit must:

- Be situated within an area of land that has been zoned for commercial or industrial use. Ratepayers can determine the zoning of their property by inspecting the District Plan, copies of which are available at Council offices.
- Be listed as a 'residential' property for differential rating purposes. Ratepayers wishing to ascertain whether their property is treated as a residential property may inspect Council's rating information database at Council offices.

Those ratepayers wishing to claim remission under this part of the policy must make an application on the prescribed form (available from Council offices).

The application for rates remission must be made to Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.

If an application is approved Council will direct its valuation service provider to inspect the rating unit and prepare a valuation that will treat the rating unit as if it were a comparable rating unit elsewhere in the district. The ratepayer may be asked to contribute to the cost of this valuation. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal for values done in this way.

The amount of remission granted under this part of the policy will be limited to the difference between the rates charged on the original value, and the rates chargeable on the valuation of the rating unit as a house in a residential area.

## Delegations

Applications for remission under this part of the policy will be determined by officers of Council, acting under delegated authority from Council as specified in the delegations resolution.

## PART 7 – REMISSION OF WASTEWATER CHARGES TO SCHOOLS

### Objective

To provide relief and assistance to educational establishments as defined in the Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001 in paying charges for wastewater services.

### Conditions and Criteria

- This part of the policy will apply only to educational establishments as defined in the Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001.
- The policy does not apply to any school house, or any part of a school used for residential purposes.
- The wastewater charge to any educational establishment in any one year will be the lesser of either:
  - a. The amount of the targeted rate for wastewater, calculated based on the actual number of toilet pans in the establishment, or
  - b. The amount of the targeted rate for wastewater calculated based on a notional number of toilet pans in the establishment, determined according to the following formula:
    - Based on the establishment's water consumption for the previous financial year, each 200 cubic metres of water used, or part thereof, shall count as one toilet pan.
- Where the charge made is based on the notional number of toilet pans, the amount of the remission allowed will amount to the difference between the calculations set out in *a* and *b* above.

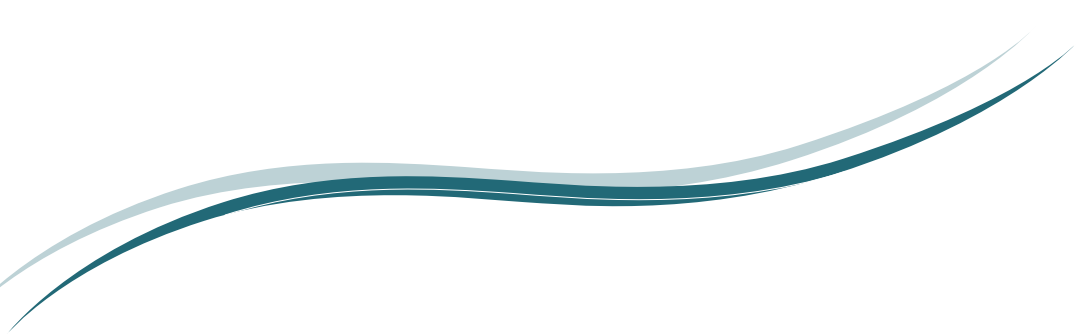
## PART 8 – REMISSION OF RATES AND CHARGES ON LAND AFFECTED BY NATURAL CALAMITY

### Objective

To provide relief and assistance to any ratepayer where the use that may be made of any rating unit has been detrimentally affected by erosion, subsidence, submersion, or other natural calamity.

### Conditions and Criteria

- This part of the policy will apply to any rating unit affected by natural calamity.
- In the case of residential rating units, up to 100% of all rates and charges, including charges made for water and wastewater services, may be remitted for the period during which the buildings are uninhabitable.
- In the case of all other rating units, up to 100% of all rates and charges, including charges made for water and wastewater services, may be remitted for the period during which the rating unit is unable to be fully utilised, or utilised to the same extent as it was prior to the occurrence of the natural calamity.
- Applications are required to be made in writing by the ratepayer.
- Applications will generally only be considered for assistance where the rating unit is uninhabitable or unusable for a period exceeding one month.
- The application must describe the nature of the natural calamity, and outline the steps that the owner has taken, or will be taking, to return the rating unit to a usable state, and provide an estimate of the time the rating unit is expected to be affected.
- The amount of remission granted in any individual case will be determined based on the severity of the damage to the rating unit, as well as the individual circumstances of the ratepayer and the financial circumstances of Council.
- Applicants for a remission under this part of the policy will also be deemed eligible to be considered for a postponement of rates under the Rates Postponement Policy. Assistance granted may therefore be in the form of either a postponement or a remission of rates, or a combination of both, whichever is most appropriate in the individual circumstances.

- 
- Any rates postponed on rating units affected by natural calamity may at a later date be considered for a remission under this policy, when the full extent and duration of the event has become more clearly defined.
  - All applications must be made in writing by the ratepayer within three months of the event.

### **Delegations**

Applications for remission under this part of the policy will be decided by a Committee of Council, acting under delegated authority.





# *Fees & Charges*



# *Fees and Charges*

## **FEES AND CHARGES FOR 2005/2006**

Council's fees and charges for 2005/2006 are either the result of the Revenue and Financing Policy or are transitional steps towards achieving the required targets as specified in the Revenue and Financing Policy (see pages 188–222)

The Revenue and Financing policy analyses each significant activity and sets the proportion of costs to be met from fees and charges. Individual fees and charges are based on estimated levels of use for each activity.

Council reserves the right to vary fees and charges for goods and services or amenities provided by Council under Section 12 of the Local Government Act 2002 (other fees may be prescribed by by-law).

All fees and charges include Goods and Services Tax.

# Hutt City Council's Fees and Charges for 2005

All fees and charges include Goods and Services Tax.

2005

## ANIMAL CONTROL

### Dog

• not neutered and not registered in time	\$115.00
• not neutered	\$ 85.00
• neutered and not registered in time	\$115.00
• neutered dog	\$ 75.00
• responsible owners not registered in time	\$115.00
• responsible owners status	\$ 55.00
Replacement registration tag	\$ 5.00
Euthanasia at dog owners request	\$ 30.00
License fee for keeping more than two dogs	\$ 30.00
Infringement fees set in the Dog Control Act 1996 apply.	

### Impounding And Sustainance Fees

First impounding during year of registration	\$ 70.00
Second impounding during year of registration	\$140.00
Sustainance fee per dog per day	\$ 12.00

## CEMETERIES

### Plot Purchase and Maintenance In Perpetuity

Adult	\$1,154.00
Child (1 to 12 years)	\$ 281.00
Infant (under 1 year)	\$ 196.00
Ashes	\$ 365.00
Ashes garden, Taita and Wainuiomata	\$ 713.00
Memorial tree plots, Block 18	\$ 478.00
Ponga trail, Block 19	
Monumental plots, Block 16	\$1,681.00

### Interment Fees

	2005
Adult	\$625.00
Child (1 to 12 years)	\$361.00
Infant (under 1 year)	\$ 72.00
Ashes	\$ 85.00

### RSA Section

Burial plot purchase	No Charge
Burial interment fee	\$625.00
Ashes plot purchase	No Charge
Ashes interment fee	\$ 85.00
Ashes interment (memorial wall)	\$ 85.00

### Disinterments

Burial (to top level of top casket only)	Actual Cost
Burial (lower than top of top casket)	\$1,777.00*
Ashes	\$ 165.00

\* Note: This figure is indicative only and the actual charge may differ depending on the nature of the disinterment

### Re-interments

To be charged as for interment fees

#### Special Fees And Charges

Outside district fees – all interments and disinterments	\$ 409.00*
Casket larger than standard	\$ 138.00
Triple depth burial interment	\$ 138.00
Outside standard burial hours	Actual Cost
Plaque/Memorial fees	\$ 60.00
Plot cancellation fee	\$ 39.00
Breaking of concrete	Actual Cost
Search fee: Per entry (up to 30 minutes)	\$ 9.00

\* Applies to all interments and disinterments, where deceased has lived outside the City for the last 5 or more years.

### ENCROACHMENT ON HUTT CITY COUNCIL LAND

Single garage	\$112.50 per annum
Double garage	\$225.00 per annum
Boatshed	\$250.00 per annum

Note these are indicative figures only and actual charges may differ depending on the nature of the encroachment.

## ENGINEERING RECORDS 2005/2006

Print size	Plan Printer	Transparency Plan Printer	HP Design Jet Plotter	Aerial Photography Printer 1995 set	2003 set and GIS Hardcopy*
A0					\$30.00
A1	\$8.00	\$5.00	\$8.00	\$8.00	\$20.00
A2	\$4.00	\$3.00	\$6.00	\$4.00	\$10.00
A3	\$2.00	–	\$4.00	–	\$7.00
A4					\$5.00

\* Hardcopy maps of aerial photography with GIS boundary overlay. These orders will be supplied as soon as possible.

## ENVIRONMENTAL APPROVALS

### Resource Consents

#### Land Use Consents (Non-complying, Discretionary, Restricted Discretionary, Controlled)

Notified application-hearing required (where any resource consent hearing continues more than one day, each subsequent day, or part of a day, shall be charged to the applicant at a rate of \$720 per day) If application required to be notified in daily newspaper additional fee of \$1000 required	<b>\$2,500.00</b>
Notified Application – No hearing required	<b>\$2,000.00</b>
Limited notification	<b>\$2,000.00</b>
Non-notified Resource Consent	<b>\$500.00</b>

#### Other fees

Certificate of Compliance-Resource Management Act 1991	<b>\$500.00</b>
Planning Certificate under Sale of Liquor Act 1989 or in relation to Motor Vehicle Dealers	<b>\$180.00</b>
Any special inspections (per hour)	<b>\$75.00</b>
Outline plans	<b>\$500.00</b>
Section 10 waivers, section 37 waivers, section 125 extensions, section 126 cancellations, section 127, and section 128 review	<b>\$300.00</b>
Certificates under Overseas Investment Act 1973	<b>\$360.00</b>
Sealing fess (for urgent applications for registrable instruments)	<b>\$80.00</b>

## 2005

### Subdivisions (including Title/Cross Lease)

Subdivision consent including Certificate under section 223 *plus \$50 per lot over 4	<b>\$600.00*</b>
Certificate under section 224(c)	\$150.00
Rights of way	\$270.00
Subdivision consent including land use consent	\$800.00

### Discharge of Withdrawal of Registerable Agreement

Legal costs plus officers time at (per hour)	\$75.00
Removal of Building Lines (plus disbursements)	\$112.50

### Adjustment or Revocation of Easements

Legal costs plus officers time at (per hour)	\$75.00
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### Building Consents

Amendments to Building Consent Applications	\$50.00
Application for waiver or modification of Building Code fee plus actual cost of any professional advice sought by Council	\$150.00
Issue of Building Consent to Building Certifier	\$120.00
Acceptance fee for producer statements	\$50.00

<b>Value of Work (revised fee structure for 2005/2006)</b>	<b>P.I.M.</b>	<b>Only B.C.</b>	<b>Only Total Cost P.I.M. &amp; B.C.</b>
Minor Works: building, hot water cylinders, free-standing, inbuilt fires	\$40.00	\$70.00	\$110.00
Under \$2000	\$70.90	\$118.60	\$189.50
\$2001 – \$5000	\$102.90	\$210.60	\$313.50
\$5001 – \$10,000	\$105.90	\$289.60	\$395.50
\$10,001 – \$20,000	\$170.70	\$457.80	\$628.50
\$20,001 – \$50,000	\$229.50	\$607.20	\$836.70
\$50,001 – \$100,000	\$345.00	\$977.60	\$1,322.00
\$100,001 – \$200,000	\$432.00	\$1,054.00	\$1,486.00
\$200,001 – \$300,000	\$465.00	\$1,415.00	\$1,880.00
\$300,001 – \$400,000	\$530.00	\$1,745.00	\$2,275.00
\$400,001 – \$500,000	\$595.00	\$2,105.00	\$2,700.00
\$500,001 – \$600,000	\$660.00	\$2,485.00	\$3,145.00
\$600,001 – \$700,000	\$725.00	\$2,815.00	\$3,530.00
\$700,001 – \$800,000	\$805.00	\$3,375.00	\$4,180.00
\$800,001 – \$900,000	\$855.00	\$3,675.00	\$4,530.00
\$900,001 – \$1 million	\$930.00	\$4,005.00	\$4,935.00
\$1 million above total	\$4,935 + \$430 per \$200,000		
<b>Certificate of Acceptance</b>			
– Works under \$100,000	<b>\$700 deposit plus \$80 per hour and disbursements</b>		
– Works over \$100,000	<b>\$2,000 deposit, plus \$80.00 per hour and disbursements</b>		

**PLUMBING INSPECTIONS**

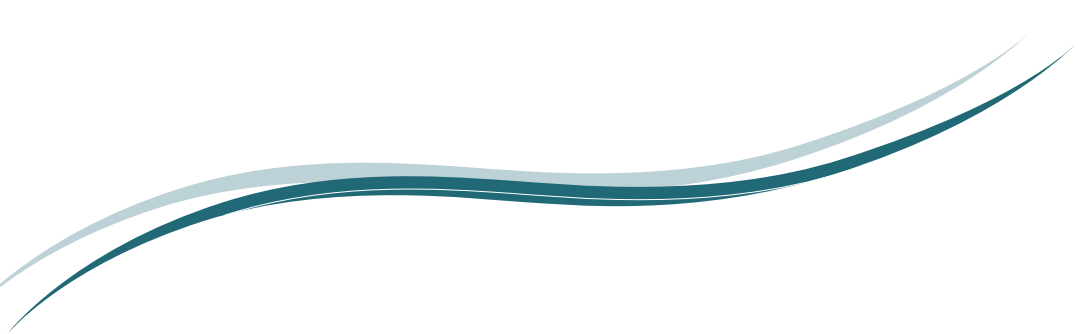
Value of work	2005/2006
Under \$10,000 (per inspection)	\$40.00
Over \$10,000 (per inspection)	\$70.00

**RECORD SEARCHES**

Search of records up to 15 minutes	\$10.00
Search of records over 15 minutes	\$20.00
Print off a microfiche	\$6.00

**LAND INFORMATION MEMORANDA ('LIM')**

	2005/2006
Residential Property LIM	\$270.00
Commercial Property LIM (deposit)	\$270.00
(Additional fees may apply if more than two hours is required for commercial property LIMs)	



**2005/2006**

**Environmental Health Approval**

Premises meeting the required standard by 1 July 1995 are eligible for a discount provided re-registration is applied for by 20 August.

Transfer/minimum fee	\$50.00
Non-complying inspection fee	\$50.00

**Food Premises**

	<b>Fee</b>	<b>Discount Fee</b>	<b>A Grade</b>
Class One – Fruiterer’s, Prepackaged only (low risk, pre packaged)	\$262.50	\$175.00	\$140.00
Class Two – Dairies, Service Stations (small premises – ready made foods –some Ice-cream/pre wrapped pies), Clubs (medium)	\$307.50	\$205.00	\$164.00
Class Three – Clubs (large), Rest Homes (<25), Service Stations (large), Minimarts, Canteens (small).	\$375.00	\$250.00	\$200.00
Class Four – Takeaways, Eating Houses (<40), Meat and Fish, Delicatessens, Canteens (large), Caterer (small), Bakery, Wholesaler, (small) Rest Home (25-50), Supermarkets (medium).	\$442.50	\$295.00	\$236.00
Class Five – Eating houses (>40), Caterer (large), Wholesalers (large), Rest Homes (>50), Supermarkets (large).	\$742.50	\$495.00	\$395.00
Travelling Shop – Food	\$225.00	\$150.00	\$N/A
Food Stall – Food	\$225.00	\$70.00	\$N/A
Clubs/Canteens (small) – type 16 – no food preparation	\$105.00	\$70.00	\$56.00

**Other Licenses**

Food Stall – no food	\$172.50	\$115.00	\$N/A
Travelling Shop – no food	\$115.00	\$N/A	\$N/A
Hairdresser	\$225.00	\$150.00	\$N/A
Camping Ground	\$375.00	\$250.00	\$N/A
Hawker	\$50.00	\$N/A	\$N/A
Amusement Device	\$80.00	\$N/A	\$N/A
Mortuary	\$262.50	\$175.00	\$N/A
Offensive Trade	\$315.00	\$210.00	\$N/A
Video Parlour	\$55.00	\$N/A	\$N/A



### **Additional Charges**

One off Food Stall  
New Premises – Establishment fee  
Transfer License fee  
Additional Inspections fee  
Food Safety Audits  
Street Musicians License  
Rural Fire Permits

### **2005/2006**

\$20.00  
\$100.00  
\$50.00  
\$50.00 per visit  
\$90.00 per hour (expenses additional)  
\$20.00  
\$20.00

### **Noise Control**

Seizure Fine (stereo equipment)  
Security alarms – daytime attendances  
Security alarms – after hours attendances  
Consultancy and survey fee

\$120.00 and \$1 per day after the 1st month of storage  
\$80.00  
\$150.00  
\$100.00 per hour

### **ENVIRONMENTAL POLICY**

Requests for Change to District Plan (deposit)

\$1,000.00

All work undertaken by the Council's officers in connection with the request for the change including any preparation shall be charged at \$75.00 per hour against the deposit. If the proposed change is notified publicly, advertising charges will be actual costs payable by the applicant. All information requested by the Council shall be supplied at the applicants cost. Any hearing shall be charged at \$1,000 per day or part day plus the officer's time at \$75.00 per hour against the deposit.

Notice for Requirements (deposit)

\$1,000.00

All work undertaken by the Council's Officers in connection with the requirement shall be charged at \$75.00 per hour against the deposit. If the proposed charge is notified publicly, advertising charges will be actual costs payable by the applicant. All information requested by the Council shall be supplied at the Requiring Authority's cost. Any hearing shall be charged at \$1,000.00 per day or part day plus the officer's time at \$75.00 per hour against the deposit.

**Operative District Plan**

Complete set	2005/2006
Text Volume	\$250.00
Map Volume	\$125.00
	\$125.00

**HALLS**

Community rates of charges for hall hire are set out below.

The commercial rates are set at the community rate, plus 50 percent.

**Town Hall and Horticultural Hall**

Monday to Friday	Main Hall	Supper Room	Kitchen & Supper Room	Main Hall & Kitchen	All Facilities
Morning 8 am–12 noon	\$120.00	\$30.00	\$60.00	\$160.00	\$180.00
Lunchtime 12 noon–2 pm	\$60.00	\$25.00	\$40.00	\$85.00	\$110.00
Afternoon 2 pm–6 pm	\$120.00	\$30.00	\$60.00	\$160.00	\$180.00
Evening 6 pm–11 pm	\$135.00	\$40.00	\$90.00	\$180.00	\$215.00
Morning and afternoon 8 am–6 pm	\$205.00	\$60.00	\$120.00	\$265.00	\$320.00
Afternoon and evening 2 pm–11 pm	\$205.00	\$60.00	\$120.00	\$265.00	\$320.00
All day and evening 8 am–11 pm	\$265.00	\$90.00	\$180.00	\$360.00	\$445.00

After 11 pm the rate is \$60.00 per hour.

Note: The Town Hall supper room and kitchen are not available for public hire during normal working hours.

Weekends and Public Holidays	Main Hall	Supper Room	Kitchen & Supper Room	Main Hall & Kitchen	All Facilities
Morning 8 am–12 noon	\$170.00	\$50.00	\$85.00	\$205.00	\$250.00
Lunchtime 12 noon–2 pm	\$85.00	\$35.00	\$70.00	\$120.00	\$145.00
Afternoon 2 pm–6 pm	\$170.00	\$50.00	\$85.00	\$205.00	\$250.00
Evening 6 pm–11 pm	\$190.00	\$70.00	\$130.00	\$250.00	\$310.00
Morning and afternoon 8 am–6 pm	\$290.00	\$85.00	\$170.00	\$370.00	\$455.00
Afternoon and evening 2 pm–11 pm	\$290.00	\$85.00	\$170.00	\$370.00	\$455.00
All day and evening 8 am–11 pm	\$370.00	\$130.00	\$250.00	\$490.00	\$610.00

After 11 pm the rate is \$85.00 per hour.

### Little Theatre

	All Facilities Monday to Friday	All Facilities Weekends and Public Holidays
Morning 8 am–1 pm	\$100.00	\$145.00
Afternoon 1 pm–6 pm	\$100.00	\$145.00
Evening – 6 pm–11 pm	\$100.00	\$145.00
Two sessions in one day	\$160.00	\$220.00
Three sessions in one day	\$240.00	\$325.00

After 11 pm the rate is \$50.00 per hour.

### MOERA, EASTBOURNE AND WAINUIOMATA COMMUNITY HALL

Monday to Friday	Main Hall	Supper Room	Kitchen & Supper Room	Main Hall & Kitchen	All Facilities
Morning 8 am–1 pm	\$50.00	\$20.00	\$35.00	\$65.00	\$85.00
Afternoon 1 pm–6 pm	\$50.00	\$20.00	\$35.00	\$65.00	\$85.00
Evening – 6 pm–11 pm	\$50.00	\$20.00	\$35.00	\$65.00	\$85.00
Two sessions in one day	\$80.00	\$30.00	\$55.00	\$110.00	\$130.00
Three sessions in one day	\$115.00	\$35.00	\$65.00	\$145.00	\$180.00

After 11 pm the rate is \$35 per hour.

Weekends and Public Holidays	Main Hall	Supper Room	Kitchen & Supper Room	Main Hall & Kitchen	All Facilities
Morning 8 am–1 pm	\$65.00	\$25.00	\$50.00	\$90.00	\$115.00
Afternoon 1 pm–6 pm	\$65.00	\$25.00	\$50.00	\$90.00	\$115.00
Evening 6 pm–11 pm	\$65.00	\$25.00	\$50.00	\$90.00	\$115.00
Two sessions in one day	\$115.00	\$35.00	\$70.00	\$150.00	\$185.00
Three sessions in one day	\$155.00	\$50.00	\$90.00	\$205.00	\$250.00

After 11 pm the rate is \$35 per hour.

## LANDFILLS

	2005
<b>Domestic Vehicles (cash only)</b>	
Cars and station wagons	<b>\$8.00</b>
Vans, utilities, SUV, small trailers (Max refuse dimensions: 2.5m long, 1m high, 1.5m wide)	<b>\$15.00</b>
Please note: Combinations of vehicles (vans, utilities, small trucks) and trailer will cost the sum of their respective charges. Hazardous wastes are only accepted at Silverstream landfill.	
<b>All other Vehicles (per tonne)</b>	<b>\$68.00</b>
Minimum Charge	\$34.00
Special Burials	<b>\$110.00</b>
<b>Minimum Charge</b>	\$55.00
<b>Hazardous wastes</b>	
By negotiation, refer to the "Hutt City Landfill – Waste Disposal Guide"	
Please note: Hazardous wastes are only accepted at Silverstream Landfill.	
<b>Car Bodies</b>	
Clean car bodies	<b>\$12.00</b>
Other car bodies	<b>\$35.00</b>
<b>Tyres</b>	
Disposal of more than 4 tyres (per tonne) regardless of vehicle type	<b>\$300.00</b>
Minimum Charge	<b>\$150.00</b>
<b>Refuse Bags</b>	
Plastic bags – packet of 10	\$12.00
Plastic bags – packet of 50	\$50.00

## LIBRARIES

Reserves (non-urgent) per request	\$1.00
Interloans (non-urgent) per request	\$10.00
Interloans (urgent)	At cost
Lost items	Original cost
Rental Collections	Vary according to format to a maximum of \$10 per item
Overdue charges	Vary according to format from \$0.20 to \$2.00 per day to a maximum of \$10.00 per item
Borrower's card replacement (per card)	\$2.00

## OFFICIAL INFORMATION

Schedule Of Charges For The Provision Of Information Under The Local Government Official Information And Meetings Act 1987 (The 'Act')

(a) If the request is made by an identifiable natural person seeking access to any personal information about that person then such requests are subject to the privacy Act 1993 and these charges do not apply.

(b) If the aggregate amount of staff time spent in actioning a request exceeds one hour then the basis of charging (except for the issue of land information memoranda under section 44A of the Act) is as follows:

- an initial charge for the first chargeable half hour or part thereof of manuscripts and the supervision of access. \$30.00
- then for each additional half hour or part thereof  
Actioning the request includes search and retrieval of information, provision of and thereafter will be charged at (per page) \$38.00

(c) Photocopying on standard A4 or foolscap paper will be free of charge for the first 20 pages

\$0.20

(d) All other charges incurred shall be fixed at an amount that recovers the actual costs involved. This will include:

- producing a document by the use of a computer or other like equipment
- reproducing a photograph, film, video or audio recording
- arranging for the applicant to hear or view an audio or visual recording
- providing a copy of any map, plan or other document larger than A4 or foolscap size retrieval of information off site any situation in which a direct charge is incurred by the Council in providing the information.
- where repeated requests are made from the same source in respect of a common subject in any eight-week period, requests after the first will be aggregated for charging purposes.

(e) A charge may be modified or waived at the discretion of a General Manager or the General Legal Counsel where payment might cause the applicant financial hardship, or where remission or reduction of the charge would facilitate good relations with the public, or assist the Section, Group or organisation in its work.

(f) The charge may not include any allowance for:

- information that is not where it ought to be
- time spent deciding whether or not access should be allowed and in what form (note that the actual physical editing of protected information is chargeable).

(g) In accordance with section 13(4) of the Act, charges shall be paid in advance of receipt of information. Work on a request where the charge is likely to exceed \$76 may be suspended unless a deposit is paid.

## PARKING

Meters (Monday to Saturday)	<b>2005/2006</b>
1 hour time limit (per hour)	<b>\$1.50</b>
2 hour time limit (per hour) (apart from Rutherford Street)	<b>\$1.50</b>
Rutherford Street (per hour)	<b>\$0.80</b>
<b>No time limit</b>	<b>\$0.70/hour up to 5 hours then \$0.30/hour</b>

## Pay And Display

Off-street areas (Mon to Fri)

Civic Fountain/Dowse/Stevens Grove (per hour)	<b>\$0.70</b>
Maximum per day	<b>\$5.00</b>
Riverbank car park (Mon to Fri)	
Per hour	<b>\$0.60</b>
Maximum per day	<b>\$3.00</b>
(Monthly prepaid discount card for Riverbank car park – 10% discount)	<b>\$45.00 per month</b>

## On-street areas (Mon to Fri)

Myrtle Street – all day angle parking (per hour)	<b>\$0.50</b>
Maximum per day	<b>\$2.50</b>
Raroa Road/Bloomfield Terrace – 1 hour time limit (per hour)	<b>\$1.50</b>
Cornwall Street – 2 hour time limit (per hour)	<b>\$1.50</b>
<b>Cornwall Street – all day parking</b>	<b>\$0.70 per hour up to 5 hours then \$0.30/hour</b>

## Leased Parking

Riverbank (standard rate) per week	<b>\$15.00</b>
Victoria Street (standard rate) per year	<b>\$260.00</b>

## Penalties – Metered Areas

Maximum as set out in the Transport Act **2005/2006**

Penalties – Pay and Display Areas

Not displaying a ticket	<b>\$40.00</b>
Overstay where the excess time is:	
Not more than 30 minutes	<b>\$12.00</b>
More than 30 minutes but no more than 1 hour	<b>\$15.00</b>
More than 1 hour but no more than 2 hours	<b>\$21.00</b>
More than 2 hours but no more than 4 hours	<b>\$31.00</b>
More than 4 hours but no more than 6 hours	<b>\$42.00</b>
More than 6 hours	<b>\$57.00</b>

Miscellaneous	
Construction loading zones specific	Site
Meter hoods (per day)	\$10.00

### RECYCLING

Replacement recycling containers	\$10.00
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### ROADING

#### Subdivision Inspection And Approval Charges

Boundary adjustment	\$132.30
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#### Additional lots:

3.43% of total construction cost for one new lot reducing by 0.07% for each additional lot to 0.7% for 40 or more additional lots

#### Motor Crossing Charges

	2005/2006	
	Standard Fee	Admin. /Inspection
Concrete dished crossing/m <sup>2</sup>	\$65.00	\$72.00
Extensions to existing concrete crossings/m <sup>2</sup>	\$65.00	\$72.00
Installation of concrete dished crossing in conjunction with road reconstruction work/m <sup>2</sup>	\$32.50	\$72.00
Concrete block crossing	Actual Cost	\$72.00
Pipe crossing	Actual Cost	\$72.00
'Slot' type crossing/m <sup>2</sup>	\$65.00	\$72.00
Deposit for privately installed crossing (\$200 refunded upon satisfactory completion of crossing)	\$272.00	

#### Trench Inspection Fees

Proposals, administration and monitoring on time basis:

Engineer (per hour)	\$61.88
Inspector (per hour)	\$42.75

### SPORTSFIELDS

#### Season Charges

Set to recover the percentage of operating cost identified below plus the full operating cost of ancillary services:

Recovery Rates Percentage	Level 1	Level 2	Level 3	Children	Training/Winter
Sports	30	20	10	5	5
Cricket/Croquet	25	15	10	5	N/A

#### One-off Or Single Day Hire

Charged at 10% of the season charge per game or where the game lasts three hours or longer, 15% of the season charge per day.

#### Special Charges

	2005/2006
Events and commercial operators	By quotation
Picnic bookings (30 or more persons)	\$30.00
Filming per hour	\$100.00
Marquees for picnics/promotions	\$100.00
Hire of rooms, social facilities, training fields etc.	By quotation

**Note: Bookings for the season will take priority over casual bookings**

### STORMWATER

Stormwater connection fee	\$25.00
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### SWIMMING POOLS

Indoor Pools (Huia, Naenae, Stokes Valley)

Adult	\$3.50
Child	\$2.00
Over 60s	\$2.00
Spectator (non-supervising adult)	\$1.00
Family pass (2 adults/4 children)	\$7.50

### Concession Tickets

Adult 10 swim concession	\$29.75
Adult 30 swim concession	\$73.50
Child and over 60s 10 swim concession	\$17.00
Child and over 60s 30 swim concession	\$42.00

### Pool Hire

Permanent hire per hour (for example, weekly 25 metres) includes all aquatic clubs	\$48.00
Casual hire (25 metres per hour)	\$75.00
Naenae pool (50 metres per hour)	\$150.00
Lane charge (per hour)	\$15.00

### School groups:

	<b>2005/2006</b>
• main pool (per head)	\$0.75
• learners pool (per head)	\$0.75
Meeting room hire (per hour)	\$20.00

### Outdoor Pools (Eastbourne, McKenzie, Wainuiomata)

Adult	\$2.50
Child	\$1.50
Over 60s	\$1.50
Spectators (non-supervising adult)	\$1.00
Family pass (2 adults/4 children)	\$6.00

### CONCESSION TICKETS

Adult 10 swim concession	\$21.25
Adult 30 swim concession	\$52.50
Child and over 60s 10 swim concession	\$12.75
Child and over 60s 30 swim concession	\$31.50

### Pool Hire

Wainuiomata pool (three-hour limit – whole complex)	
Saturday, Sunday evenings 6–9 pm	\$220.00
Swimming club hire (per hour)	\$30.00
School groups (per head)	\$0.50
Wainuiomata lounge hire	
• meetings	\$40.00
• socials	\$80.00

### WASTEWATER

**2005/2006**

#### Sewerage Connection

Sewerage connection fee		\$25.00
Trade Waste Consent Fees	Consent fees	Consent + \$200 if conditional consent required:
Class 1: high risk	\$1,600.00	\$1,800.00
Class 2: moderate risk	\$800.00	\$1000.00
Class 3: low risk	\$400.00	\$600.00
Note: May also include major fast food businesses		
Class 4: minimal risk	\$160.00	\$360.00
Note: May include laundries, dry cleaners, restaurants, small wash pads, supermarkets with delicatessens and/or butchery and/or bakery, caterers, canteens		
Class 5: minimal risk with low flow	\$70.00	N/A
Note: May include takeaway food premises, cafes and small restaurants		



### Trade Waste User Charges

Volume (m <sup>3</sup> )	\$0.333 per m <sup>3</sup>
Suspended Solids	\$0.580 per kg
COD (Chemical Oxygen Demand)	\$0.180 per kg

### WATER

**2005/2006**

Upper Belmont development Levy (per lot) \$5062.50

Water connection fee \$45.00

Fee for use of water by builders on unmetered industrial and commercial sites. \$75.00

#### Charge for Ordinary Supply Class 2 Water

Minimum charge UAC

Domestic water meter rental \$45.00

Normal users per cubic metre:

- up to 100,000 cubic metres \$1.19
- in excess of 100,000 cubic metres \$0.90

Water supplied by hydrant:

- per cubic metre \$1.19
- minimum charge \$18.00

Back flow prevention – annual inspection charge \$130.00





*Council Controlled  
Organisations*



# Council-Controlled Organisations

## COUNCIL-CONTROLLED ORGANISATIONS

In order to achieve its objectives for Hutt City, Council operates several Council-Controlled Organisations (CCOs) and Council-Controlled Trading Organisations (CCTOs). These organisations independently manage facilities, as well as deliver services and undertake developments on behalf of the Hutt City community. The following table explains what the organisations do and how their performance is measured.

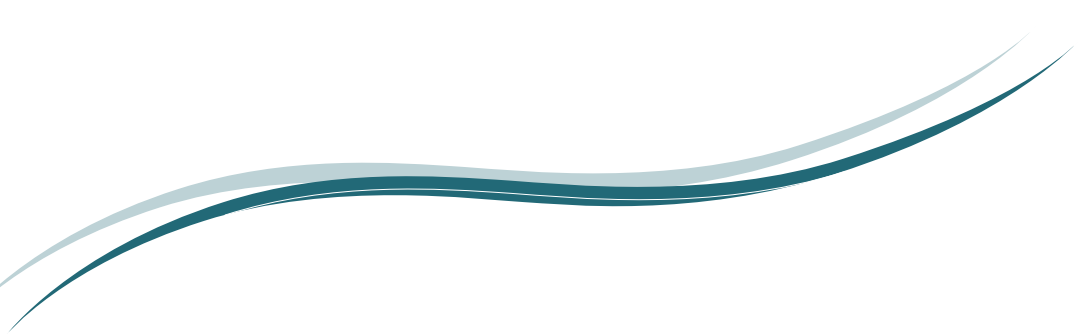
ORGANISATION	WHY DOES IT EXIST? (why we own/control it)	WHAT DOES IT DO? (nature and scope of its activities)	WHAT ARE ITS PERFORMANCE MEASURES? (key performance targets)
<b>Seaview Marina Limited</b> (Formerly named Coulfold Holdings Limited)	From 1 April 2003, this company assumed responsibility for and ownership of the Seaview Marina. This is the key role of this company.	The principal objective of the company is to own and operate a marina complex known as Seaview Marina as a facility for the enjoyment of the Hutt City community without compromising its commercial objectives and environment responsibilities.	<ul style="list-style-type: none"> <li>• Ensure business objectives comply with financial, building, technical and regulatory standards.</li> <li>• Ensure property and asset maintenance is carried out in accordance with Asset Management Plans and to best applicable trade standards and practice.</li> <li>• Achieve a rate of return on shareholder funds of 5% before taxation in the 2005/2006 financial year and 7.5% in the 2006/2007 financial year</li> </ul>
<b>Hutt Holdings Limited</b> (Formerly named Centre City Plaza Limited)	This company managed the Centre City buildings prior to the sale of those properties in July 2002.	The business of the company is to finalise residual issues arising from the management of the company's investment in Centre City Plaza.	That the company provides reports to officers in accordance with performance monitoring requirements under the Local Government Act 2002.

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<b>Wellington Water Management Limited (WWML) – (Operating name – Capacity)</b>	The primary responsibility of WWML is to manage the provision of water services to Council and Wellington City Council.	Objectives will be set out in the Statement of Intent for this CCTO.	<ul style="list-style-type: none"> <li>• Achieve total overall savings of \$4.175m to shareholding councils after five years, and 1.6m annually thereafter.</li> <li>• Achieve targets within allocated budgets.</li> <li>• Ensure business operation complies with financial, technical and regulatory standards.</li> <li>• Develop asset management plans as required that reflect best practice or meet specific requirements for approval by the appropriate organisation.</li> <li>• Ensure infrastructure asset maintenance is carried out in accordance with asset management plans and to best applicable trade standards and practice.</li> <li>• Meet the performance measures set by shareholders in service contracts or service level agreements, including managing emergencies.</li> </ul>

**COUNCIL-CONTROLLED ORGANISATIONS**

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<p><b>Wellington Regional Economic Development Trust</b>  (operating name <b>Positively Wellington Business ('PWB')</b>)</p>	<p>Council has an economic development strategy that includes encouraging economic activity and cooperation on a 'greater Wellington' or regional basis. PWB is a jointly held CCO (trading as Positively Wellington Business 'PWB') with Wellington, Porirua, and Upper Hutt City Councils, and Kapiti Coast District Council. It was established to ensure the opportunity for cooperation with Government, the private sector and Iwi, and with the ability for other territorial local authorities to participate in specific programmes and projects.</p>	<p>It facilitates, promotes and fosters development of a dynamic and innovative economy in the Wellington region for the benefit of the people of the Wellington region by:</p> <ul style="list-style-type: none"> <li>• Building stronger relationships between business, the education sector, local, regional and central government and other providers of services within the Wellington region.</li> <li>• Advocating to government for the needs of the region</li> <li>• Encouraging and assisting in the establishment, retention and development of sustainable new and existing businesses</li> <li>• Raising knowledge and awareness of the contribution of business to the community.</li> <li>• Promoting investment</li> <li>• Developing viable employment opportunities</li> <li>• Marketing business opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>• Work within approved budget and Business Plan</li> <li>• Work within and report on the approved Strategic Plan and Statement of Intent</li> <li>• Wellington Region and Targeted Sectors:             <ul style="list-style-type: none"> <li>– Growth in GDP</li> <li>– Growth in Businesses and new Investment</li> <li>– Job creation</li> <li>– Development and improvement of comparative strengths</li> <li>– The number and value of collaborative international contract bids won by business cluster members.</li> </ul> </li> </ul>





# *Appendices*





# Definitions

These definitions are intended to define terms used in this Community Plan in plain English. For legal definitions see the Local Government Act 2002.

## **Asset**

Something of value that Council owns on behalf of the people of Hutt City, such as roads, drains, parks and buildings.

## **Asset Management Plan**

A long term plan for managing an asset to ensure that its capacity to provide a service is kept up and costs over the life of the asset are kept to a minimum.

## **Appropriation/Appropriated**

Money that has been set aside from, or brought into, an operating or revenue account.

## **Capital Expenditure**

Expenditure that will increase the value of Council's assets.

## **Capital Value**

Value of land including any improvements.

## **Community Boards**

Local elected bodies set up under the Local Government Act. Community Boards are consulted by Council and can represent community concerns to Council (see also Ward Committees). Hutt City Council has three Community Boards: Eastbourne, Petone and Wainuiomata.

## **Community Outcome**

An outcome for the community that is identified as a priority.

## **Council Controlled Organisations (CCOs)**

Organisations which independently manage facilities and deliver services and undertake developments on behalf of the Hutt City community. Where necessary, Council funds the organisations.

## **Employee Costs**

Expenditure on staff. This includes wages, salaries and related taxes, training and recruitment costs. Remuneration of elected and appointed representatives is also included under this heading.

## **Financial Year**

Council's Financial Year runs from 1 July to 30 June of the following year.

## **Land Value**

Value of land, excluding any improvements.

## **Local Government Act 2002**

The key legislation that defines the powers and responsibilities of local authorities like Hutt City.

## **Long Term Council Community Plan or Community Plan**

A plan that describes the activities of the local authority, the Community Outcomes and long term focus for the decisions and activities of the local authority.

## **Forecast Financial Statement**

This is a ten-year plan for Council's revenue and expenditure, cash flows, and borrowing programme.

## **Maintenance Costs**

Expenditure in relation to repairs and maintenance of Council's assets.

## **Mana Whenua**

People with the mana of the land.

## **Operating Expenditure**

Expenditure for the normal services of Council.

## **Operating Projects**

Significant projects that do not result in the creation of Council assets.

## **Performance Measure**

A measure that shows how well Council is doing in achieving the goals it has set for itself.

## **Rates**

Funds collected by Council from levies on property. These are based on the capital value of the property but the term is often used to include Uniform Annual General Charges and Targeted Rates also.



### **Te Taura Here o te Te Awakairangi**

The Hutt Valley branch of Runanganui o Taura Here ki te Whanganui a Tara which represents 23 tribal groups in the greater Wellington region.

### **Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui**

A representative Maori Council made up from local tangata whenua and representing the eight Taranaki tribes within the Wellington region.

### **Significance**

Degree of importance of the issue, proposal, decision or matter as assessed by the local authority in terms of its likely consequences for the current and future social, economic, environmental, or cultural well-being of the community.

### **Significant Activities**

This plan lists 18 separate significant activities including Managing Services.

### **Supplier Costs**

Expenditure for the purchase of general goods and services.

### **Support Costs**

The internal allocation of expenditure incorporated in significant activity 18, 'Managing Services'.

### **Taonga**

A highly prized resource.

### **Te Atiawa**

Local tangata whenua with inherited land ownership and kinship to northern Taranaki Te Atiawa.

### **Targeted Rates**

Any rate levied other than the general rate, which is targeted at users of a service such as water supply, wastewater and the Jackson Street Programme.

### **User Charges**

Income to Council through fees paid by those who use specific services provided by Council.

### **Ward Committees**

Local committees set up by Council. Ward Committees are consulted by Council and can represent community concerns to Council (see also Community Boards). Hutt City Council has four Ward Committees: Central, Eastern, Northern, and Western.

### **Wellington Tenths Trust Te Atiawa**

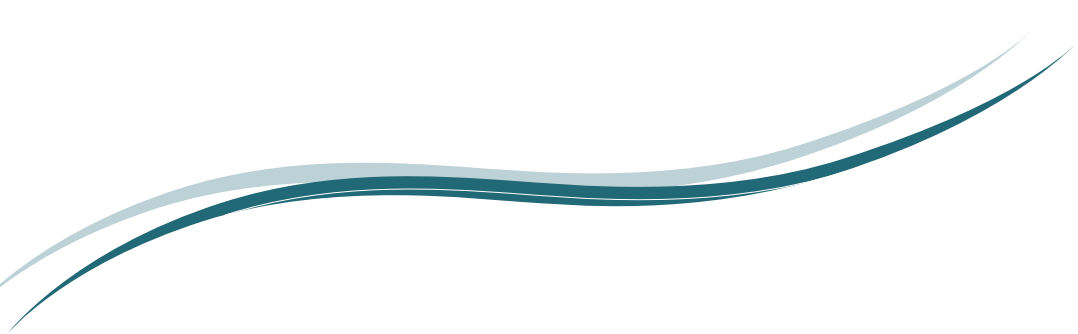
Local tangata whenua with inherited land ownership in Wellington and Hutt Valley and kinship to Northern Taranaki Te Atiawa.

## Statistical Information

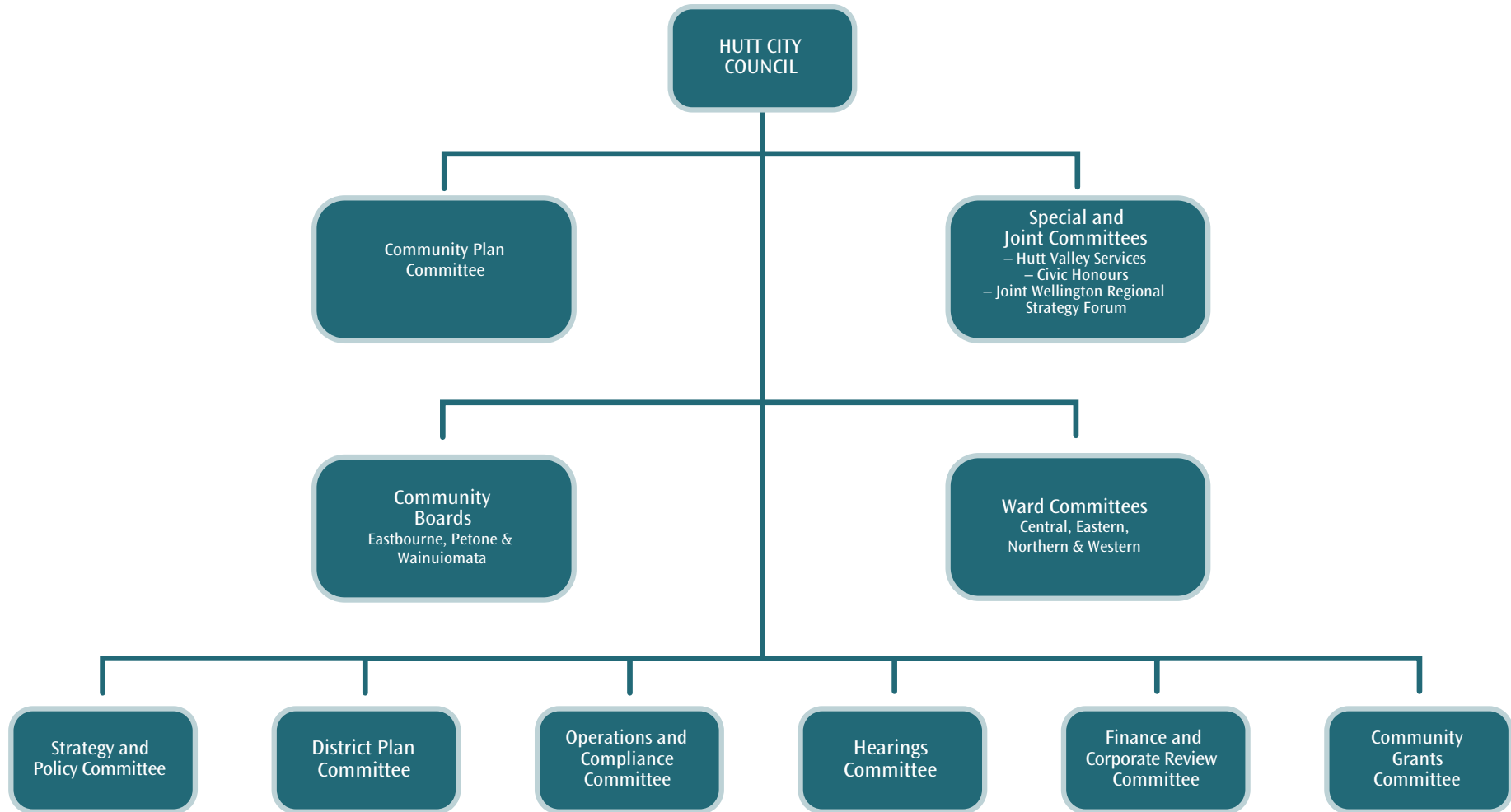
### HUTT CITY – A SUMMARY PROFILE

	Percentage change from 1996	
Land area (hectares)	37,998	
<b>2001 Population by Ward (NZ Census 2001)</b>		
Northern	14,805	1.1%
Eastern	16,476	0.0%
Western	11,913	2.3%
Central	18,150	-0.3%
Wainuiomata	17,058	-3.9%
Harbour	17,070	-0.2%
<b>TOTAL POPULATION 2001</b>	<b>95,472</b>	<b>-0.4%</b>
<b>2001 Households by Ward (NZ Census 2001)</b>		
Northern	5,097	2.3%
Eastern	6,066	1.8%
Western	4,200	4.5%
Central	6,957	2.2%
Wainuiomata	5,640	0.0%
Harbour	6,702	0.5%
<b>TOTAL HOUSEHOLDS 2001</b>	<b>34,662</b>	<b>1.7%</b>

<b>TOTAL COUNCIL ASSETS (30 June 2004)</b>	\$828,326,000
Area of parks and reserves	5,000 hectares
Number of swimming pools	6
Number of libraries	8
Length of roads	475 km
Length of footpaths	588 km
Number of street lights	10,650
Length of wastewater pipes	657 km
Length of stormwater pipes	500 km
Length of water pipes	671 km
Rating system	Capital
Rateable properties	37,421
Average rates per residential ratepayer	\$1,349
Capital value of Hutt City	\$8,558,018,900



# Political Structure



# Mayor and Councillors

(I) Independent (CV) City Vision (H) Hutt 20/20 (OCOF) Our City, Our Future



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**Councillor Tracy Pollard (I)**

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**Councillor Margaret Cousins JP (I)**

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# Community Board and Ward Committee Members

## Eastbourne Community Board

Mr Geoff Mann (Chair)	568 5573
Mr Ian Young (Deputy Chair)	562 8622
Mr Murray Gibbons	562 8567
Mr Geoff Rashbrooke	568 4988
Mr Derek Wilshere	562 7920

## Wainuiomata Community Board

Julie Sylvester (Chair)	564 3968
Mr Randall Day (Deputy Chair)	972 9996
Mr Darryl Angus	939 6550
Mr Alec Gage	564 5802
Mr Reg Moore	971 6872
Mr Kevin Small	564 6841

## Petone Community Board

Mr Richard Cole (Chair)	586 1113
Miss Megan Casey (Deputy Chair)	569 6974
Mr Gerald Davidson	938 3723
Miss Vera Ellen	938 1946
Mr Michael Lulich	568 7597
Mr Neil Newman	562 7881

## Central Ward Committee

Brian Moylan (Chair)	569 2499
Evan Ng (Deputy Chair)	570 1898
Sue Lafrentz	567 0856
Desiree Mulligan	938 9525

## Eastern Ward Committee

Sally Fergus (Chair)	566 2902
Gerry Pallo (Deputy Chair)	567 6919
Mohammed Bah	569 8321
Teri Puketapu	566 0809

## Northern Ward Committee

Steve Ritchie (Chair)	938 7223
Filomena Aukuso (Deputy Chair)	938 3550
Stuart Duck	025 682 7042
Leigh Sutton	563 5184

## Western Ward Committee

Jill Berridge (Chair)	566 8781
Noeline Matthews (Deputy Chair)	569 2551
John McLellan	565 0446
Max Shierlaw	589 3669



# Executive Management Team

## Front row

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