

# *Annual Plan 2002/2003*

Including Long Term  
Financial Strategy 2002–2012



*A great place to live, work and play*

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# Contact us

## Registered Office

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Telephone: (04) 570 6666 or 0800 Hutt City  
Facsimile: (04) 569 4290  
Email: [contact@huttcity.govt.nz](mailto:contact@huttcity.govt.nz)  
Website: [www.huttcity.govt.nz](http://www.huttcity.govt.nz)

## Council Service Centres

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### Eastbourne Community Library and Service Centre

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Address: Rimu Street, Eastbourne  
Telephone: (04) 562 8042

### Naenae Community Library and Service Centre

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Address: Hillary Court, Naenae  
Telephone: (04) 567 2859

### Petone Community Library and Service Centre

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Address: Britannia Street, Petone  
Telephone: (04) 568 6253

### Stokes Valley Community Library and Service Centre

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Address: Scott Court, Stokes Valley  
Telephone: (04) 563 8240

### Wainuiomata Community Library and Service Centre

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Address: Queen Street, Wainuiomata  
Telephone: (04) 564 5822

# Vision for Hutt City

A

a great place to *live, work and play*

The Strategic Plan 2000 – 2010 is the overall document detailing the Council's vision for Hutt City. It provides the direction behind the Council's plans and policies and gives a long term focus to all Council activities.

The Strategic Plan has four key areas:

## People

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### Goals

Hutt City is recognised as a great place to grow up, raise a family and retire.

Hutt City Council acknowledges the role of Te Atiawa (the mana whenua - those with inherited rights of land ownership) in a community that has a diverse multi-cultural population that enjoys living here.

## Infrastructure

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### Goals

All residents have access to high quality basic infrastructural services and facilities, provided in the most healthy, timely and equitable manner throughout our city. Hutt City infrastructural services are the best overall for quality, service and price of all the urban cities in New Zealand.

## Environment

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### Goals

A city where the environment is healthy and accessible. A city where sustainable development is managed and encouraged.

## Economy

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### Goals

Hutt City encourages a strong, enterprising and diverse economic base.

The programme and budget contained in the Annual Plan have been developed to give effect to these strategic goals.

# Hutt City's Annual Plan

Hutt City Council is required to produce an Annual Plan outlining the City's work programme for the coming financial year. The document you are now reading is the Annual Plan for the financial year running from 1 July 2002 through to 30 June 2003.

We have introduced a new feature this year that includes proposed spending on programmes for the following two years. That means you can see how Council has prioritised its projects and spending across its many services and activities.

Residents have had a significant say in the preparation of this Annual Plan. In fact, this year saw a record number of submissions on the Plan.

Council produced a Draft Annual Plan in April 2002 and invited residents to make submissions over five weeks during April and May 2002. People who made submissions could request that they be heard by Council, and those hearings were held over two days in June. Council then met over two days at the end of June to agree the Annual Plan.

The resulting Plan reflects the wishes of many Hutt City residents. You wanted to see us continue to deliver existing services and keep rates increases as low as possible. You also wanted to see Council play a more active role in improving an ageing infrastructure and helping to build a strong economy. This Annual Plan aims to deliver on those objectives.

## What is an Annual Plan?

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The Annual Plan sets out Council's spending intentions for the next three years. It includes:

- the services and activities Council plans to deliver
- how much they will cost
- how success will be measured
- how Council will pay for its activities (for example, through rates, user charges and other sources)

## How did the Annual Planning process work?

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The Annual Planning process began with Council reviewing activities and agreeing on a work programme. Out of this exercise, a Draft Annual Plan was agreed and the public was invited to have their say. Council then met to review submissions and hear people who wished to present their submissions in person.

Following the consultation process, Council then met on 19 and 20 June 2002 to consider submissions made by the public and make appropriate changes to the Draft Annual Plan before making decisions about what to include in the final Annual Plan.

## Why should I be interested in the Annual Plan?

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Because the Annual Plan is your Council's blueprint. It shows what work it will do and how much it will spend over the coming three years. If your favoured project did not receive money this year, it could be included in years two and three.





# From the Council

a great place to *live, work and play*

The beginning of a triennium is a good time for the new Council to reflect on changes that need to occur to ensure the place we call home continues to grow and develop. The new Council remains committed to the City's vision of '*a great place to live, work and play*' and has set about identifying opportunities that will help us to achieve that vision. Council will continue to maintain services to the highest possible standard, and work on improving services and facilities where appropriate, while also looking for greater efficiencies, and reducing debt.

Our main aim is to ensure the above vision is achieved in the short and longer term, and at the same time, that our ratepayers continue to receive value for their money. We also want to enhance the City's attractiveness to businesses and visitors. To that end we have been working to identify ways we can add vibrancy and diversity to the City and its economy.

## Council's Track Record of Prudent Financial Management

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Our track record over the last few years shows that we as a council are committed to prudent financial management. In comparison to many other urban local authorities, Hutt City Council has consistently had some of the lowest rates movements over recent years. In fact, over the last three years, Hutt City Council has been successful at maintaining service levels with no increase in average rates – the only local authority in the country to do so. However, to ensure our city continues to expand, we need to begin investing now for future long term growth and development.

## Competing Demands

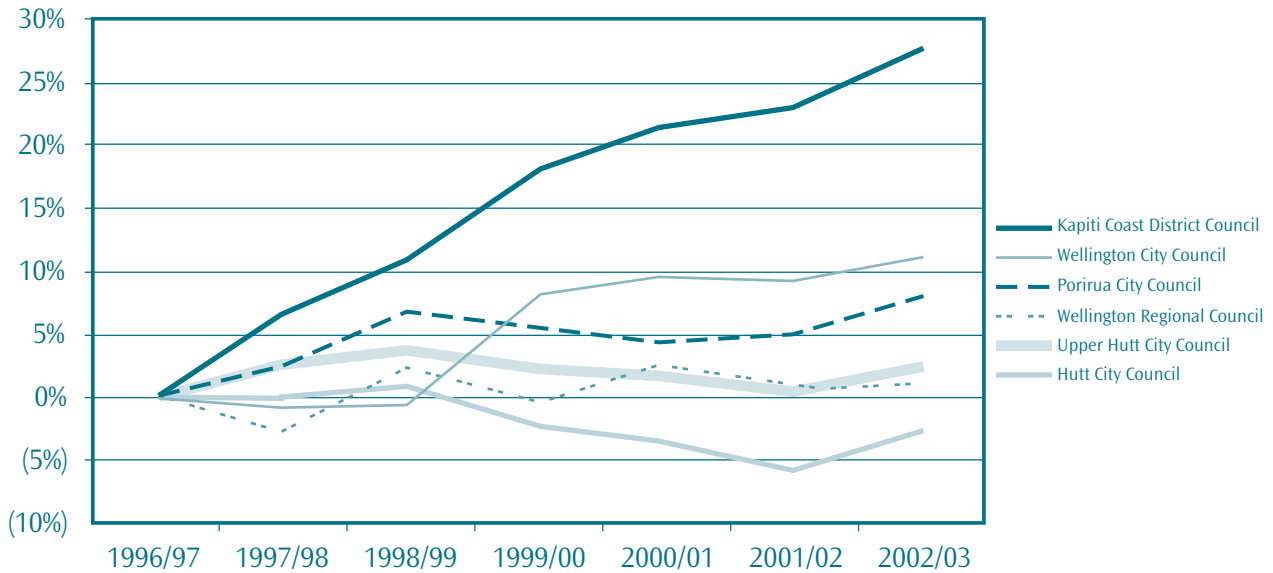
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There were many competing demands facing Councillors as they decided on a new work programme and budget for 2002/2003. The Council must adhere to legal requirements to properly maintain core services and account for such things as depreciation. Many ratepayers rightly expect Council to promote sustainable social, economic, environmental and cultural well-being. We have endeavoured to do this by focusing on:

- **Social development:** A commitment to youth and to a safer city.
- **Economic development:** A strategy has been developed for the first time which identifies needs and proposes actions.
- **Environment:** The operation of the City's new Wastewater Plant cleans up the harbour and the Wainuiomata river.
- **Cultural:** Improvements are to be undertaken to both the Central Library and the Dowse Art Museum.

As a ratepayer you may be interested to note what you could be paying if you lived elsewhere in the Wellington region. Hutt City has consistently aimed for an affordable rating structure, effective management and astute planning. This is clearly demonstrated in the graph on page 6 showing the average amount each ratepayer has paid when compared to other local authorities in the Wellington region.

## Regional Rate Increases (inflation and population adjusted)



### Protecting your Investment in our City

The programme of works outlined in the Annual Plan will protect the long term value of the assets the Council owns on your behalf. Assets such as roads, sewers, pools and parks are carefully managed so they provide the services needed, and maintenance costs are appropriately spread over the life of the assets. Examples are improvements to Hugh Sinclair Park, safer cycleways for cyclists in the Petone and Woburn areas, and improvements to alleviate flooding in the Awamutu Grove and Leighton Avenue area.

### Conclusion

Your Council is dedicated to ensuring that Hutt City is the Best it can be – a Great Place to Live, Work and Play. We will continue to work to deliver to you the best services and facilities in the country, promote our advantages to the rest of the country, and continue to make decisions in an open and transparent manner.

John Terris

**MAYOR**

On behalf of the Council

# From the Staff



This year's Annual Plan reflects a real commitment on behalf of Council to ensure Hutt City continues to be '*a great place to live, work and play*'. It contains new initiatives to inject new life into the City's infrastructure and help create a thriving, dynamic economy.

Two common themes emerged during the many public meetings we held to discuss the Draft Annual Plan, and these same themes were reflected in many of the record number of submissions we received.

People wanted a city they can feel safe in, a city that has sound infrastructure and a council that provides very high standards of service. And they told us they wanted Council to become a more active player in helping to create a healthy business environment that delivers more jobs.

Safer City initiatives and support for community based activities were big winners in this year's Annual Plan. A number of these will involve collaboration between Council, the Police, community groups and central government agencies.

We recognise that Council cannot tackle these issues alone. We can, however, do some things, such as installing security cameras in the CBD to deter crime. Ultimately though, a collaborative approach to dealing with the causes of crime, and the support of the community, will go a long way towards making our city safer for everyone.

Business people expressed a desire for Council to become much more proactive in creating a business-friendly environment and to place more emphasis on promoting our city and its success stories. We realise we cannot create jobs ourselves, but we can do quite a bit to ensure doing business in Hutt City is easier.

We have a great city and a council organisation filled with very talented people who work very hard on your behalf. I am proud to work for Hutt City and look forward to working with my staff to achieve great things this year and beyond.

## The Annual Plan

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This year's Annual Plan differs from previous years. For the first time Hutt City Council has set out its spending priorities for the next three years, so people can see that, although their project may not have received money this financial year, it may be in line for inclusion in years two or three. This is something that we are likely to be required to do once the new Local Government Bill is passed into law.

By setting out the Annual Plan in this way, you can see what priority Council has given to various projects. This will mean better planning and a clearer idea of Council's strategic direction.

I am confident that the Annual Plan for 2002/2003 will provide the way forward for Hutt City in terms of ensuring existing services are delivered to the highest possible standard, that the City's environment will be both healthy and accessible and that local social and cultural needs will be adequately met.

## Financial Framework

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In December 2001 the new Council approved a set of budget guidelines that defined the overall financial parameters for the 2002/2003 financial year. These guidelines required:

The budget guidelines were modified during the Annual Plan consultation process. The adopted Annual Plan is subject to the following guidelines.

- current service levels are maintained or exceeded
- the net rates increase is 5.7%
- net debt levels reduce below \$45 million by 2010 in line with Council's Strategic Plan target
- capital expenditure is limited to \$17 million
- asset sales continue to achieve Council's \$75 million target as soon as possible



## Rates

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The Annual Plan that the Council has adopted for 2002/2003 reflects an increase in rates of 5.7 percent. This comprises 1.5 percent for the cost of the new Seaview Wastewater Plant, a 2 percent inflationary adjustment, 1 percent to allow for increased insurance costs, 1 percent for economic development and 0.2 percent for additional items. This follows four years of nil rate increases for Hutt City ratepayers. Future rate rises are 3.0 and 1.5 percent consecutively in years 2003/2004 and 2004/2005 for the cost of the Seaview Wastewater Plant, which excludes inflation.

## Service Levels

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Last year Hutt City Council's 'Customer Service Group' was judged winner of the local government section of the 2001 New Zealand Performance Excellence Awards. We are very proud of this achievement and I would hope that residents are too. Rest assured that we will continue to work hard to maintain our high customer satisfaction ratings.

I have already noted that the Local Government Bill influenced the way we have set out significant projects. This Bill also signals big changes in the relationship between local authorities and their communities.

The general aim of the Bill is to allow local authorities 'to play a broad role in promoting the sustainable social, economic, environmental and cultural well-being of their communities'. To this end we have started working on a long term Community Plan.

We want to ensure Hutt City leads the way in meeting the spirit of the new legislation.

For example, we are already some way down the track in being able to report our activities on a 'triple bottom line' basis, which would see us reporting progress on social, economic and environmental measures as well as financial ones.

We're also taking part in a benchmarking exercise that sees us measuring our performance against a group of local authorities of a similar size. Our goal is to exceed the performance of similar councils. As I said before, we don't want to be 'part of the pack' we want to be leading it.

In summary I would like to restate the Council's commitment to the prudent management of the City's finances, maintenance and improvement of service delivery.

Thank you to all those people who took the time to provide Council with feedback on the Annual Plan. I look forward to helping ensure we continue to deliver on the City's vision as a great place to live, work and play.



R.I.K. (Rik) Hart

CHIEF EXECUTIVE

On behalf of the Staff

# Impact on your Rates

Hutt City Council operates a rating system based on the capital value of your property. Your rates bill is made up of a number of different charges depending on the type of property you own. These charges and the total rating impact for each group of properties are explained below.

The Council operates the rating system to ensure the following three principles are met:

**1. Fairness**

Properties similar in use and valuation, receiving similar services, should be treated equally.

**2. Efficiency**

Administration and collection costs should be as low as possible. Charges should not distort investment decisions made by the community.

**3. Accountability**

Customers should be able to clearly see what they are buying and how much it costs. Customers should be able to influence the Council's service decisions.

Hutt City Council has addressed these principles over a number of years by progressively adapting the rating system. For 2002/2003 the groups of properties for differential rating purposes are as follows:

- Residential
- Business Accommodation
- Rural
- Business Central
- Business Suburban
- Business Eastbourne
- Utility Networks
- Community Facilities.

Rural properties pay a lower rate in the dollar than residential properties, to reflect the lower level of services provided. Business properties pay a higher rate in the dollar, reflecting the additional levels of service provided. Over time, the historical differential between the Business Eastbourne group of properties and the Business Suburban properties will be removed, so that both groups will be rated on the same basis.

The following changes have been made to the rating system for 2002/2003:

- a general revaluation of Hutt City took place in September 2001 and the new values will now be used for rating purposes
- utility networks have been added to the valuation roll for the first time and will be charged rates
- the Central Business District rate has been discontinued and replaced by the creation of a 'Business Central' group of properties
- charges for water and sewerage will be levied as a charge per connection, instead of a charge per rates assessment as has been done previously
- a separate differential group has been created for motels and rest homes.

A slight increase has been made in the overall level of fixed charges for 2002/2003. This increase is due to the wastewater treatment plant costs, as well as rates being charged on the water and wastewater networks, but this will be partially offset by the increase in the number of connections that will be charged. Part of this increase continues the Council's decisions (based on community preferences) to phase in the cost of the increased level of service in the wastewater treatment plant over a five-year period.

*These general comments relate only to Hutt City Council rates. Remember that your total rates bill also includes rates payable to the Wellington Regional Council. This is a separate organisation.*

## Rates 2002/2003

SUMMARY OF REVENUE REQUIRED BY DIFFERENTIAL GROUP					
Differential Group	Factor	Rates 2002/2003 \$000s	Comparative Rates 2001/2002 \$000s	Change in Amount \$000s	Percentage
Residential	1.00	43,783	41,191	2,592	6.3%
Business:					
Suburban	4.10	13,821	13,386	435	3.3%
Suburban JSP	4.10	1,165	1,072	93	8.7%
Central (CBD)	4.90	6,387	6,522	(135)	(2.1)%
Accommodation	3.00	454	535	(81)	(15.1)%
Eastbourne	2.25	102	85	17	20.8%
Rural	0.65	335	308	27	8.7%
Community Facilities	1.00	424	190	234	123.3%
Utility Networks	1.50	2,390	-	2,390	-
<b>Total City Rates</b>		<b>68,861</b>	<b>63,289</b>	<b>5,572</b>	<b>8.8%</b>

The total city rates of \$68.861 million includes \$1.846 million of rates on the Council's own assets. Excluding the circular impact that the introduction of utility rates has had, particularly over these assets, the net average rates increase is 5.7%.

SUMMARY OF REVENUE REQUIRED BY RATE			
Rate	Amount (Inclusive of GST) \$000s	Amount (Exclusive of GST) \$000s	Description
General Rate	46,668	41,484	A rate levied on the capital value of properties to cover the general expenses of the City.
Uniform Annual Charge for Water	9,688	8,611	\$252.00 levied on each separately occupied portion of each property connected to the water reticulation system.
Connection Charge for Sewerage	12,415	11,035	\$300.00 levied on the first connection to the sewerage system, and \$150 for the second and subsequent connections for each property, with a limit of one charge per household.
Jackson Street Programme Rate	90	80	A rate levied on the capital value of business properties in Jackson Street to meet the costs of the Jackson Street Programme.
	<b>68,861</b>	<b>61,210</b>	

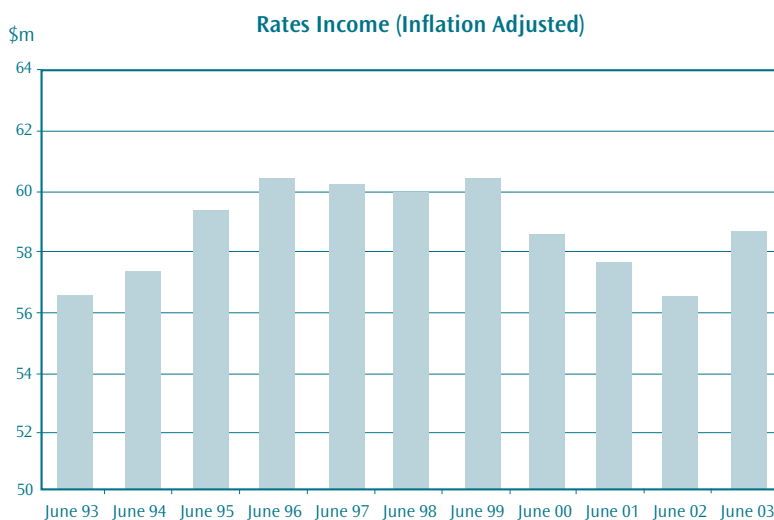
# Key Statistics



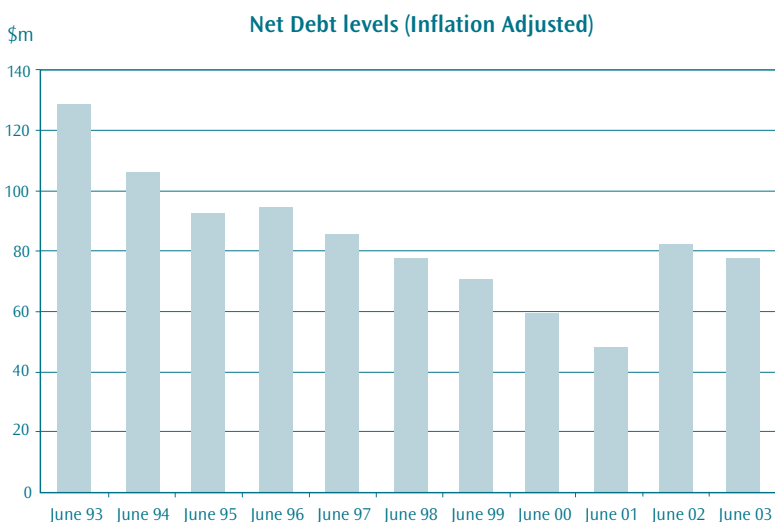
## Summary of Key Measures



The Council monitors customer satisfaction levels with the Council's services annually by way of an independently conducted survey. The graph shows that there have been significant improvements in the past seven years.



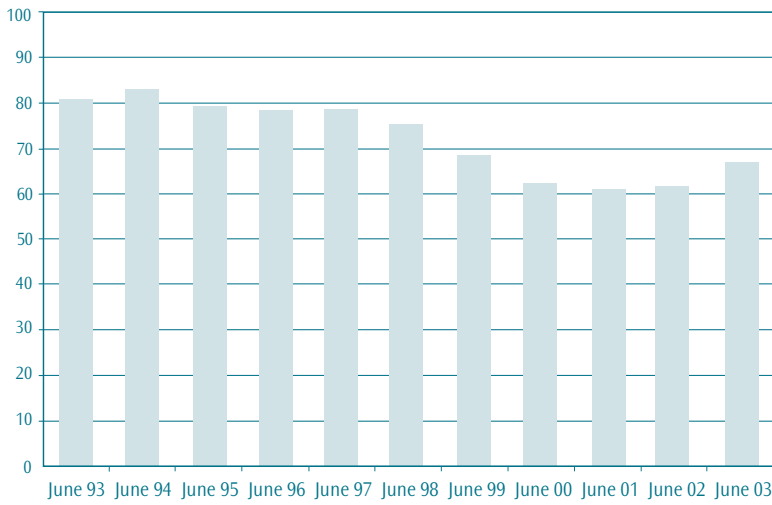
The graph on page 6 of this Annual Plan shows that Hutt City Council had by far the lowest level of rates increases for any local authority in the region in recent years. This graph shows rate levels over a longer period. Rate levels have reduced in recent times, but are now increasing primarily to cover the costs of operating the new wastewater treatment plant.



Net debt at 30 June 2003 will be \$78.6 million. The increased debt level during 2002 is the result of the City's investment in its new wastewater treatment plant. As the graph indicates, the Council has ensured its debt was significantly reduced from the high levels in the early 1990s for prudent financial reasons, and in order to accommodate the additional funding required for Project Pencarrow.

Percentage

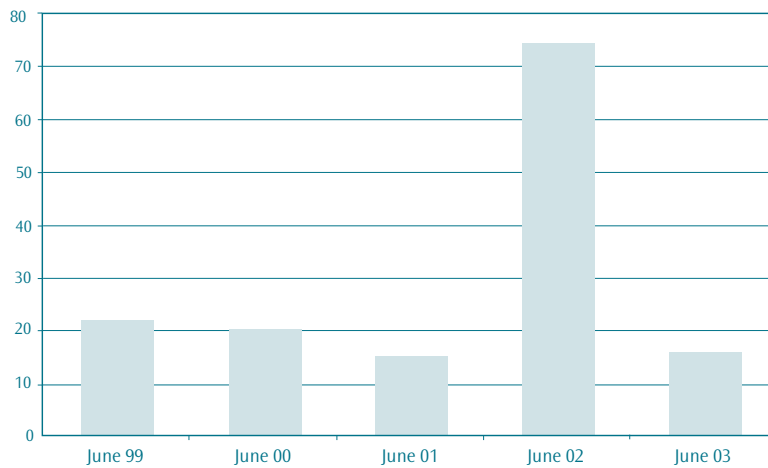
### Operating Expenditure (Inflation Adjusted)



By 30 June 2003 operating expenditure (excluding depreciation) will have reduced by \$14.5 million (18%) since 30 June 1993 after adjusting for inflation. These savings have been achieved through efficiency gains and reduced interest costs.

\$m

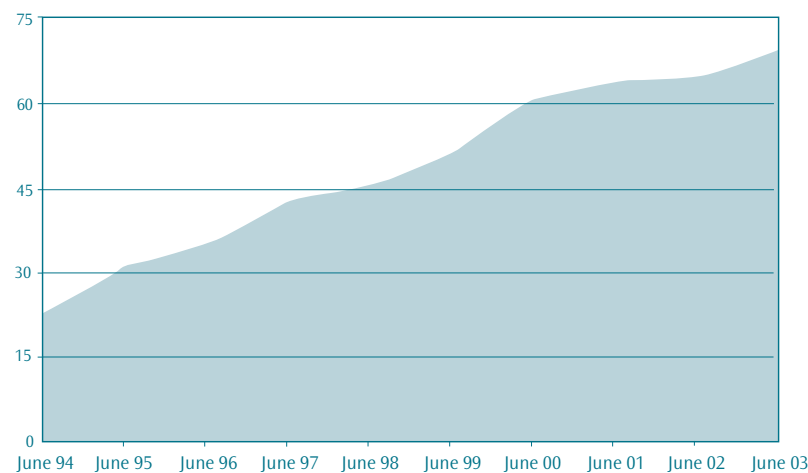
### Total Capital Expenditure (Inflation Adjusted)



On average, Council is spending about \$20 million per annum on capital works. The graph shows the large increase in total capital expenditure in 2001/2002 to pay for Project Pencarrow.

\$m

### Asset Sales



The Council established an asset sales target of \$75.0 million. This graph shows the progress towards achieving this target. By 30 June 2003, asset sales are expected to have reached \$69.4 million. This figure includes asset sales of \$4.8 million planned for the 2002/2003 financial year.

## Commitment to our Customers

### *'We take pride in helping you'*

Because we believe Hutt City is a great place to live, work and play, we take great pride in providing high-quality services and helping you in any way we can. Our vision for our customers is best value, best service, and to prove we do live up to the high standards we set ourselves, last year Hutt City Council's 'Customer Services Group' was judged winner of the local government section of the 2001 New Zealand Performance Excellence Awards.

It is our goal over the 2002/2003 financial year to continue to provide Hutt City residents with excellent service and to deliver ongoing improvements we can all be proud of. We will listen more to our customers (that's you!) and their needs, and take into account these factors when delivering our services.

### Customer Strategy

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- treat customers as they would like to be treated
- provide excellent value for money and extraordinary services
- involve and inform customers
- take pride in the services we deliver

### Quality Service

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Quality initiatives will include internal monitoring, coaching and customer surveys, including annual resident satisfaction with Council services and benchmarking to ensure best practice. The Council's aim is to encourage a culture where by working as a team, we gain great satisfaction from looking after our customers and putting them first.

The Council recognises the importance of customer feedback as a critical element in making decisions regarding service delivery. We conduct regular surveys which measure customer satisfaction with the handling of requests for services. These surveys help us to learn about customers' needs, wants and expectations so that in the end we can design a system which will ensure all requests for service are dealt with in a satisfactory manner.

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

### Our Commitment to you

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We will:

- be interested, fair, professional, and friendly
- do it right first time, on time - every time
- make and keep realistic promises
- go the extra mile
- be easy to contact
- act promptly



# Commitment to our Environment

Hutt City Council is committed to ensuring the City's environment is both healthy and accessible, and that sustainable development is managed and encouraged. These two strategic goals encompass the ultimate environmental outcomes for the City, its residents and businesses.

This Annual Plan has a number of city-wide and local initiatives directed towards providing community services and undertaking regulatory responsibilities. These activities impact both directly and indirectly on the environment.

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 our services in a manner consistent with safeguarding public health and the sustainable management of resources.

In carrying out the Council's activities, a commitment will be given to protect and enhance the City's indigenous biodiversity.

<b>Project Pencarrow</b>	The City's new wastewater treatment plant in Seaview has been completed and will treat over 53,000 cubic metres of wastewater a day. Wainuiomata wastewater will be pumped to Seaview and also treated at the new plant.
<b>Recycling and waste reduction projects</b>	Further projects aimed at minimising the environmental effects of solid waste are proposed in 2002/2003. Significant effort will be directed toward improving recycling and waste reduction in both the residential and commercial sectors.
<b>Urban environmental projects</b>	Further physical enhancements are planned for the inner-city and suburban areas. The focus will be on creating a more attractive and vibrant urban environment.
<b>Invasive plant eradication</b>	The programme of clearing residential reserve boundaries of gorse and blackberry continues. Cleared areas will be replanted with fire resistant, bird attracting native plants. The fight against Clematis vitalba is also ongoing.
<b>Possum eradication</b>	The award winning 'Possum Busters' programme will operate in five areas around the City. This targeted possum eradication supports the growth of native plants, particularly in fire risk areas, and helps protect key native ecosystems.
<b>More native plants</b>	Over 5,000 native plants will be planted to re-vegetate sites that have been invaded by introduced species. Around two thirds of the new flora will be coastal varieties and the remainder will be bush varieties. In particular, the programme aims to re-vegetate fire prone areas as a follow up to gorse control and to continue protecting rare and endangered plants throughout the City.
<b>Local environmental</b>	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.

# 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, the Council aims to ensure its staff have appropriate training and development opportunities, a safe working environment and support in carrying out their duties. The Council has several formal programmes in place to assist staff. These are outlined below.

## Staff Education, Training and Development

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Training and development needs for each staff member will be assessed as part of the two-way annual performance appraisal system. This allows this component of training and development to be planned twelve months in advance, and assists management to take a strategic view of needs and resources.

Staff are encouraged to undertake additional study through the study assistance policy. The council provides a maximum of \$3,000 per employee per year to subsidise course fees. In addition, up to 20 days study leave is 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

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The 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 their 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 auditors and 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

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

- The 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.

## Staff Satisfaction

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Senior management will 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 will be monitored using standard output measures. The combination of these reports 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, as well as allowing managers to refer them to qualified health professionals. 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, where any staff member can address the Executive Management Team on any issue of concern, at their weekly meetings.

## Staff Performance Management

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The Council utilises a performance appraisal process which is carried out at least annually. The system was designed by a joint committee including managers, staff and union representatives, and rewards performance over and above that required of the staff member, as described in their job description (it is aimed at the top 60% 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, competency development (such as communication and problem solving) as well as input from the staff regarding the individual development they would like to undertake. The process is documented on standard forms which are used by managers in coaching sessions throughout the year as well at the year end evaluation. The resulting staff development plans will also used as the basis for planning training and development initiatives at divisional and group level.

## Equal Employment Opportunities

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Everyone has the right to equal employment opportunities. The 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 the Council's activities and culture and to realise the business benefits to the Council of valuing and fully utilising its human resources.

This year the 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 full use of individual talents and skills
- provides training in the management of diversity.

## Performance Measures

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- The number of managers attending the courses provided
- The number of people who contact the harassment contact team
- Monitoring the feedback sheets from all interviews carried out
- Monitor all direct complaints to managers regarding EEO issues
- Regularly audit recruitment processes carried out
- The annual staff survey
- Feedback as part of the annual Performance Management process

# Commitment to the Treaty of Waitangi – Te Tiriti O Waitangi

**The Council has an obligation to take into account the principles of the Treaty of Waitangi – Te Tiriti O Waitangi – and to recognise and provide for the special relationship between Maori, their culture, traditions, land and taonga.**

The obligation to consult includes recognising those who have mana whenua, or inherited rights of land ownership. Within Hutt City this consists of the Wellington Tenth Trust, and the Council also recognises the Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui. Both these groups represent Te Atiawa and the Taranaki tribes within the Wellington region.

A Memorandum of Understanding has been established which governs the relationship between Te Atiawa and the elected Council.

Consultation will also extend to urban Maori now resident in Hutt City, including the Runanganui o Taura Here ki Rimutaka and Hutt City marae.

## Key Principles

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- to take into account the principles of the Treaty of Waitangi – Te Tiriti O Waitangi
- to use the Memorandum of Understanding to promote effective consultation
- to continue with the established contractual arrangements with Te Atiawa
- to pursue the Council's statutory obligations under Part II of the Resource Management Act 1991.

## Goals

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- to maintain consultation and involvement with Te Atiawa
- to consult the Runanganui o Taura Here ki Rimutaka
- to consult Hutt City marae.

## Programme

---

- ongoing promotion of the Memorandum of Understanding
- working to maintain the relationship with the 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
- ensuring that all parties are kept informed of the Council's developments and are given the opportunity to take part in the Council's affairs.

# Our Plan for the City

## 2002/2003

C

This section of the Annual Plan details the objectives, performance measures and financial information for each of the Council's significant activities. It gives the reasons why the Council undertakes these activities, and the estimated revenue and expenditure for each activity.

The indicative costs and sources of funds are shown in total for the 'Whole of Council' on page 20 and for each significant activity on pages 22 to 102. The borrowing needs and borrowing programmes for the Council are indicated within the Statement of Prospective Movements in Net Debt on page 114. This information is required by sections 223D(3)(c) and 223D(3)(f) of the Local Government Act 1974 in particular terms for 2002/2003 and in general terms for 2003/2004 and 2004/2005.

The forecast financial statements for 2002/2003, as required by section 223D(4) of the Local Government Act 1974, appear as part of the Long Term Financial Strategy on pages 105 to 115.



# Whole of Council

## WHOLE OF COUNCIL – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
Rates funding	56,357	59,569	61,356	62,276
User charges	16,966	17,016	16,913	17,045
Operating subsidies	1,503	1,507	1,507	1,507
Upper Hutt City Council operating contribution	843	1,600	1,600	1,600
Interest on investments	750	300	331	258
Other revenue	1,919	1,614	2,614	2,142
<b>Total operating revenue</b>	<b>78,338</b>	<b>81,606</b>	<b>84,321</b>	<b>84,828</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	15,422	15,761	15,841	15,841
Supplier costs	31,579	35,216	35,447	35,631
Maintenance costs	6,779	6,748	6,701	6,731
Operating projects	2,738	3,586	2,788	2,665
Interest expense	4,920	6,582	6,030	5,817
Depreciation	16,173	17,501	17,300	17,344
<b>Total operating expenditure</b>	<b>77,611</b>	<b>85,394</b>	<b>84,107</b>	<b>84,029</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>727</b>	<b>(3,788)</b>	<b>214</b>	<b>799</b>
Capital subsidies	1,702	1,732	1,741	1,978
Upper Hutt City Council capital contribution	15,855	-	-	-
<b>NET SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>18,284</b>	<b>(2,056)</b>	<b>1,955</b>	<b>2,777</b>
Taxation	-	-	-	-
<b>NET SURPLUS/(DEFICIT) AFTER TAX</b>	<b>18,284</b>	<b>(2,056)</b>	<b>1,955</b>	<b>2,777</b>

## WHOLE OF COUNCIL – PROSPECTIVE APPLICATION OF SURPLUS

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
Transfer to/(from) loan funding	113	(4,283)	(283)	353
Transfer to reserves	614	495	497	446
Subsidised capital expenditure	17,557	1,732	1,741	1,978
<b>Net surplus/(deficit) after tax</b>	<b>18,284</b>	<b>(2,056)</b>	<b>1,955</b>	<b>2,777</b>

# Group People

Mountain-biking Hutt City's hills, rainy afternoons spent in the local library, coffee at the Dowse, Sundays with the kids at the Settlers Museum, sport on a Saturday morning, summer picnics at Percy's Reserve – these are the activities that help make Hutt City a great place to live, work and play. Our city is about our people and the Hutt City Council is proud to be leading the following projects.

## Significant Activity

---

1. Libraries	22
2. Museums	25
3. Aquatics and Recreation Programmes	28
4. Parks and Reserves	32
5. Community Assistance	38
6. Community Property	43
7. Elected Members	45
8. Advice and Support Services	47

# 1. Libraries

*'The kids absolutely love their visits to the library – it's a whole new world for them. Whether they're being encouraged to take home books or just sit and listen to a new story ... their world suddenly becomes a whole lot bigger.'*

Joy, Hutt City Library

## Description

The Council provides, maintains and manages eight libraries in Hutt City. These are run as a single city-wide service. Their primary role is the provision of written and recorded media, such as books, videos and audio tapes. This material is used for many purposes including entertainment, learning and research.

## Reason for Activity

There is strong public preference for keeping the City's libraries. Reviews are undertaken from time to time to ensure they meet changing public requirements and remain efficient.

## Strategic Goal

The long term goal of the library service is to improve the knowledge base available to Hutt City residents. By 2010, the Council's target is to encourage over 85% of Hutt City residents to use the library at least once a year.

PERFORMANCE MEASURES	SOURCE OF INFORMATION																				
 Achieve the following number of visits to library: <table border="1" style="margin-left: 20px;"> <tr><td>Central</td><td>365,000</td></tr> <tr><td>Eastbourne</td><td>100,000</td></tr> <tr><td>Moera</td><td>45,000</td></tr> <tr><td>Naenae</td><td>170,000</td></tr> <tr><td>Petone</td><td>145,000</td></tr> <tr><td>Stokes Valley</td><td>95,000</td></tr> <tr><td>Taita</td><td>60,000</td></tr> <tr><td>Wainuiomata</td><td>180,000</td></tr> <tr><td>Virtual visits</td><td>460,000</td></tr> <tr><td><b>Total</b></td><td><b>1,620,000</b></td></tr> </table>	Central	365,000	Eastbourne	100,000	Moera	45,000	Naenae	170,000	Petone	145,000	Stokes Valley	95,000	Taita	60,000	Wainuiomata	180,000	Virtual visits	460,000	<b>Total</b>	<b>1,620,000</b>	Management Reports
Central	365,000																				
Eastbourne	100,000																				
Moera	45,000																				
Naenae	170,000																				
Petone	145,000																				
Stokes Valley	95,000																				
Taita	60,000																				
Wainuiomata	180,000																				
Virtual visits	460,000																				
<b>Total</b>	<b>1,620,000</b>																				
 Achieve the following number of transactions (issues and enquiries): <table border="1" style="margin-left: 20px;"> <tr><td>Central</td><td>900,000</td></tr> <tr><td>Eastbourne</td><td>112,000</td></tr> <tr><td>Moera</td><td>57,000</td></tr> <tr><td>Naenae</td><td>153,000</td></tr> <tr><td>Petone</td><td>158,000</td></tr> <tr><td>Stokes Valley</td><td>96,000</td></tr> <tr><td>Taita</td><td>55,000</td></tr> <tr><td>Wainuiomata</td><td>182,000</td></tr> <tr><td><b>Total</b></td><td><b>1,713,000</b></td></tr> </table>	Central	900,000	Eastbourne	112,000	Moera	57,000	Naenae	153,000	Petone	158,000	Stokes Valley	96,000	Taita	55,000	Wainuiomata	182,000	<b>Total</b>	<b>1,713,000</b>	Management Reports		
Central	900,000																				
Eastbourne	112,000																				
Moera	57,000																				
Naenae	153,000																				
Petone	158,000																				
Stokes Valley	96,000																				
Taita	55,000																				
Wainuiomata	182,000																				
<b>Total</b>	<b>1,713,000</b>																				
 Achieve the following net direct cost per transaction: <table border="1" style="margin-left: 20px;"> <tr><td>Central</td><td>\$1.85</td></tr> <tr><td>Eastbourne</td><td>\$3.30</td></tr> <tr><td>Moera</td><td>\$4.86</td></tr> <tr><td>Naenae</td><td>\$3.15</td></tr> <tr><td>Petone</td><td>\$3.33</td></tr> <tr><td>Stokes Valley</td><td>\$3.37</td></tr> <tr><td>Taita</td><td>\$4.75</td></tr> <tr><td>Wainuiomata</td><td>\$3.05</td></tr> <tr><td><b>Average</b></td><td><b>\$2.60</b></td></tr> </table>	Central	\$1.85	Eastbourne	\$3.30	Moera	\$4.86	Naenae	\$3.15	Petone	\$3.33	Stokes Valley	\$3.37	Taita	\$4.75	Wainuiomata	\$3.05	<b>Average</b>	<b>\$2.60</b>	Operational expenditure against issues		
Central	\$1.85																				
Eastbourne	\$3.30																				
Moera	\$4.86																				
Naenae	\$3.15																				
Petone	\$3.33																				
Stokes Valley	\$3.37																				
Taita	\$4.75																				
Wainuiomata	\$3.05																				
<b>Average</b>	<b>\$2.60</b>																				

### EXPLANATION OF PERFORMANCE SYMBOLS



Completed on time



Completed within budget



Residents satisfied



Completed to technical standards



Completed effectively



Completed efficiently

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with the library service.	NRB Communitrak Survey
 At least 80% of Hutt City residents use the library service during the year.	NRB Communitrak Survey
   Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.	Management Reports
   Programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.	Management Reports

### LIBRARIES – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	294	301	301	301
Other revenue	10	3	3	3
<b>Total operating revenue</b>	<b>304</b>	<b>304</b>	<b>304</b>	<b>304</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	2,115	2,179	2,179	2,179
Supplier costs	1,088	1,090	1,090	1,090
Support costs	1,385	1,415	1,377	1,390
Maintenance costs	16	15	15	15
Operating projects	-	-	20	20
Interest expense	56	68	62	58
Depreciation	124	97	115	134
<b>Total operating expenditure</b>	<b>4,784</b>	<b>4,864</b>	<b>4,858</b>	<b>4,886</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(4,480)</b>	<b>(4,560)</b>	<b>(4,554)</b>	<b>(4,582)</b>

### LIBRARIES – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net deficit before tax	(4,480)	(4,560)	(4,554)	(4,582)
<b>Total rates funding requirement</b>	<b>(4,480)</b>	<b>(4,560)</b>	<b>(4,554)</b>	<b>(4,582)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	(40)	(40)	(40)	(40)
Capital expenditure - improving services	(43)	(21)	(2,105)	(21)
Less depreciation	124	97	115	134
<b>Total loan funding surplus/ (requirement)</b>	<b>41</b>	<b>36</b>	<b>(2,030)</b>	<b>73</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(4,439)</b>	<b>(4,524)</b>	<b>(6,584)</b>	<b>(4,509)</b>

## 2002/2003

### MAINTAINING SERVICES (ASSET RENEWALS)

FURNITURE AND EQUIPMENT RENEWALS	\$40,000
----------------------------------	----------

An ongoing programme for the renewal of furniture and equipment throughout the libraries.

<b>Total Maintaining Services (Asset Renewals)</b>	<b>\$40,000</b>
--	-----------------

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

PC'S FOR INTERNET ACCESS	\$21,000
--------------------------	----------

Additional PC for each library, except Moera, for internet access to meet increasing demand for electronic services. Note that this improvement in service will increase operational costs by nearly \$15,000 with the majority of this offset by additional user charges.

<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$21,000</b>
---	-----------------

## 2003/2004

### OPERATING PROJECT

BOOK PURCHASES	\$20,000
----------------	----------

Increase in the book purchase budget of \$720,000 to keep pace with inflation.

<b>Total Operating Project</b>	<b>\$20,000</b>
--------------------------------	-----------------

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

PC'S FOR INTERNET ACCESS	\$21,000
--------------------------	----------

Additional PC's for internet access to meet increasing demand for electronic services.

LISTENING FACILITIES	\$7,000
----------------------	---------

Listening/viewing facilities for Central and two community libraries.

CENTRAL LIBRARY UPGRADE	\$2,077,300
-------------------------	-------------

<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$2,105,300</b>
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## 2004/2005

### OPERATING PROJECT

BOOK PURCHASES	\$20,000
----------------	----------

Increase in the book purchase budget of \$720,000 to keep pace with inflation.

<b>Total Operating Project</b>	<b>\$20,000</b>
--------------------------------	-----------------

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

PC'S FOR INTERNET ACCESS	\$12,000
--------------------------	----------

Additional PC's for internet access to meet increasing demand for electronic services.

LISTENING FACILITIES	\$9,000
----------------------	---------

Listening/viewing facilities for Central and two community libraries.

<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$21,000</b>
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## 2. Museums

*'There's nothing quite like a new exhibition at the Dowse followed by a good chat over a cup of coffee.'*

*George, Hutt City art enthusiast*

### Description

The 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.










### Reason for Activity

There is strong public preference for keeping the City's museums. Reviews are undertaken from time to time to ensure they remain efficient and meet changing public requirements.







### Strategic Goal

The long term goal of the museums is to foster a greater level of involvement in the appreciation of art, culture and history. By 2010, the Council's target is to encourage over 60% of Hutt City residents to visit a museum at least once a year.

### Dowse Art Museum

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with the Dowse Museum.	NRB Communitrak Survey
 90,000 visitors per year.	Monthly Management Report
 A net direct cost per visit of \$13.57.	Operational expenditure against visits
 Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.  	Management Reports
 Programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.  	Management Reports

### Petone Settlers Museum

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with the Settlers Museum.	NRB Communitrak Survey
 23,000 visitors per year.	Monthly Management Report
 A net direct cost per visit of \$17.86.	Operational expenditure against visits
 Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.  	Management Reports

EXPLANATION OF PERFORMANCE SYMBOLS	
 Completed on time	 Completed within budget
 Residents satisfied	 Completed to technical standards
 Completed effectively	 Completed efficiently



## MUSEUMS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	82	89	89	89
Other revenue	229	229	1,229	672
<b>Total operating revenue</b>	<b>311</b>	<b>318</b>	<b>1,318</b>	<b>761</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	726	792	872	872
Supplier costs	621	591	831	831
Support costs	400	390	380	383
Maintenance costs	56	87	87	117
Interest expense	58	71	64	63
Depreciation	71	52	60	68
<b>Total operating expenditure</b>	<b>1,932</b>	<b>1,983</b>	<b>2,294</b>	<b>2,334</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(1,621)</b>	<b>(1,665)</b>	<b>(976)</b>	<b>(1,573)</b>

## MUSEUMS – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net deficit before tax	(1,621)	(1,665)	(976)	(1,573)
<b>Total rates funding requirement</b>	<b>(1,621)</b>	<b>(1,665)</b>	<b>(976)</b>	<b>(1,573)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	(15)	(10)	(52)	-
Capital expenditure - improving services	(21)	(16)	(2,011)	(11)
Less depreciation	71	52	60	68
<b>Total loan funding surplus/(requirement)</b>	<b>35</b>	<b>26</b>	<b>(2003)</b>	<b>57</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(1,586)</b>	<b>(1,639)</b>	<b>(2,979)</b>	<b>(1,516)</b>

## 2002/2003

### MAINTAINING SERVICES (ASSET RENEWALS)

DOWSE ART MUSEUM	\$10,000
Relocate and reconstruct grease trap.	

**Maintaining Services (Asset Renewals) \$10,000**

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

ARTWORKS ACQUISITION	\$11,000
Acquisition of artworks for Dowse collection.	

DOWSE ART MUSEUM	\$5,000
Kitchen airconditioner.	

**Total Improving Services (Asset Upgrades and New Assets) \$16,000**

## 2003/2004

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

ARTWORKS ACQUISITION	\$11,000
Acquisition of artworks for Dowse collection.	
<hr/>	
DOWSE ART MUSEUM UPGRADE	\$1,000,000
<hr/>	
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$1,011,000</b>

## 2004/2005

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

ARTWORKS ACQUISITION	\$11,000
Acquisition of artworks for Dowse collection.	
<hr/>	
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$11,000</b>

### 3. Aquatics and Recreation Programmes

*'Jules and I really look forward to swims at Huia pool. It keeps us fit and lets us make the most of catching up with our swimming pals. Sometimes we even take the grandchildren!'*

*Tom, Hutt City Golden Oldie swimming champ*

#### Description







The Council provides and maintains six swimming pools in Hutt 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.

#### Reason for Activity

There are insufficient incentives for private interests to undertake the provision of swimming pools and recreation programmes in the number the community desires. The Council meets this demand by operating these facilities and providing various services.

#### Strategic Goal

The long term goal is to develop the water, life and leisure skills of Hutt City residents. By 2010, the Council's targets are to increase the number of participants in water education and general recreational programmes, as well as encouraging at least 70% of Hutt City residents to visit a pool at least once a year.

PERFORMANCE MEASURES		SOURCE OF INFORMATION
	At least 80% of Hutt City residents are satisfied with pools.	NRB Communitrak Survey
	At least 65% of Hutt City residents used a pool during the year.	NRB Communitrak Survey
	Achieve the following target number of users:	Monthly Management Report
	<b>INDOOR POOLS</b>	
	Huia 320,000	
	Naenae 250,000	
	Stokes Valley 75,000	
	<b>OUTDOOR POOLS</b>	
	Eastbourne 25,000	
	McKenzie 24,000	
	Wainuiomata 65,000	
	<b>Total (all pools) 759,000</b>	
	Achieve the net direct costs per user per annum:	Operational expenditure against user numbers
	<b>INDOOR POOLS</b>	
	Huia \$1.83	
	Naenae \$2.92	
	Stokes Valley \$6.33	
	<b>OUTDOOR POOLS</b>	
	Eastbourne \$5.64	
	McKenzie \$5.38	
	Wainuiomata \$4.85	
	<b>Average (all pools) \$3.13</b>	
	All pools to achieve and maintain ACC Poolsafe certification.	Management Reports
	That the Council maintain its Out of School Care and Recreation ('OSCAR') accreditation for its school holiday programmes.	Management Reports

#### EXPLANATION OF PERFORMANCE SYMBOLS

 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently
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PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 300 programmes and events are carried out with an increasing trend in participation across all programmes.	Monthly Management Report
At least 80% of Hutt City users are satisfied with recreation programmes.	NRB Communitrak Survey
Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.  	Management Reports
Programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.  	Management Reports

#### EXPLANATION OF PERFORMANCE SYMBOLS

Completed on time	Completed within budget	Residents satisfied	Completed to technical standards	Completed effectively	Completed efficiently
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#### AQUATICS AND RECREATION PROGRAMMES – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	1,191	1,265	1,265	1,265
Other revenue	273	182	182	182
<b>Total operating revenue</b>	<b>1,464</b>	<b>1,447</b>	<b>1,447</b>	<b>1,447</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	1,759	1,785	1,785	1,785
Supplier costs	1,071	1,201	1,201	1,201
Support costs	603	497	484	488
Maintenance costs	362	425	425	425
Operating projects	332	446	45	45
Interest expense	144	176	160	156
Depreciation	347	320	318	318
<b>Total operating expenditure</b>	<b>4,618</b>	<b>4,850</b>	<b>4,418</b>	<b>4,418</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(3,154)</b>	<b>(3,403)</b>	<b>(2,971)</b>	<b>(2,971)</b>

#### AQUATICS AND RECREATION PROGRAMMES – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net deficit before tax	(3,154)	(3,403)	(2,971)	(2,971)
<b>Total rates funding requirement</b>	<b>(3,154)</b>	<b>(3,403)</b>	<b>(2,971)</b>	<b>(2,971)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	(50)	(98)	(128)	(141)
Capital expenditure - improving services	(117)	(37)	(230)	(150)
Less depreciation	347	320	318	318
<b>Total loan funding surplus/(requirement)</b>	<b>180</b>	<b>185</b>	<b>(40)</b>	<b>27</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(2,974)</b>	<b>(3,218)</b>	<b>(3,011)</b>	<b>(2,944)</b>

## 2002/2003

<b>OPERATING PROJECTS</b>	
WALTER NASH STADIUM GRANT	\$45,000
Annual grant for operating costs of the Stadium, which meets a wide range of community needs.	
DRY FITNESS FEASIBILITY STUDY	\$5,000
Funding to undertake a feasibility study on providing dry fitness facilities/activities at Hutt City Pools.	
LEARN TO SWIM FEASIBILITY STUDY	\$5,000
Funding to undertake a feasibility study on expanding Hutt City's Learn to Swim Programme.	
UPDATE AND COMPUTERISE POOLS MAINTENANCE MANUALS	\$16,000
Specialist expertise is required to update and computerise all indoor pools maintenance manuals.	
WALTER NASH STADIUM UPGRADE	\$350,000
Contribution towards the upgrade of public facilities, including public toilets and the main entrance.	
<b>CARRY OVER 2001/2002</b>	
SWIMMING POOLS MAINTENANCE	\$25,000
<b>Total Operating Projects including Carry Over</b>	<b>\$446,000</b>

<b>MAINTAINING SERVICES (ASSET RENEWALS)</b>	
HUIA POOL SECURE CEILING PANELS	\$12,000
The luxalon ceiling panels in the pool concourse require securing to ensure they do not fall on patrons or staff.	
HUIA POOL LEARNERS POOL RAIL EXTENSION	\$3,500
To stop toddlers from wandering into deep water.	
NAENAE POOL REPLACE/MODIFY HYDROSLIDE SUPPORTS	\$44,500
Construct new plinths and remove deteriorated beams that support the hydroslide.	
STOKES VALLEY POOL SPA	\$20,000
Replace the spa at Stokes Valley Pool.	
EASTBOURNE POOL INSTALL BACKFLOW PREVENTERS	\$13,000
Install backflow preventer at Eastbourne Pool and check preventers at Naenae and Wainuiomata Pools, as required by the Council's Bylaws.	
EASTBOURNE POOL ANTI WAVE LANE MARKERS	\$5,000
To replace the anti wave lane markers that were recycled from Huia Pool.	
<b>Total Maintaining Services (Asset Renewals)</b>	<b>\$98,000</b>

<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
NAENAE POOL AUTOMATIC DOSING SYSTEM	\$15,000
Install an automatic dosing system in the Learners Pool to meet water quality standards.	
NAENAE POOL INSTALL SKYLIGHTS	\$22,000
Install skylights over the main pool concourse.	
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$37,000</b>

## 2003/2004

### OPERATING PROJECT

WALTER NASH STADIUM GRANT	\$45,000
Grant covering operating costs of the Stadium which meets a wide range of community needs.	

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<b>Total Operating Project</b>	<b>\$45,000</b>
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### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

WAINUIOMATA POOL NEW ATTRACTION	\$20,000
To provide a new attraction (for example, flying fox or mini golf) to increase patronage, customer satisfaction and compete for the recreation dollar.	

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NAENAE POOL DIATOMACEOUS EARTH ("DE") FILTER	\$200,000
Replace the sand filters for the main pool with DE Filters.	

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MCKENZIE POOL PROVIDE SHADE	\$10,000
Install shade sails for seating and picnic areas at McKenzie Pool.	

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<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$230,000</b>
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## 2004/2005

### OPERATING PROJECT

WALTER NASH STADIUM GRANT	\$45,000
Grant covering operating costs of the Stadium which meets a wide range of community needs.	

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<b>Total Operating Project</b>	<b>\$45,000</b>
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### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

WAINUIOMATA POOL DE FILTER	\$150,000
Replace the sand filters with DE Filters.	

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<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$150,000</b>
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# 4. Parks and Reserves

*'I generally jog about three times a week – the McKenzie track is a particular favourite. It keeps me fit and provides a great chance to be in the fresh air enjoying the natural environment.'*

Greg, Hutt City jogger

## Description

The Council provides and maintains passive recreational facilities in Hutt City for the enjoyment and well-being of the public free of charge. 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 the Council's cemeteries.

## Reason for Activity

The market does not provide such facilities at levels desired by the community.

## Strategic Goal

The long term goal of providing parks and reserves is to foster the physical and social health of residents through recreation and sports participation. The Council promotes the regular use of parks, reserves and sportsfields and aims to increase the use of these facilities by Hutt City residents every year.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 80% of Hutt City residents are satisfied with parks and reserves.	NRB Communitrak Survey
Sportsfields used at 80% of their carrying capacity.	Management Reports
At least 80% of Hutt City residents are satisfied with sportsfields.	NRB Communitrak Survey
95% of sportsfields meet the standards agreed with sports codes.	Complaints from users during 2002/2003
At least 80% of Hutt City residents are satisfied with cemeteries.	NRB Communitrak Survey
  Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.	Management Reports
  Programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.	Management Reports

EXPLANATION OF PERFORMANCE SYMBOLS					
Completed on time	Completed within budget	Residents satisfied	Completed to technical standards	Completed effectively	Completed efficiently

## PARKS AND RESERVES – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	777	776	776	776
Other revenue	1	1	1	1
<b>Total operating revenue</b>	<b>778</b>	<b>777</b>	<b>777</b>	<b>777</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	398	420	420	420
Supplier costs	4,675	4,932	4,932	4,932
Support costs	399	353	344	347
Maintenance costs	598	561	561	561
Operating projects	87	193	164	151
Interest expense	373	455	413	403
Depreciation	437	451	455	463
<b>Total operating expenditure</b>	<b>6,967</b>	<b>7,365</b>	<b>7,289</b>	<b>7,277</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(6,189)</b>	<b>(6,588)</b>	<b>(6,512)</b>	<b>(6,500)</b>

## PARKS AND RESERVES – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net deficit before tax	(6,189)	(6,588)	(6,512)	(6,500)
<b>Total rates funding requirement</b>	<b>(6,189)</b>	<b>(6,588)</b>	<b>(6,512)</b>	<b>(6,500)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	(280)	(488)	(305)	(325)
Capital expenditure - improving services	(563)	(1,808)	(1,525)	(305)
Less depreciation	437	451	455	463
Transfer from capital reserve	552	475	100	100
<b>Total loan funding surplus (requirement)</b>	<b>(146)</b>	<b>(1,370)</b>	<b>(1,275)</b>	<b>(67)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(6,043)</b>	<b>(7,958)</b>	<b>(7,787)</b>	<b>(6,567)</b>

## 2002/2003

### OPERATING PROJECTS

POSSUM BUSTERS EXTENSION	\$8,000
Extension of the 'Possum Busters' volunteer programme into Stokes Valley.	
HUTT RIVER TRAIL	\$10,000
Contribution towards purchase of materials to continue the Rotary Club's development of the Hutt River Trail.	
PEST PLANT SPECIES CONTROL	\$35,000
Funding to continue site specific control of pest plants which are causing damage to native bush.	
NEW CEMETERY INVESTIGATIONS	\$50,000
Investigating possible sites for a new cemetery within the City, including geotechnical investigations of preferred sites.	
WAIONE STREET UNDERBRIDGE (RIVER TRAIL)	\$10,000
Contribution towards developing underpass on the eastern bank of the Hutt River for safe pedestrian and cycle access.	
SISTER CITIES GARDEN	\$10,000
Investigations & design for the development of a sister cities garden that includes a Japanese component.	

## 2002/2003 CONTINUED

EMPIRE TABLE TENNIS CLUB	\$60,000
Contribution of \$60,000 towards the proposed extensions to the clubrooms.	

WAIWHETU STREAM ENVIRONMENTAL ENHANCEMENT	\$10,000
Continued programme of improvements carried out jointly with the Wellington Regional Council.	

<b>Total Operating Projects</b>	<b>\$193,000</b>
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### MAINTAINING SERVICES (ASSET RENEWALS)

PLAYGROUNDS	\$110,000
An ongoing programme to replace worn out and old play equipment including safety surfacing in the City's public playgrounds and skateboard parks.	

WALKWAYS UPGRADE PROGRAMME	\$15,000
An ongoing programme to implement the recommendations of the Walkways Review.	

PARKS ROADING MAINTENANCE	\$50,000
Ongoing maintenance programme for the internal roading network of parks and sportsfields.	

WILLIAMS PARK PAVILION ROOF	\$40,000
Replacement of part of the roof that is causing problems.	

WILLIAMS PARK TENNIS COURTS	\$80,000
Upgrade existing asphalt tennis courts.	

RONA BAY WHARF RENOVATION	\$55,000
Wharf renovation to meet recommendations resulting from five-year wharf survey.	

ROOF REPLACEMENT PETONE RECREATION GROUND GRANDSTAND	\$90,000
Replacement of original asbestos roof and guttering on the Petone Recreation Ground Grandstand.	

CEMETERY TOILETS UPGRADE	\$23,000
Toilets at the Taita Lawn Cemetery to be upgraded to meet acceptable standards.	

SEATS AND BINS	\$10,000
An ongoing programme to update existing park seats and rubbish bins.	

EASTBOURNE TOILETS	\$15,000
Upgrade public toilets at Bishop Park.	

<b>Total Maintaining Services (Asset Renewals)</b>	<b>\$488,000</b>
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### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

DEVELOPMENT OF BURIAL SITES	\$80,000
Funding for further development of burial sites at Taita Lawn Cemetery to meet future needs.	

HUTT PARK REDEVELOPMENT	\$970,000
Development works to be carried out at Hutt Park as identified through the Hutt Park Working Group Report.	

CENTRAL CITY SKATE FACILITY	\$50,000
Funding for construction of a central City skating facility.	

JUBILEE PARK RENOVATION *	\$30,000
Stage two of the renovation project.	

## 2002/2003 CONTINUED

<b>KOROHIWA BAY LANDSCAPE DEVELOPMENT *</b>	\$200,000
Landscape improvement works at Korohiwa Bay will be dependent upon the Council's decision regarding the sale of surplus land in Korohiwa Bay.	
<b>WAINUIOMATA CROQUET CLUB CAR PARK</b>	\$10,000
Contribution towards the development of a sealed car park for the Wainuiomata croquet club.	
<b>WAINUIOMATA MEMORIAL GARDEN</b>	\$45,000
Development of a memorial garden in Wainuiomata.	
<b>OWHITI (SEAVIEW) URUPA</b>	\$60,000
Restoration work to be completed between Seaview Urupa and Waiwhetu Stream to restore site damaged by a wastewater facility.	
<b>HUGH SINCLAIR PARK DEVELOPMENT *</b>	\$80,000
Development of Hugh Sinclair Park as per the plan proposed last year.	
<b>BOLLARDS</b>	\$5,000
Installation of bollards at various sites to protect parks and gardens from vehicular damage.	
<b>NORMANDALE ENTRANCE UPGRADE</b>	\$8,000
The upgrade would include the removal of weed species and planting of rhododendrons.	
<b>RIDDIFORD GARDENS *</b>	\$5,000
Realign stream and remove pond adjacent to childrens playground.	
<b>STOKES VALLEY ENTRANCE UPGRADE</b>	\$60,000
Landscaping and beautification works to improve the entrance to Stokes Valley, back to Pomare.	
<b>SPELDHURST PARK BARBECUES</b>	\$8,000
Install two barbecues for public use at Speldhurst Park.	
<b>CARRY OVERS 2001/2002</b>	
<b>PERCY SCENIC RESERVE SH2 REDEVELOPMENT</b>	\$150,000
<b>PETONE FORESHORE UPGRADE</b>	\$46,000
<b>Total Improving Services (Asset Upgrades and New Assets) including Carry Overs</b>	<b>\$1,807,500</b>

## 2003/2004

### OPERATING PROJECTS

<b>AVALON PARK DEVELOPMENT PLAN</b>	\$10,000
Prepare Development Plan for Avalon Park.	
<b>GREEN ARMY COORDINATOR</b>	\$60,000
Provision of coordinator to provide service to volunteers working or wanting to work on reserve land.	
<b>VOLUNTEER RANGER PROGRAMME</b>	\$8,000
Extension of volunteer Eastbourne Forest Rangers service to Stokes Valley and Wainuiomata.	
<b>HUTT RIVER TRAIL</b>	\$10,000
Contribution towards purchase of materials to continue the Rotary Club's development of the Hutt River Trail.	
<b>PEST PLANT SPECIES CONTROL</b>	\$35,000
Funding to continue site specific control of pest plants which are causing damage to native bush.	

## 2003/2004 CONTINUED

EASTERN HILLS REVEGETATION	\$8,000
Arising from the Reserves Strategic Directions report targeting specific areas on the eastern hills.	
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RONA BAY COASTAL REVEGETATION	\$3,000
Funding to establish native dune plantings north of Rona Bay wharf.	
<hr/>	
PROBLEM STREET TREES	\$30,000
It is anticipated that there will be a requirement for an ongoing allocation to deal with large street trees in inappropriate berms.	
<hr/>	
<b>Total Operating Projects</b>	<b>\$164,000</b>

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

DEVELOPMENT OF BURIAL SITES	\$80,000
Funding for further development of burial sites at Taita Lawn Cemetery to meet future needs.	
<hr/>	
HUTT PARK REDEVELOPMENT *	\$930,000
Development works to be carried out at Hutt Park as identified through the Hutt Park Working Party Report.	
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PETONE FORESHORE UPGRADE	\$500,000
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BOLLARDS	\$5,000
Installation of bollards at various sites to protect parks and gardens from vehicular damage.	
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WAIWHETU STREAM ENVIRONMENTAL ENHANCEMENT	\$10,000
Continued programme of improvements carried out jointly with the Wellington Regional Council.	
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<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$1,525,000</b>

## 2004/2005

### OPERATING PROJECTS

GREEN ARMY COORDINATOR	\$60,000
Provision of coordinator to provide service to volunteers working or wanting to work on reserve land.	
<hr/>	
VOLUNTEER RANGER PROGRAMME	\$8,000
Extension of volunteer Eastbourne Forest Rangers service to Stokes Valley and Wainuiomata.	
<hr/>	
HUTT RIVER TRAIL	\$10,000
Contribution towards purchase of materials to continue the Rotary Club's development of the Hutt River Trail.	
<hr/>	
PEST PLANT SPECIES CONTROL	\$35,000
Funding to continue site specific control of pest plants which are causing damage to native bush.	
<hr/>	
EASTERN HILLS REVEGETATION	\$8,000
Arising from the Reserves Strategic Directions report targeting specific areas on the eastern hills.	
<hr/>	
PROBLEM STREET TREES	\$30,000
Ongoing allocation to deal with large street trees in inappropriate berms.	
<hr/>	
<b>Total Operating Projects</b>	<b>\$151,000</b>

## 2004/2005 CONTINUED

<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
<b>AVALON PARK DEVELOPMENT</b>	\$50,000
Implement Development Plan for Avalon Park.	
<b>DEVELOPMENT OF BURIAL SITES</b>	\$80,000
Funding for further development of burial sites at Taita Lawn Cemetery to meet future needs.	
<b>BOLLARDS</b>	\$5,000
Installation of bollards at various sites to protect parks and gardens from vehicular damage.	
<b>WAIWHETU STREAM ENVIRONMENTAL ENHANCEMENT</b>	\$10,000
Continued programme of improvements carried out jointly with the Wellington Regional Council.	
<b>SPORTSFIELD CAR PARKS *</b>	\$80,000
The provision of sealed car parks for the convenience of sportsfield users.	
<b>JUBILEE PARK RENOVATION *</b>	\$30,000
Stage four of renovation project to include identification and development of historic sites inside Jubilee Park according to the Council's Development Plan adopted in 2001.	
<b>AKATARAWA CEMETERY</b>	\$50,000
Initial planning for earthworks and development to be undertaken at Akatarawa Cemetery.	
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$305,000</b>

\* FUNDED FROM RESERVE PURCHASE AND DEVELOPMENT FUND.

# 5. Community Assistance

*‘Without the support of Hutt City Council our organisation would not be able to maintain the services and advice we provide for the local community.’*

*Geraldine, voluntary organisation co-ordinator*

## Description

The 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 the Council’s Community Development Division or through private contracts.

## Reason for Activity

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

## Strategic Goal

The long term goal is to help support the provision of community, cultural and social services by other organisations, as well as the development of community groups. Research and consultation will ensure the Council is informed of community needs and is briefed on all major social issues. By 2010, the Council’s targets are to ensure advice and advocacy support is available to community groups and that community grants are distributed equitably.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 Contracted community development services meet the terms and conditions described in their contracts.	Management Reports
   Community development programmes completed on time, to the required standard and within budget.	Management Reports
   Community grants programme completed on time, to the required standard and within budget.	Management Reports

EXPLANATION OF PERFORMANCE SYMBOLS											
	Completed on time		Completed within budget		Residents satisfied		Completed to technical standards		Completed effectively		Completed efficiently

## COMMUNITY ASSISTANCE – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	20	20	20	20
<b>Total operating revenue</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	346	421	421	421
Supplier costs	802	789	789	789
Support costs	348	364	354	357
Maintenance costs	6	6	6	6
Operating projects	643	708	698	698
<b>Total operating expenditure</b>	<b>2,145</b>	<b>2,288</b>	<b>2,268</b>	<b>2,271</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(2,125)</b>	<b>(2,268)</b>	<b>(2,248)</b>	<b>(2,251)</b>

## COMMUNITY ASSISTANCE – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net deficit before tax	(2,125)	(2,268)	(2,248)	(2,251)
<b>Total rates funding requirement</b>	<b>(2,125)</b>	<b>(2,268)</b>	<b>(2,248)</b>	<b>(2,251)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(2,125)</b>	<b>(2,268)</b>	<b>(2,248)</b>	<b>(2,251)</b>

## 2002/2003

### OPERATING PROJECTS

<b>YOUTH CENTRE</b>	\$105,000
Contribution towards operating the youth centre, including employee wages.	
<b>YOUTH INFUSION</b>	\$35,000
Continuing support for Youth Infusion, including project funds, members' expenses and training program.	
<b>RACE UNITY DAY</b>	\$5,000
Contribution to the organisation of the Race Unity Day.	
<b>COMMUNITY HOUSES</b>	\$148,000
Grants to community houses.	
<b>MARAE FUND</b>	\$60,000
Grants to Hutt City marae.	
<b>ARTS AND CULTURE FUND</b>	\$71,875
Grants to arts and cultural organisations (includes \$5,000 for the Petone Community Arts co-ordinator).	
<b>NGA AWA FUNDING</b>	\$10,000
Support for Nga Awa O Awakairangi Ture Tangata.	
<b>REGIONAL GRANTS</b>	\$55,000
Grants to regional organisations.	



## 2002/2003 CONTINUED

OASIS YOUTH CENTRE Contribution toward supporting a youth centre in Wainuiomata.	\$10,000
NEIGHBOURHOOD WATCH Contribution toward the co-ordination of Neighbourhood Watch support groups in Hutt City.	\$20,000
WOMAN'S REFUGE Contribution toward the Hutt City Women's Refuge.	\$10,000
COUNCIL OF SOCIAL SERVICES The establishment of a Council of Social Services for Hutt City.	\$10,000
SECURITY PATROLS Security patrols to provide additional safety for inner city.	\$30,000
CITIZENS ADVICE BUREAU Grants to local citizens advice bureau.	\$51,500
HUTT ETHNIC COUNCIL A grant towards the annual operating costs of the Hutt Ethnic Council.	\$2,000
DISCRETIONARY RATES REMISSIONS Rates relief for local organisations.	\$85,000
<b>Total Operating Projects</b>	<b>\$708,375</b>

## 2003/2004

### OPERATING PROJECTS

YOUTH CENTRE Contribution towards operating the youth centre and co-ordinators' salary.	\$105,000
YOUTH INFUSION Continuing increased support for Youth Infusion, including project funds and members' expenses and training program.	\$35,000
RACE UNITY DAY Contribution to the organisation of the Race Unity Day.	\$5,000
COMMUNITY HOUSES Grants to community houses.	\$148,000
MARAE FUND Grants to Hutt City Marae.	\$60,000
ARTS AND CULTURE FUND Grants to Arts and Culture organisations for infrastructure support (includes \$5,000 for the Petone Community Arts co-ordinator).	\$71,875
NGA AWA FUNDING Support for Nga Awa O Awakairangi Ture Tangata.	\$10,000
REGIONAL GRANTS Grants to regional organisations.	\$55,000
OASIS YOUTH CENTRE Contribution toward supporting a youth centre in Wainuiomata.	\$10,000

## 2003/2004 CONTINUED

NEIGHBOURHOOD WATCH Contribution toward the co-ordination of Neighbourhood Watch Support groups in Hutt City.	\$20,000
COUNCIL OF SOCIAL SERVICES The establishment of a Council of Social Services for Hutt City.	\$10,000
SECURITY PATROLS Security patrols to provide additional safety for inner city.	\$30,000
CITIZENS ADVICE BUREAU Grants to local Citizens Advice Bureau.	\$51,500
HUTT ETHNIC COUNCIL A grant towards the annual operating costs of the Hutt Ethnic Council.	\$2,000
DISCRETIONARY RATES REMISSIONS Rates relief for local organisations.	\$85,000
<b>Total Operating Projects</b>	<b>\$698,375</b>

## 2004/2005

### OPERATING PROJECTS

YOUTH CENTRE Contribution towards operating the youth centre, including employee wages.	\$105,000
YOUTH INFUSION Continuing support for Youth Infusion, including project funds and members' expenses and training program.	\$35,000
RACE UNITY DAY Contribution to the organisation of the Race Unity Day.	\$5,000
COMMUNITY HOUSES Grants to community houses.	\$148,000
MARAE FUND Grants to Hutt City Marae.	\$60,000
ARTS AND CULTURE FUND Grants to Arts and Culture organisations for infrastructure support (includes \$5,000 for the Petone Community Arts co-ordinator).	\$71,875
NGA AWA FUNDING Support for Nga Awa O Awakairangi Ture Tangata.	\$10,000
REGIONAL GRANTS Grants to regional organisations.	\$55,000
OASIS YOUTH CENTRE Contributions toward supporting a youth centre in Wainuiomata.	\$10,000
NEIGHBOURHOOD WATCH Contribution toward the co-ordination of Neighbourhood Watch Support groups in Hutt City.	\$20,000
COUNCIL OF SOCIAL SERVICES The establishment of a Council of Social Services for Hutt City.	\$10,000

## 2004/2005 CONTINUED

SECURITY PATROLS	\$30,000
Security patrols to provide additional safety for inner city.	
<hr/>	
CITIZENS ADVICE BUREAU	\$51,500
Grants to local Citizens Advice Bureau.	
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HUTT ETHNIC COUNCIL	\$2,000
A grant towards the annual operating costs of the Hutt Ethnic Council.	
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DISCRETIONARY RATES REMISSIONS	\$85,000
Rates relief for local organisations.	
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<b>Total Operating Projects</b>	<b>\$698,375</b>

## 6. Community Property

*'The Indian Festival at the Town Hall was a real family highlight this year. It was great to see the pride shown by one of the city's ethnic minorities and learn a little more about their culture. So many stands and displays – out of the wind and rain!'*

*Denise, Hutt City mother of five*

### Description









The Council manages a variety of properties for use by the community. The main portfolios are 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.

### Reason for Activity







The Council's ownership of these properties is largely historical. There is significant public preference for retaining the Council's ownership of such property and facilitating community events, meetings and gatherings. Public toilets are provided for community convenience and to safeguard public health.

### Strategic Goal

The long term goal is to ensure local communities have access to venues for recreational, cultural and governance activities, and that public conveniences are available in areas of high public use. By 2010, the Council's targets are to provide urban residents with access to a local venue within a five kilometre radius and to eliminate public health issues in areas of high public use.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with public halls.	NRB Communitrak Survey
 At least 60% of Hutt City residents are satisfied with the public toilets provided.	NRB Communitrak Survey
   Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.	Management Reports
   Programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.	Management Reports

EXPLANATION OF PERFORMANCE SYMBOLS					
 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently

## COMMUNITY PROPERTY – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	199	196	196	196
<b>Total operating revenue</b>	<b>199</b>	<b>196</b>	<b>196</b>	<b>196</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	-	36	36	36
Supplier costs	252	347	347	347
Support costs	122	56	55	55
Maintenance costs	202	179	179	179
Operating projects	55	-	-	-
Interest expense	43	52	47	46
Depreciation	192	204	199	194
<b>Total operating expenditure</b>	<b>866</b>	<b>874</b>	<b>863</b>	<b>857</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(667)</b>	<b>(678)</b>	<b>(667)</b>	<b>(661)</b>

## COMMUNITY PROPERTY – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net deficit before tax	(667)	(678)	(667)	(661)
<b>Total rates funding requirement</b>	<b>(667)</b>	<b>(678)</b>	<b>(667)</b>	<b>(661)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	(127)	(35)	(25)	-
Capital expenditure - improving services	(482)	(5)	-	-
Less depreciation	192	204	199	194
<b>Total loan funding (requirement)/surplus</b>	<b>(417)</b>	<b>164</b>	<b>174</b>	<b>194</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(1,084)</b>	<b>(514)</b>	<b>(493)</b>	<b>(467)</b>

## 2002/2003

### MAINTAINING SERVICES (ASSET RENEWALS)

<b>BELMONT HALL</b>		\$12,900
• replace existing bar heaters with energy efficiency heaters	\$3,000	
• kitchen upgrade and construct cleaners cupboard.	\$9,900	
<b>TOWN HALL</b>		\$11,000
Upgrade emergency lighting to comply with Building Code and Fire Service Act 1975.		
<b>HORTICULTURAL HALL</b>		\$11,000
Upgrade emergency lighting to comply with Building Code and Fire Service Act 1975.		
<b>Maintaining Services (Asset Renewals)</b>		<b>\$34,900</b>

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

<b>BELMONT HALL</b>		\$5,000
Upgrade lighting system in Belmont Hall		
<b>Total Improving Services (Asset Upgrades and New Assets)</b>		<b>\$5,000</b>

## 7. Elected Members

*'I attended a Council meeting a few weeks ago and thought our representatives were doing a sterling job. It's not easy to keep people happy, but I think they're doing a great job of addressing important issues.'*

*Richard, Hutt City resident*

### Description

The Council is an elected body that governs the direction and objectives of the activities it is responsible for on behalf of Hutt City. Community representatives on Community Boards and Ward Committees are part of the Council and provide local input into governance issues.

### Reason for Activity

This is a legal requirement.

### Strategic Goal

The long term goal is to provide superior governance which achieves community goals in the most efficient and timely manner. By 2010, the Council's target is to achieve over 70% for Hutt City resident satisfaction with the performance of their elected members.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 70% of Hutt City residents have seen or read any of the Council's published information in the year.	NRB Communitrak Survey
 Hutt City resident satisfaction with the performance of the Mayor and Councillors is higher than the average for peer local authorities.	NRB Communitrak Survey
 Hutt City resident satisfaction with the way rates are spent is higher than the average for peer local authorities.	NRB Communitrak Survey
 Average Hutt City resident satisfaction across all standard community survey questions is higher than the average for peer local authorities.	NRB Communitrak Survey

#### EXPLANATION OF PERFORMANCE SYMBOLS



Completed on time



Completed within budget



Residents satisfied



Completed to technical standards



Completed effectively



Completed efficiently

#### ELECTED MEMBERS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
Total operating revenue	-	-	-	-
<b>OPERATING EXPENDITURE</b>				
Employee costs	725	706	706	706
Supplier costs	60	63	63	63
Support costs	468	460	448	452
Maintenance costs	5	5	5	5
Operating projects	38	-	-	-
Depreciation	-	-	-	-
<b>Total operating expenditure</b>	<b>1,296</b>	<b>1,234</b>	<b>1,222</b>	<b>1,226</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(1,296)</b>	<b>(1,234)</b>	<b>(1,222)</b>	<b>(1,226)</b>

**ELECTED MEMBERS – PROSPECTIVE FUNDING REQUIREMENT**

For the year ending 30 June 2003

**RATES FUNDING REQUIREMENT**

Net deficit before tax (1,296) (1,234) (1,222) (1,226)

**Total rates funding requirement**

(1,296) (1,234) (1,222) (1,226)

**LOAN FUNDING REQUIREMENT**

Capital expenditure - improving services - - - -

Less depreciation - - - -

**Total loan funding (requirement)/surplus**

- - - -

**TOTAL FUNDING REQUIREMENT**

(1,296) (1,234) (1,222) (1,226)

## 8. Advice and Support Services

*'I feel I've been well-informed of the Council's activities over the past year and that's really helped with the way I feel about Hutt City.'*

*Rangi, Hutt City father of two*

### Description


This activity involves the processes of policy formation, consultation and public accountability on behalf of the Council. The most public examples of this are the annual planning and reporting processes and the development of the City's strategic plans.







### Reason for Activity

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

### Strategic Goal

The long term goal is to provide advice and support to elected members and community representatives which enables them to function effectively. By 2010, the Council's target is that all elected members and community representatives are satisfied with the quality of advice and support received.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 The majority of Councillors report that they are satisfied or more than satisfied with formal advice received from officers.	CEO Performance Review

EXPLANATION OF PERFORMANCE SYMBOLS					
 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently

ADVICE AND SUPPORT SERVICES – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE				
For the year ending 30 June 2003				
	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
Other revenue	-	-	-	85
<b>Total operating revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85</b>
<b>OPERATING EXPENDITURE</b>				
Supplier costs	30	30	30	215
Support costs	2,342	2,426	2,362	2,382
Operating projects	67	242	101	101
<b>Total operating expenditure</b>	<b>2,439</b>	<b>2,698</b>	<b>2,493</b>	<b>2,698</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(2,439)</b>	<b>(2,698)</b>	<b>(2,493)</b>	<b>(2,613)</b>



**ADVICE AND SUPPORT SERVICES – PROSPECTIVE FUNDING REQUIREMENT**

For the year ending 30 June 2003

**RATES FUNDING REQUIREMENT**

Net deficit before tax	(2,439)	(2,698)	(2,493)	(2,613)
Transfer (to)/from operating reserve	-	(50)	(50)	100
<b>Total rates funding requirement</b>	<b>(2,439)</b>	<b>(2,748)</b>	<b>(2,543)</b>	<b>(2,513)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(2,439)</b>	<b>(2,748)</b>	<b>(2,543)</b>	<b>(2,513)</b>

**2002/2003****OPERATING PROJECTS**

**COMMUNITY BOARD AND WARD COMMITTEE DISCRETIONARY FUND** \$81,085  
 Funds for each Community Board and Ward Committee to allocate at their discretion, within certain guidelines. Each Community Board and Ward Committee will receive base funding and an allocation based on the population number in their community or ward.

**ELECTED MEMBERS CONSULTANCY FUND** \$20,000  
 The consultation fund will enable the Council to access from time to time contestable advice on issues where the Council believes it would benefit from such advice.

**COMMUNITY PLAN** \$60,000  
 Funding for the development of a Community Plan.

**CARRY OVER 2001/2002**

**COMMUNITY BOARD AND WARD COMMITTEE DISCRETIONARY FUNDS** \$80,422

**Total Operating Projects including Carry Over** **\$241,507**

**2003/2004****OPERATING PROJECTS**

**COMMUNITY BOARD AND WARD COMMITTEE DISCRETIONARY FUND** \$81,085  
 Funds for each Community Board and Ward Committee to allocate at their discretion, within certain guidelines. Each Community Board and Ward Committee will receive base funding and an allocation based on the population number in their community or ward.

**ELECTED MEMBERS CONSULTANCY FUND** \$20,000  
 The consultation fund will enable the Council to access from time to time contestable advice on issues where the Council believes it would benefit from such advice.

**Total Operating Projects** **\$101,085**

**2004/2005****OPERATING PROJECTS**

**COMMUNITY BOARD AND WARD COMMITTEE DISCRETIONARY FUND** \$81,085  
 Funds for each Community Board and Ward Committee to allocate at their discretion, within certain guidelines. Each Community Board and Ward Committee will receive base funding and an allocation based on the population number in their community or ward.

**ELECTED MEMBERS CONSULTANCY FUND** \$20,000  
 The consultation fund will enable the Council to access from time to time contestable advice on issues where the Council believes it would benefit from such advice.

**Total Operating Projects** **\$101,085**

# Group Infrastructure

Safer, well-lit walkways and footpaths, non-congested traffic during peak hours, easily located car parks, high-quality drinkable water, effective treatment and disposal of effluent, quality drainage systems to prevent flooding – these are the elements of Hutt City’s infrastructure that make daily life that much easier and more enjoyable.

## Significant Activity

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9. Roading and Traffic Management	50
10. Parking	57
11. Water	59
12. Wastewater	63
13. Stormwater	68

# 9. Roading and Traffic Management

*'The footpath's just been re-done outside our school, plus we've recently seen new street lights put up in the area. We take it for granted, but that does make a real difference to the lives of the kids, teachers and parents who are in the area every day.'*

Muriel, Hutt City primary school teacher

## Description












The Council provides, maintains and cleans sealed roads and footpaths throughout Hutt City. Traffic control measures are utilised to ensure the safe and efficient movement of motor vehicles, cyclists, pedestrians and other forms of transport. Streetlighting is provided to ensure the safety and security of road and footpath users at night.

## Reason for Activity

The provision of roads is a legal requirement. The public nature of the road reserve and the absence of private markets result in the Council's role as asset owner and funder.

## Strategic Goal

The long term goal is to provide an effective, safe and efficient network for the movement of road users throughout Hutt City via safe and clean roads and footpaths. By 2010, the Council's targets are that 62% of the network meets District Plan roading standards, 90% of Hutt City residents are satisfied with street cleaning, injury accidents are reduced, inter-peak journey times are less than double the best possible time and 100% of streetlighting for roads and accessways conforms to 1999 national standards.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with the standard and safety of streets, roads and footpaths.	NRB Communitrak Survey
 At least 80% of Hutt City residents are satisfied with the cleanliness of roads and gutters around Hutt City.	NRB Communitrak Survey
 At least 80% of Hutt City residents are satisfied with the safety and convenience of movement around the City's streets.	NRB Communitrak Survey
 At least 80% of Hutt City residents are satisfied with streetlighting around Hutt City.	NRB Communitrak Survey
 The trend of reducing injury accidents through the joint efforts of the Council, the Police and other agencies is maintained.	Accident data supplied by the Land Transport Safety Authority
   Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.	Management Reports
   Programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.	Management Reports

EXPLANATION OF PERFORMANCE SYMBOLS					
 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently

## ROADING AND TRAFFIC MANAGEMENT – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	27	27	27	27
Operating subsidies	1,459	1,453	1,453	1,453
Other revenue	7	8	8	8
<b>Total operating revenue</b>	<b>1,493</b>	<b>1,488</b>	<b>1,488</b>	<b>1,488</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	894	864	864	864
Supplier costs	2,994	3,318	3,318	3,318
Support costs	939	877	854	861
Maintenance costs	1,778	1,697	1,697	1,697
Operating projects	71	140	140	55
Interest expense	1,575	1,925	1,746	1,703
Depreciation	5,162	5,449	5,394	5,391
<b>Total operating expenditure</b>	<b>13,413</b>	<b>14,270</b>	<b>14,013</b>	<b>13,889</b>
<b>OPERATING DEFICIT</b>	<b>(11,920)</b>	<b>(12,782)</b>	<b>(12,525)</b>	<b>(12,401)</b>
Capital subsidies	1,702	1,732	1,741	1,978
<b>NET DEFICIT BEFORE TAX</b>	<b>(10,218)</b>	<b>(11,050)</b>	<b>(10,784)</b>	<b>(10,423)</b>

## ROADING AND TRAFFIC MANAGEMENT – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Operating deficit	(11,920)	(12,782)	(12,525)	(12,401)
<b>Total rates funding requirement</b>	<b>(11,920)</b>	<b>(12,782)</b>	<b>(12,525)</b>	<b>(12,401)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	(3,608)	(3,851)	(3,739)	(3,860)
Capital expenditure - improving services	(1,437)	(1,661)	(1,200)	(1,580)
Less capital subsidies	1,702	1,732	1,741	1,978
Less depreciation	5,162	5,449	5,394	5,391
<b>Total loan funding surplus</b>	<b>1,819</b>	<b>1,669</b>	<b>2,196</b>	<b>1,929</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(10,101)</b>	<b>(11,113)</b>	<b>(10,329)</b>	<b>(10,472)</b>

## 2002/2003

### OPERATING PROJECTS

<b>ROAD SAFETY EDUCATION</b>	<b>\$52,670</b>
Educational funding for community projects focusing on local road safety issues such as elderly driver education, repeat drink drivers, driver licensing, restraint usage, speeding, and cycling (the Council pays \$10,020, Land Transport Safety Authority pays \$42,650).	
<b>VALLEY FLOOR CONNECTOR FEASIBILITY STUDY</b>	<b>\$85,000</b>
Extending the studies undertaken in 1992 and undertaking a cost/benefit and economic impact analysis. This work will be based upon the results of the eastern corridor study.	
<b>NORMANDALE SIGNAGE</b>	<b>\$2,500</b>
The provision of a new suburb entrance sign.	
<b>Total Operating Projects</b>	<b>\$140,170</b>

## 2002/2003 CONTINUED

MAINTAINING SERVICES (ASSET RENEWALS)	
<b>ROAD SMOOTHING</b> Work identified by the Council's Road Asset Maintenance Management System ("RAMM") to maintain the 'quality of ride' standard, set in the Road Network Asset Management Plan (the Council pays \$195,500, Transfund pays \$204,500).	\$400,000
<b>AREA WIDE PAVEMENT TREATMENT</b> Work identified by RAMM for the repair of failing road pavements (the Council pays \$188,956, Transfund pays \$161,044).	\$350,000
<b>MAINTENANCE CHIP SEALING</b> Pavement resurfacing work identified by RAMM to maintain waterproof and skid resistant roads (the Council pays \$777,960, Transfund pays \$663,040).	\$1,441,000
<b>THIN ASPHALTIC SURFACING</b> Laying Asphaltic Surfacing where chip seals are not suitable (the Council pays \$447,017, Transfund pays \$380,983).	\$828,000
<b>ROAD AND FOOTPATH RECONSTRUCTION</b> The replacement of kerbs, channels and footpaths when the condition of the kerb has deteriorated to the stage it will adversely affect the performance of the road pavement (the Council pays \$340,800, Transfund pays \$72,200): <ul style="list-style-type: none"> <li>• Williams Street (Emerson Street to Manchester Street)</li> <li>• King Street</li> <li>• other minor works.</li> </ul>	\$413,000
<b>FOOTPATH RESURFACING AND REPLACEMENT</b> Work identified by RAMM for the resurfacing of asphalt footpaths and the replacement of concrete footpaths.	\$125,000
<b>MINOR ROAD AND FOOTPATH CONSTRUCTION</b> Minor Road and footpath improvements at localised sites where problems exist.	\$56,000
<b>FORWARD PLANNING</b> The investigation and design of road reconstruction projects to be included in the 2003/2004 Annual Plan.	\$25,000
<b>MELLING BRIDGE MAINTENANCE</b> Painting of the handrails to extend the life of this integral structural component of the bridge (the Council pays \$17,546, Transfund pays \$14,954).	\$32,500
<b>STREETLIGHT STANDARD REPLACEMENT</b> Minor allowance to provide for the replacement of streetlights (the Council pays \$2,802, Transfund pays \$2,198).	\$5,000
<b>STREETLIGHT UPGRADING</b> Replacing streetlighting to meet the current standard (the Council pays \$13,497, Transfund pays \$11,503).	\$25,000
<b>MINOR WORKS</b> The construction of minor traffic safety improvements identified throughout the year (the Council pays \$26,994, Transfund pays \$23,006).	\$50,000
<b>PEDESTRIAN CROSSING REPLACEMENTS</b> Replacement and modification of pedestrian crossings to enhance safety (the Council pays \$16,196, Transfund pays \$13,804).	\$30,000
<b>STREET NAME SIGN REPLACEMENT</b> A cyclic programme to replace and improve the standard of street name signing city-wide (the Council pays \$10,797, Transfund pays \$9,203).	\$20,000

## 2002/2003 CONTINUED

TRAFFIC SIGNAL REPLACEMENT	\$50,000
A cyclic programme for the replacement of traffic signal components (the Council pays \$26,994, Transfund pays \$23,006).	

<b>Total Maintaining Services (Asset Renewals)</b>	<b>\$3,850,500</b>
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### IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

NEW BUS SHELTERS	\$30,000
Provision of four new bus shelters (the Wellington Regional Council pays \$30,000).	

SEDDON/WADDINGTON ROUNDABOUT	\$30,000
Construction of a roundabout at the intersection of Seddon Street and Waddington Drive to improve safety.	

MELLING BRIDGE SCOUR PROTECTION	\$125,000
Rock protection around piers to reduce the risk of failure in flood conditions (the Council pays \$67,484, Transfund pays \$57,516).	

MAIN ROAD STREETLIGHTING	\$25,000
Part of the programme to upgrade streetlighting to the current standard (the Council pays \$13,497, Transfund pays \$11,503).	

RESIDENTIAL ROAD LIGHTING	\$240,000
This is the continuation of an ongoing programme to bring all residential streets up to the minimum standard for lighting (the Council pays \$62,393, Transfund pays \$27,607).	

NEW PEDESTRIAN CROSSINGS	\$50,000
Provision for the installation of two new pedestrian crossings at Waiwhetu/Guthrie and Evans Street, West of Stokes Valley Road (the Council pays \$26,994, Transfund pays \$23,006).	

RECONSTRUCTION IMPROVEMENTS	\$20,000
Continuing the practice of providing approximately 10% additional funding for environmental enhancements at the time a street is reconstructed (approximately every 80 years).	

STATE HIGHWAY 2 INVESTIGATIONS	\$40,000
Provision for project development costs for local road network issues associated with Transit New Zealand's proposed Upgrading of State Highway 2 (Dowse to Petone).	

CYCLEWAY IMPROVEMENTS	\$50,000
Continued minor improvement works to enhance the safety of cyclists. The target areas for 2002/2003 are Petone and Woburn.	

PEDESTRIAN ACCESSWAY LIGHTING	\$20,000
Continuation of an ongoing programme to light all pedestrian accessways in Hutt City.	

JACKSON STREET IMPROVEMENTS	\$300,000
Funding to continue significant traffic management, safety and amenity improvements.	

QUEEN STREET WAINUIOMATA	\$150,000
Environmental enhancements, safety and parking improvements.	

LOCAL AREA TRAFFIC MANAGEMENT	\$80,000
Consultation, design and implementation of traffic calming measures agreed by residents and approved by Community Boards and Ward Committees under the Council's policy. Currently there are four streets that meet the Council's criteria for treatment. The proposed budget will treat the top two priorities – Wai-iti Crescent and St Albans Grove.	

LAND PURCHASE FOR ROADING	\$10,000
A minor provision for legalisation of existing formed roads.	

## 2002/2003 CONTINUED

EASTERN BAYS WALKWAY	\$147,000
Completing the Eastern Bays walkway in Lowry Bay by extending it southwards.	
KEA CROSSINGS	\$50,000
Provision of upgraded school crossings at 16 of the remaining 39 identified sites to the new standard proposed by the Land Transport Safety Authority (the Council pays \$26,994, Transfund pays \$23,006).	
EVENT NOTIFICATION BOARDS/BOLLARDS	\$40,000
Event notification boards/bollards.	
<b>CARRY OVERS 2001/2002</b>	
JACKSON STREET IMPROVEMENTS	\$166,000
WAINUIOMATA ROAD MALL ENTRANCE IMPROVEMENTS	\$20,000
EASTERN BAYS MARINE DRIVE WALKWAY	\$68,024
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$1,661,024</b>

## 2003/2004

### OPERATING PROJECTS

ROAD SAFETY EDUCATION PROGRAMMES	\$55,000
Educational funding for community projects focusing on local road safety issues.	
VALLEY FLOOR CONNECTOR FEASIBILITY STUDY	\$85,000
Extending the studies undertaken in 1992 and undertaking an economic benefit analysis. This work will be based upon the results of the eastern corridor study.	
<b>Total Operating Projects</b>	<b>\$140,000</b>

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

NEW BUS SHELTERS	\$30,000
Provision of four new bus shelters fully funded by the Wellington Regional Council.	
TRAFFIC SAFETY IMPROVEMENTS	\$325,000
Provision of funding to continue implementing traffic safety and efficiency improvements at high-risk sites throughout Hutt City.	
BRIDGE STRENGTHENING	\$80,000
Strengthening of the Waterloo over-bridge to reduce the risk of failure in earthquakes.	
MAIN ROAD STREET LIGHTING	\$25,000
Part of the programme to upgrade street lighting to the current standard.	
RESIDENTIAL ROAD LIGHTING	\$90,000
This is the continuation of an ongoing programme to bring all residential streets up to the minimum standard for lighting.	
RECONSTRUCTION IMPROVEMENTS	\$20,000
Continuing the practice of providing approximately 10% additional funding to provide environmental enhancement when a street is reconstructed once every 80 years.	
NEW PEDESTRIAN CROSSINGS	\$50,000
Provision for the installation of two new pedestrian crossings at sites yet to be identified.	
KEA CROSSINGS	\$50,000
Provision of upgraded school crossings at the last 16 identified sites to the new standard proposed by the Land Transport Safety Authority.	

## 2003/2004 CONTINUED

CYCLEWAYS	\$50,000
Continued minor improvement works to enhance the safety of cyclists.	
POTO ROAD NORMANDALE	\$150,000
Upgrade substandard roading in Poto Road, Normandale.	
JACKSON STREET IMPROVEMENTS	\$300,000
Funding to continue significant traffic management, safety and amenity improvements.	
PEDESTRIAN ACCESSWAY LIGHTING	\$20,000
Continuation of an ongoing programme to light all pedestrian accessways in Hutt City.	
LAND PURCHASE FOR ROADS	\$10,000
A minor provision for legislation of existing formed roads.	
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$1,200,000</b>

## 2004/2005

### OPERATING PROJECT

ROAD SAFETY EDUCATION PROGRAMMES	\$55,000
Educational funding for community projects focusing on local road safety issues.	
<b>Total Operating Project</b>	<b>\$55,000</b>

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

NEW BUS SHELTERS	\$30,000
Provision of four new bus shelters fully funded by the Wellington Regional Council.	
TRAFFIC SAFETY IMPROVEMENTS	\$235,000
Provision of funding to continue implementing traffic safety and efficiency improvements at high-risk sites throughout Hutt City.	
SILVERSTREAM BRIDGE UPGRADING	\$455,000
Hutt City Council's 50% share of the Upper Hutt City Council's project to upgrade the bridge.	
MAIN ROAD STREET LIGHTING	\$25,000
Part of the programme to upgrade street lighting to the current standard.	
RESIDENTIAL ROAD LIGHTING	\$90,000
This is the continuation of an ongoing programme to bring all residential streets up to the minimum standard for lighting.	
RECONSTRUCTION IMPROVEMENTS	\$20,000
Continuing the practice of providing approximately 10% additional funding to provide environmental enhancement when a street is reconstructed.	
NEW PEDESTRIAN CROSSINGS	\$50,000
Provision for the installation of two new pedestrian crossings yet to be identified.	
CYCLEWAYS	\$50,000
Continued minor improvement works to enhance the safety of cyclists.	
PEDESTRIAN ACCESSWAY LIGHTING	\$20,000
Continuation of an ongoing programme to light all pedestrian accessways in Hutt City.	



<b>SUB STANDARD ROAD UPGRADING</b>	<b>\$445,000</b>
Continuation of a long term programme to improve the roads which do not meet the standards in the proposed district plan. This years priority will be upgrading the horse shoe bend on Maungaraki Road. This will tie into the timing of the construction of the State Highway 2 (Dowse to Petone) upgrade that may see more traffic using this hill route to gain access to the proposed Dowse interchange.	
<b>LAND PURCHASE FOR ROADS</b>	<b>\$10,000</b>
A minor provision for legalisation of existing formed roads.	
<b>POTO ROAD NORMANDALE</b>	<b>\$150,000</b>
Upgrade substandard roading in Poto Road, Normandale.	
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$1,580,000</b>

## 10. Parking

*'I've noticed a difference in the car parking situation in Hutt City – it's becoming a little easier to find parking in the most central areas. Let's hope this continues!'*

Munsi, Hutt City motorist

### Description






This activity involves the provision, maintenance and regulation of on-street and off-street carparks in the commercial areas of Hutt City. The location and regulation of carparks is designed to ensure fair, easy and efficient access to the City's commercial areas.

### Reason for Activity

The legal status and public nature of the road reserve requires that the Council own this parking asset. The Council is responsible for regulation and enforcement due to its legal ability to ration carparks through bylaws.

### Strategic Goal

The long term goal is to manage carparks to ensure accessibility, convenience and road safety throughout Hutt City. By 2010, the Council's target is to ensure more than 15% of central business district and Jackson Street public carparks are available during business hours.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 75% of Hutt City residents are satisfied with the availability and convenience of parking within the City's Central Business Area.	NRB Communitrak Survey
 At least 75% of Hutt City residents are satisfied with the availability and convenience of parking in the vicinity of the Jackson Street shopping area.	NRB Communitrak Survey
   Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.	Management Reports

#### EXPLANATION OF PERFORMANCE SYMBOLS

 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently
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#### PARKING – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	1,563	1,650	1,650	1,650
<b>Total operating revenue</b>	<b>1,563</b>	<b>1,650</b>	<b>1,650</b>	<b>1,650</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	20	19	19	19
Supplier costs	222	260	260	260
Support costs	536	526	512	516
Maintenance costs	89	91	91	91
Interest expense	3	4	4	4
Depreciation	102	103	98	95
<b>Total operating expenditure</b>	<b>972</b>	<b>1,003</b>	<b>984</b>	<b>985</b>
<b>NET SURPLUS BEFORE TAX</b>	<b>591</b>	<b>647</b>	<b>666</b>	<b>665</b>

**PARKING – PROSPECTIVE FUNDING REQUIREMENT**

For the year ending 30 June 2003

**RATES FUNDING REQUIREMENT**

Net surplus before tax	591	647	666	665
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**Total rates funding surplus**

<b>591</b>	<b>647</b>	<b>666</b>	<b>665</b>
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**LOAN FUNDING REQUIREMENT**

Capital expenditure - maintaining services	(25)	(25)	(102)	(20)
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Less depreciation	102	103	98	95
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**Total loan funding surplus/(requirement)**

<b>77</b>	<b>78</b>	<b>(4)</b>	<b>75</b>
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**TOTAL FUNDING SURPLUS**

<b>668</b>	<b>725</b>	<b>662</b>	<b>740</b>
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**2002/2003****MAINTAINING SERVICES (ASSET RENEWALS)**

CARPARK RESEALING	\$5,000
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Continuation of the annual car park sealing programme. The low funding level reflects the generally good condition of the existing car park surfaces.

PARKING METER REPLACEMENT	\$20,000
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Continuation of the replacement programme which will also improve meter security.

<b>Total Maintaining Services (Asset Renewals)</b>	<b>\$25,000</b>
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# 11. Water

*'I'm really proud of our water in Hutt City. My friends from out of town always comment on its great quality.'*

*Tina, proud Hutt City resident*

## Description










This activity involves the supply of high quality water for domestic and commercial use. The Council purchases bulk water from the Wellington Regional Council, and this accounts for 54% of the total cost of water supply to Hutt City. Water is then distributed around Hutt City through the local pipe network.

## Reason for Activity







The Council's ownership of the pipe network is historical. There is strong public preference for the Council to retain ownership of these assets.

## Strategic Goal

The long term goal is to ensure the efficient provision of safe, high quality drinking water to all urban properties on a continuous basis. By 2010, the Council's targets are to maintain pressure and supply 99% of the time, and eliminate health incidents from the drinking water supply.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with the water supply service.	NRB Communitrak Survey
 Compliance with NZ Drinking Water Standards.	Potable Water Testing Contract Reports
 Fewer than three unplanned supply cuts per kilometre of water main reported to the Council.	Incident Reports
   Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.	Management Reports
   Programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.	Management Reports

EXPLANATION OF PERFORMANCE SYMBOLS					
	Completed on time		Completed within budget		Residents satisfied
	Completed to technical standards		Completed effectively		Completed efficiently

## WATER – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	2,109	2,385	2,385	2,385
<b>Total operating revenue</b>	<b>2,109</b>	<b>2,385</b>	<b>2,385</b>	<b>2,385</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	245	250	250	250
Supplier costs	6,843	7,295	7,330	7,330
Support costs	124	372	362	365
Maintenance costs	1,292	1,290	1,290	1,290
Interest expense	650	794	720	703
Depreciation	2,206	2,217	2,170	2,142
<b>Total operating expenditure</b>	<b>11,360</b>	<b>12,218</b>	<b>12,122</b>	<b>12,080</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(9,251)</b>	<b>(9,833)</b>	<b>(9,737)</b>	<b>(9,695)</b>

## WATER – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net deficit before tax	(9,251)	(9,833)	(9,737)	(9,695)
<b>Total rates funding requirement</b>	<b>(9,251)</b>	<b>(9,833)</b>	<b>(9,737)</b>	<b>(9,695)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	(891)	(900)	(910)	(920)
Capital expenditure - improving services	(300)	(285)	(160)	(280)
Less depreciation	2,206	2,217	2,170	2,142
<b>Total loan funding surplus</b>	<b>1,015</b>	<b>1,032</b>	<b>1,100</b>	<b>942</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(8,236)</b>	<b>(8,801)</b>	<b>(8,637)</b>	<b>(8,753)</b>

## 2002/2003

### MAINTAINING SERVICES (ASSET RENEWALS)

MINOR WORKS	\$130,000
This budget allows for minor works identified during the year, which require immediate attention. The projects cannot be anticipated or programmed in advance, but the following is provided for:	
• pipelines	\$90,000
• reservoirs and pumping stations.	\$40,000
RESERVOIR SECURITY UPGRADE	\$20,000
Replace reservoir hatches/vents to reduce risk of contamination.	
SYSTEM CONTROL AND DATA ACQUISITION ('SCADA') HARDWARE UPGRADE	\$15,000
Replace SCADA hardware that has reached the end of its working life.	
RESERVOIR SEISMIC STUDY	\$25,000
Determine structural integrity of reservoirs in a seismic event.	

## 2002/2003 CONTINUED

### MAINS RENEWAL PROGRAMME \$710,000

This programme allows for the renewal of water assets (fire mains/ridermains/services) that have reached the end of their working life. Assets are prioritised for renewal on the basis of frequency of asset failure, interruptions to service, quality of service provision and fire fighting capabilities etc. For the 2002/2003 year it is proposed that the Council continues with the renewal of deteriorating asbestos cement, unlined steel, cast iron, reinforced concrete pipelines and renewal of assets prior to street reconstruction.

• Melling Bridge – renew bulk watermain	\$121,000
• Holland Street – renew main/services	\$44,000
• Pokohiwi Grove/Eastview Grove – renew main/services	\$129,000
• Adelaide Street – renew services	\$15,000
• George Street – renew bulk watermain	\$99,000
• Eastern Bays Marine Drive/Sunshine Bay – renew main/services	\$44,000
• Nelson Crescent – renew main/services	\$107,000
• Wise Street – renew main/services	\$44,000
• Logie Street/Holborn Drive – install main	\$43,000
• Wellington Road – renew Ridermain/Services.	\$64,000

### **Total Maintaining Services (Asset Renewals) \$900,000**

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

#### UPPER BELMONT WATER UPGRADE \$150,000

Upgrade the restricted water supply in the upper Belmont/Sweetacres area of Hutt City to allow future development and improve the supply of water services to existing consumers.

#### RESERVOIR AUTO SHUT OFF VALVES \$50,000

Continuation of the programme to install auto shut off valves at key reservoirs to prevent water loss after a major earthquake.

#### CARRY OVER 2001/2002

#### PETONE DRINKING WATER FACILITY \$85,000

### **Total Improving Services (Asset Upgrades and New Assets) including Carry Over \$285,000**

## 2003/2004

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

#### RESERVOIR EMERGENCY HYDRANTS \$30,000

Install hydrants at reservoirs for the provision of water in an emergency.

#### SCADA RESERVOIR CONTROL \$15,000

Install SCADA (radio) reservoir control at Titiro Moana reservoir to replace ageing cable control system.

#### SCADA RESERVOIR CONTROL \$25,000

Install SCADA (radio) reservoir control at Delaney reservoir to replace ageing cable control system.

#### HUTT ROAD/WESTERN HUTT ROAD LINK MAIN \$90,000

Installation of a 200 mm diameter bulk watermain in Petone connecting the Hutt Road and Western Hutt Road water supply systems at the northern end to improve the reliability of supply to consumers.

### **Total Improving Services (Asset Upgrades and New Assets) \$160,000**

## 2004/2005

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

PETONE/HUTT LINK MAINS \$280,000

Installation of a 300 mm diameter bulk water main (Tama Street/North Street) and a 200 mm diameter bulk water main (Hutt Road/Wakefield Street) to connect the Petone and Hutt City water systems for emergency and operational use.

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**Total Improving Services (Asset Upgrades and New Assets) \$280,000**

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## 12. Wastewater

*'I'm all for this new wastewater project. It's really important that we keep Hutt City looking good, keep our waterway's pollution free, and allow for further growth of our population.'*

*Frank, Hutt City resident*

### Description











The Council ensures the collection, treatment and disposal of household and commercial effluent according to regional and national environmental standards. The new treatment plant at Seaview has been operating since November 2001. This has resulted in a much higher standard of effluent, the removal of the discharge from the Wainuiomata River and significant improvement to the environment.

### Reason for Activity







Through collecting, treating and disposing of wastewater, the Council is protecting both the physical environment and the health of the community.

### Strategic Goal

The long term goal is to ensure the provision of a safe and efficient wastewater network to all urban properties with an environmentally sound treatment and disposal service. By 2010, the Council's target is to have full compliance with resource consents and management plans.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with wastewater services.	NRB Communitrak Survey
 Fewer than two wastewater reticulation incidents per kilometre of pipeline reported to the Council.	Incident Reports
 Seaview wastewater treatment facilities achieve 100% compliance with relevant resource consent requirements.	Incident Reports Effluent Quality Testing Reports
 Project Pencarrow milestones met.	Management Reports
 Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.	Management Reports
 	
 Programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.	Management Reports
 	

EXPLANATION OF PERFORMANCE SYMBOLS					
 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently



## WASTEWATER – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	191	262	457	589
Upper Hutt City Council operating contribution	843	1,600	1,600	1,600
<b>Total operating revenue</b>	<b>1,034</b>	<b>1,862</b>	<b>2,057</b>	<b>2,189</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	217	327	327	327
Supplier costs	2,952	5,892	5,892	5,892
Support costs	405	382	372	375
Maintenance costs	802	823	823	823
Interest expense	720	1,450	1,321	1,294
Depreciation	3,862	4,656	4,692	4,815
<b>Total operating expenditure</b>	<b>8,958</b>	<b>13,530</b>	<b>13,427</b>	<b>13,526</b>
<b>OPERATING DEFICIT</b>	<b>(7,924)</b>	<b>(11,668)</b>	<b>(11,370)</b>	<b>(11,337)</b>
Upper Hutt City Council capital contribution	15,855	-	-	-
<b>NET SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>7,931</b>	<b>(11,668)</b>	<b>(11,370)</b>	<b>(11,337)</b>

## WASTEWATER – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Operating deficit	(7,924)	(11,668)	(11,370)	(11,337)
<b>Total rates funding requirement</b>	<b>(7,924)</b>	<b>(11,668)</b>	<b>(11,370)</b>	<b>(11,337)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	(1,671)	(1,342)	(2,129)	(2,182)
Capital expenditure - improving services	(61,650)	(2,382)	(6,340)	(8,420)
Less UHCC capital contribution	15,855	515	1,902	2,758
Less depreciation	3,862	4,656	4,692	4,815
<b>Total loan funding (requirement)/surplus</b>	<b>(43,604)</b>	<b>1,447</b>	<b>(1,875)</b>	<b>(3,029)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(51,528)</b>	<b>(10,221)</b>	<b>(13,245)</b>	<b>(14,366)</b>

## 2002/2003

### MAINTAINING SERVICES (ASSET RENEWALS)

HECTOR STREET	\$15,000
This sewer is in poor condition, identified as requiring renewal.	
WILLIAM STREET (HIGH STREET/MIDBLOCK MANCHESTER STREET)	\$70,000
This sewer is in poor condition, identified as requiring renewal. This project is carried out in conjunction with the roading reconstruction programme.	
KING STREET	\$120,000
This sewer is in poor condition, identified as requiring renewal. This project is carried out in conjunction with the roading reconstruction programme.	

## 2002/2003 CONTINUED

NORTH STREET (PLUNKET STREET/WILLIAM STREET)	\$50,000
This sewer is in poor condition, identified as requiring renewal. This project is carried out in conjunction with the roading reconstruction programme.	
WAINUIOMATA SEWER (PEEL PLACE CROSS-RIVER TO GIBBS CRESCENT)	\$50,000
Investigation and design works for the protection of the Wainuiomata sewer crossing the Wainuiomata River (from Peel Place to Gibbs Crescent).	
JACKSON STREET (CUBA STREET TO THE EASTERN END)	\$320,000
This sewer is in poor condition, identified as requiring renewal.	
TUATORU STREET SEWER RENEWAL STAGE TWO	\$100,000
This sewer is in poor condition, identified as requiring renewal).	
BRITANNIA STREET	\$365,000
This sewer is in poor condition, identified as requiring renewal.	
NORRIE GROVE	\$25,000
This sewer is in poor condition, identified as requiring renewal.	
KNIGHTS ROAD/CORNWALL STREET SEWER RENEWAL	\$73,000
The existing sewer is undersize and is restricting flows from contributing catchments. The restriction is contributing to wastewater overflows. The replacement costs have been split between asset renewals and asset upgrades.	
TITIRO MOANA PUMPING STATION	\$60,000
Replacing the delivery pipe at Titiro Moana Pumping Station.	
KERERU PUMPING STATION UPGRADE	\$27,000
Installation of new switchboard and associated electrical works.	
NGATURI GROVE PUMPING STATION UPGRADE	\$5,000
Final stage of upgrading the electrical components of Ngaturi Grove pumping station.	
MINOR WORKS	\$62,000
This budget allows for minor works identified during the year, which require immediate attention. The projects cannot be anticipated or programmed in advance.	
<b>Total Maintaining Services (Asset Renewals)</b>	<b>\$1,342,000</b>

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

KNIGHTS ROAD/CORNWALL STREET SEWER RENEWAL	\$173,000
The existing sewer is under capacity and restricting flows from contributing catchments. The restriction in capacity is contributing to wastewater overflows. The replacement costs have been split between asset renewals and asset upgrades.	
OWHITI (SEAVIEW) URUPA	\$80,000
Restoration of carpark between Owhiti Urupa and Waiwhetu Stream. Work requested by the Rununga and Wellington Tenth's Trust to restore site damaged by wastewater facility.	
WOOD STREET PUMPING STATION	\$20,000
New sump pump, SCADA installation and associated electrical works.	
ROSSITER AVENUE PUMPING STATION	\$15,000
Electrical and security access upgrade.	

## 2002/2003 CONTINUED

JACKSON STREET PUMPING STATION Installation of a second pump, SCADA installation and associated works.	\$55,000
ST ALBANS GROVE PUMPING STATION Construction of emergency overflow facility and associated resource consent fee.	\$13,000
HERETAUNGA PUMPING STATION Installation of SCADA at Heretaunga Pump Station.	\$15,000
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$371,000</b>

### PROJECT PENCARROW: IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

WASTEWATER PROJECT (PROJECT PENCARROW)	
<b>Project Management and Administration</b>	\$350,496
Management of the Design Build Operate contract including final phase of design and construction management and other asset development.	
CONSULTATION, MONITORING AND RESOURCE MANAGEMENT ACT PROCESSES	\$40,000
Preparation of publicity information, ongoing targeted consultation, resource management processes and collection and management of project data including environmental monitoring.	
SCHEME ASSET DEVELOPMENT	\$1,291,000
<ul style="list-style-type: none"> <li>• Seaview treatment plant, SCADA, technical investigations for various other scheme elements including Silverstream storage tanks, network modelling, outfall modelling and sewer protection works <span style="float: right;">\$942,000</span></li> <li>• pump stations and asset replacement fund. <span style="float: right;">\$349,000</span></li> </ul>	
PROJECT PENCARROW – WAINUIOMATA ONLY ACTIVITIES	
SCHEME ASSET DEVELOPMENT	\$330,000
Demolition and re-mediation for disposal of the Wainuiomata treatment plant site, provision for tunnel and pipeline easement payment.	
<b>Total Project Pencarrow: Improving Services (Asset Upgrades and New Assets)</b>	<b>\$2,011,496</b>

## 2003/2004

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

WAINUIOMATA SEWER (PEEL PLACE CROSS RIVER TO GIBBS CRESCENT) Protection works of the sewer pipe crossing the Wainuiomata River.	\$100,000
MALONE ROAD AND WHITES LINE EAST PUMPING STATIONS Supplementary pumps at Malone Road and Whites Line East Pumping Stations.	\$70,000
MALONE ROAD AND WHITES LINE EAST PUMPING STATIONS Supplementary pumping mains from Malone Road and Whites Line East Pumping Stations.	\$400,000
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$570,000</b>

## 2003/2004 CONTINUED

PROJECT PENCARROW: IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
TRUNK NETWORK IMPROVEMENTS Collecting sewer and overflow upgrades, outfall modelling, and sewer protection works.	\$4,060,000
EXCESS FLOW MANAGEMENT Investigations, design and implementation of excess flow storage tanks and real time network control system.	\$1,700,000
PROJECT PENCARROW – WAINUIOMATA ONLY ACTIVITIES Minor works.	\$10,000
<b>Total Project Pencarrow: Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$5,770,000</b>

## 2004/2005

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
SORRENTO BAY, WILLIAMS PARK AND WOOD STREET PUMPING STATIONS Installation of flowmeters for inflow control.	\$50,000
HOWARD ROAD PUMPING STATION Installation of second pump and associated electrical and mechanical works.	\$60,000
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$110,000</b>

PROJECT PENCARROW: IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
TRUNK NETWORK IMPROVEMENTS Collecting sewer and overflow upgrades, outfall modelling, and sewer protection works.	\$550,000
EXCESS FLOW MANAGEMENT Investigations, design and implementation of excess flow storage tanks and real time network control system.	\$7,750,000
PROJECT PENCARROW – WAINUIOMATA ONLY ACTIVITIES Minor works.	\$10,000
<b>Total Project Pencarrow: Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$8,310,000</b>

# 13. Stormwater

*'I remember the floods we used to have here in Hutt City as a kid – nothing like that now thank goodness. I guess flooding's always going to be a risk for some parts of the City and it's vital that the Council keeps on top of these.'*

*Christine, long-time Hutt City resident*

## Description









The Council operates an effective drainage system to protect property from flood damage. Stormwater infrastructure includes pipe networks, streetside gutters, retention dams and open watercourses. These are provided and maintained according to the reasonable costs of managing foreseeable flooding events.

## Reason for Activity

No private markets exist to provide a comprehensive city-wide stormwater system.

## Strategic Goal

The long term goal is to ensure the provision of an effective and efficient stormwater network to minimise the impact of flooding. By 2010, the Council's target is to have all new and replacement stormwater works designed to cope with a one in ten-year storm event (excluding Hutt River impacts).

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with stormwater services.	NRB Communitrak Survey
 Fewer than two stormwater reticulation incidents per kilometre of public stormwater drain reported to the Council.	Incident Reports
   Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.	Management Reports
   Programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.	Management Reports

EXPLANATION OF PERFORMANCE SYMBOLS					
 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently

## STORMWATER – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
Operating subsidies	14	14	14	14
<b>Total operating revenue</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	245	224	224	224
Supplier costs	238	800	846	846
Support costs	250	304	296	298
Maintenance costs	655	652	652	652
Interest expense	608	742	673	657
Depreciation	1,513	1,515	1,496	1,487
<b>Total operating expenditure</b>	<b>3,509</b>	<b>4,237</b>	<b>4,187</b>	<b>4,164</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(3,495)</b>	<b>(4,223)</b>	<b>(4,173)</b>	<b>(4,150)</b>

## STORMWATER – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net deficit before tax	(3,495)	(4,223)	(4,173)	(4,150)
<b>Total rates funding requirement</b>	<b>(3,495)</b>	<b>(4,223)</b>	<b>(4,173)</b>	<b>(4,150)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	(380)	(270)	(360)	(280)
Capital expenditure - improving services	(775)	(938)	(615)	(685)
Less depreciation	1,513	1,515	1,496	1,487
<b>Total loan funding surplus</b>	<b>358</b>	<b>307</b>	<b>521</b>	<b>522</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(3,137)</b>	<b>(3,916)</b>	<b>(3,652)</b>	<b>(3,628)</b>

## 2002/2003

### MAINTAINING SERVICES (ASSET RENEWALS)

MINOR ASSET RENEWALS	\$80,000
Minor asset renewals.	
STORMWATER RENEWALS	\$190,000
This is part of the mains renewal programme involving the replacement of existing services that have reached the end of their useful life:	
• Britannia Street, Petone.	\$175,000
This is part of the pumping station renewal programme involving the replacement of existing mechanical and electrical equipment that has reached the end of its useful life:	
• SCADA	\$5,000
• Williams Street pumping station (Petone).	\$10,000
<b>Total Maintaining Services (Asset Renewals)</b>	<b>\$270,000</b>

## 2002/2003 CONTINUED

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

<p><b>AWAMUTU STREAM UPGRADE (WOBURN)</b> <span style="float: right;">\$295,000</span></p> <p>This project will involve upgrading the Awamutu Stream channel to help reduce flooding on private properties during periods of heavy rainfall. <i>(The wastewater overflow pipe into this section of the Awamutu Stream was sealed off in 2002).</i> The work will be concentrated in the Awamutu Grove and Leighton Avenue area.</p> <hr/>	
<p><b>RICHMOND STREET (PETONE)</b> <span style="float: right;">\$98,000</span></p> <p>A new stormwater main is required to alleviate surface flooding that occurs on private properties after moderate rainfall.</p> <hr/>	
<p><b>KERERU GROVE – RELIEF DRAIN (STOKES VALLEY)</b> <span style="float: right;">\$140,000</span></p> <p>A new stormwater main is required to alleviate surface flooding that occurs on private properties after heavy rainfall.</p> <hr/>	
<p><b>MORRISON GROVE (STOKES VALLEY)</b> <span style="float: right;">\$175,000</span></p> <p>This project involves the construction of a stormwater relief main that will discharge stormwater directly from the Morrison Grove area into the Stokes Valley Stream in order to alleviate flooding that occurs on private properties after very heavy rainfall.</p> <hr/>	
<p><b>KENNEDY GROVE/MONTGOMERY STREET RELIEF DRAIN (STOKES VALLEY)</b> <span style="float: right;">\$195,000</span></p> <p>A stormwater drainage main is required to alleviate flooding that occurs on private properties during very heavy rainfall. (When the stormwater system becomes overloaded water flows down through private properties in the area.)</p> <hr/>	
<p><b>PURIRI STREET (EASTBOURNE)</b> <span style="float: right;">\$35,000</span></p> <p>A stormwater main is required to service the existing soak pit road sumps in Puriri Street. During heavy rain these sumps become overwhelmed causing surface flooding to some private properties.</p> <hr/>	
<p><b>Total Improving Services (Asset Upgrades and New Assets)</b> <span style="float: right;"><b>\$938,000</b></span></p>	

## 2003/2004

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

<p><b>HUTT RIVER FLOODPLAIN UPGRADE</b> <span style="float: right;">\$335,000</span></p> <p>This work involves the construction of new stormwater outlets through the western stopbank of the Hutt River between Ava Rail Bridge and the Ewen Bridge. Currently there are a number of stormwater outlets of varying diameter that discharge stormwater through the stopbank into the Hutt River. It is intended to upgrade and rationalize some of these outlets into combined larger pipes thereby reducing the number of pipes that need to go through the stopbank. The timing and costs of this project are indicative only as the detailed evaluation work on this project is currently being undertaken.</p> <hr/>	
<p><b>THE ESPLANADE</b> <span style="float: right;">\$280,000</span></p> <p>A new stormwater main is required between Nelson and Victoria Streets to alleviate the deterioration of the Esplanade caused by stormwater discharge problems.</p> <hr/>	
<p><b>Total Improving Services (Asset Upgrades and New Assets)</b> <span style="float: right;"><b>\$615,000</b></span></p>	

## 2004/2005

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

OPAHU STREAM	\$600,000
Hutt River replacement/upgrade of storm water piping between Ava Bridge and Ewen Bridge.	
OPAHU STREAM	\$85,000
Pumping Station design	
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$685 ,000</b>



# Group Environment

Refuse collection, landfills and household recycling – these are probably services you take for granted. Environmental policies and plans are necessary for the sustainable development of our city. Resource consents and bylaws contribute to sound environmental health. The Council also manages emergency planning in case of flooding, an earthquake or serious fire.

## Significant Activity

---

14. Solid Waste Management	73
15. Environmental Management	77
16. Emergency Management	79
17. Animal Control	81

## 14. Solid Waste Management

*'I think the rubbish collection and refuse management is handled pretty well here. There's always room for improvement and this is definitely an issue that we'll all have to think about – not just the Council.'*

David, Hutt City resident

### Description





The 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. This activity is guided by the Council's Waste Management Plan.

### Reason for Activity

The 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 the Council controlled service but as yet no private sector operators have put forward acceptable proposals for non-Council landfills.

### Strategic Goal

The long term goal is to ensure all residents and businesses have access to an affordable refuse collection service and well managed, environmentally sound waste disposal facilities. The Council also aims to encourage waste reduction, re-use, recycling and recovery. By 2010, the Council's target is to have full compliance with resource consents and management plans.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with the refuse collection service.	NRB Communitrak Survey
 At least 80% of Hutt City residents are satisfied with the City's recycling service.	NRB Communitrak Survey
 At least 80% of landfill users are satisfied with refuse disposal facilities.	NRB Communitrak Survey
 Landfill management plans and discharge consents are complied with.	Management Reports
 Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.	Management Reports
 	
 Programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.	Management Reports
 	

#### EXPLANATION OF PERFORMANCE SYMBOLS



Completed on time



Completed within budget



Residents satisfied



Completed to technical standards



Completed effectively



Completed efficiently

## SOLID WASTE – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	4,875	4,864	4,864	4,864
<b>Total operating revenue</b>	<b>4,875</b>	<b>4,864</b>	<b>4,864</b>	<b>4,864</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	79	77	77	77
Supplier costs	3,123	3,340	3,340	3,340
Support costs	137	63	61	62
Maintenance costs	98	100	100	100
Operating projects	344	185	185	185
Interest expense	34	134	122	119
Depreciation	522	630	642	545
<b>Total operating expenditure</b>	<b>4,337</b>	<b>4,529</b>	<b>4,527</b>	<b>4,428</b>
<b>NET SURPLUS BEFORE TAX</b>	<b>538</b>	<b>335</b>	<b>337</b>	<b>436</b>

## SOLID WASTE – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net surplus before tax	538	335	337	436
Transfer to aftercare reserve	(283)	-	-	-
Transfer to capital reserve	(161)	(335)	(337)	(436)
<b>Total rates funding surplus</b>	<b>(94)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	-	(85)	-	-
Capital expenditure - improving services	(561)	(740)	(600)	(875)
Less depreciation	522	630	642	545
Transfer (to)/from capital reserve	(36)	195	(42)	330
<b>Total funding requirement</b>	<b>(75)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL FUNDING SURPLUS</b>	<b>(19)</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 2002/2003

### OPERATING PROJECTS

WASTE MINIMISATION PROGRAMME	\$135,000
Continuation of ongoing annual programme of educational activities promoting 'reduce, reuse, and recycle'.	
DECOMMISSIONED LANDFILLS	\$50,000
Works required for control of stormwater and leachate discharges at closed landfills.	
<b>Total Operating Projects</b>	<b>\$185,000</b>

### MAINTAINING SERVICES (ASSET RENEWALS)

RECYCLING STATIONS	\$85,000
Replacement of collection bins.	
<b>Total Maintaining Services (Asset Renewals)</b>	<b>\$85,000</b>

## 2002/2003 CONTINUED

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
SILVERSTREAM LANDFILL STAGE ONE Ongoing capital expenditure to meet resource consent requirements.	\$90,000
SILVERSTREAM LANDFILL STAGE TWO Developing design of new landfill to support resource consent requirements.	\$100,000
SILVERSTREAM LANDFILL STAGE TWO DEVELOPMENT Developing design of new landfill to support resource consent requirements and associated construction works.	\$300,000
WAINUIOMATA LANDFILL Final stage of major stormwater control works to meet resource consent requirements.	\$250,000
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$740,000</b>

## 2003/2004

OPERATING PROJECTS	
WASTE MINIMISATION PROGRAMME Continuation of ongoing annual programme of educational activities promoting 'reduce, reuse, and recycle'.	\$135,000
DECOMMISSIONED LANDFILLS Works required for control of stormwater and leachate discharges at closed landfills.	\$50,000
<b>Total Operating Projects</b>	<b>\$185,000</b>

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
SILVERSTREAM LANDFILL – EXISTING Leachate and stormwater control works, resource consent requirements.	\$100,000
SILVERSTREAM LANDFILL STAGE TWO DEVELOPMENT New consent requirements.	\$100,000
SILVERSTREAM LANDFILL STAGE TWO DEVELOPMENT Design of new landfill to support resource consent requirements, and associated construction work.	\$300,000
WAINUIOMATA LANDFILL Leachate and minor stormwater control works, and resource consent requirements, and associated construction work.	\$100,000
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$600,000</b>

## 2004/2005

OPERATING PROJECTS	
WASTE MINIMISATION PROGRAMME Continuation of ongoing annual programme of educational activities promoting 'reduce, reuse, and recycle'.	\$135,000
DECOMMISSIONED LANDFILLS Works required for control of stormwater and leachate discharges at closed landfills.	\$50,000
<b>Total Operating Projects</b>	<b>\$185,000</b>

## 2004/2005 CONTINUED

<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
SILVERSTREAM LANDFILL - EXISTING Leachate and stormwater control works, resource consent requirements.	\$200,000
SILVERSTREAM LANDFILL STAGE TWO DEVELOPMENT Design of new landfill to support resource consent requirements, and associated construction work.	\$175,000
SILVERSTREAM LANDFILL - EXISTING Closure costs.	\$400,000
WAINUIOMATA LANDFILL Leachate and minor stormwater control works, plus resource consent requirements.	\$100,000
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$875,000</b>

# 15. Environmental Management

*'There's a perception that councils are really slow about getting on to building approvals and applications but, in my experience, Hutt City Council is nothing like that. I reckon they're better than a lot of big corporations.'*

*Bob, impressed builder and Hutt City resident*

## Description











The Council develops, implements and monitors the District Plan, relevant bylaws and other environmental policies and plans for the sustainable development of Hutt City. The 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 bylaw requirements. Regular inspections of business premises, certification and liquor licensing are undertaken to promote and protect public health in Hutt City. Noise and hazardous substances are also controlled by this activity.

## Reason for Activity

There is a legal requirement for this activity.

## Strategic Goal

The long term goal is to implement sound environmental policies and rules which reflect community views, encourage sustainable development and address adverse environmental effects. The aim is to ensure development continues in an environmentally acceptable manner, a safe and healthy city is maintained and the Council's service is timely, efficient and customer focused. By 2010, the Council's targets are to have a new District Plan, to issue all approvals within statutory time frames and maintain a declining trend in environmental incidents.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 All notified applications not requiring a hearing submitted for decision within ten working days. 80% of non-notified consents issued within five working days.	Computer Database Records
 90% of premises registered or licensed within 30 days of the date of application.	Computer Database Records
 80% of Hutt City users are satisfied with the service in processing non-notified resource consents.	Customer Surveys
 80% of hearing participants are satisfied they have received a fair hearing.	Survey of participants
 80% of hearings decisions issued within ten working days of the hearing.	Computer Database Records
 Fewer than 1% of the Council's notified resource consent decisions successfully appealed in the Environment Court.	Computer Database Records
 90% of applications for building consents determined: <ul style="list-style-type: none"> <li>• within nine working days for consents under \$500,000 in value and</li> <li>• within 20 working days for consents over \$500,000.</li> </ul>	Computer Database Records
 Less than 5% of decisions sought on the Proposed District Plan, successfully appealed in the Environment Court.	Computer Database Records
 Annual Environmental Monitoring Report presented to the Council by the end of June 2003.	Council Minutes
	

EXPLANATION OF PERFORMANCE SYMBOLS					
 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 The Keep Hutt City Beautiful Programme to be developed and implemented in conjunction with community group representatives.	Divisional Records
 At least 80% of Hutt City users are satisfied with the inspection service and requests for service.	Evaluation of survey forms
 All sites subject to resource consent conditions inspected for compliance within nine months of approval.	Computer Database Records
	

#### EXPLANATION OF PERFORMANCE SYMBOLS

 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently
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#### ENVIRONMENTAL MANAGEMENT – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	1,664	1,666	1,666	1,666
Other revenue	31	34	34	34
<b>Total operating revenue</b>	<b>1,695</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	2,133	2,221	2,221	2,221
Supplier costs	677	720	720	720
Support costs	633	646	629	634
Maintenance costs	6	6	6	6
Operating projects	-	50	-	-
Interest expense	-	1	1	1
Depreciation	18	13	5	2
<b>Total operating expenditure</b>	<b>3,467</b>	<b>3,657</b>	<b>3,582</b>	<b>3,584</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(1,772)</b>	<b>(1,957)</b>	<b>(1,882)</b>	<b>(1,884)</b>

#### ENVIRONMENTAL MANAGEMENT – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net deficit before tax	(1,772)	(1,957)	(1,882)	(1,884)
<b>Total rates funding requirement</b>	<b>(1,772)</b>	<b>(1,957)</b>	<b>(1,882)</b>	<b>(1,884)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Less depreciation	18	13	5	2
<b>Total loan funding surplus</b>	<b>18</b>	<b>13</b>	<b>5</b>	<b>2</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(1,754)</b>	<b>(1,944)</b>	<b>(1,877)</b>	<b>(1,882)</b>

CARRY OVER 2001/2002

DISTRICT PLAN PUBLICATION

\$50,000

## 16. Emergency Management

*'I hate thinking about the fact that we could experience an earthquake, a flood or a major fire but I guess it's a reality. I've heard about Civil Defence sessions run by the Council and I'm going to bowl along this year. It's better to be prepared ...'*

*Celia, Hutt City resident and mother of three*

### Description




The Council develops and implements city-wide emergency management plans, and promotes community preparedness for emergencies. Plans are also in place for dealing with and preventing rural fires. The Council maintains the in-house capacity to coordinate responses to both civil defence and rural fire emergencies.




### Reason for Activity

This is a legal requirement under the Forest and Rural Fires Act and the Civil Defence Act.

### Strategic Goal

The long term goal is to ensure residents are fully prepared for an emergency so that its impact on the community is minimised. By 2010, the Council's target is that over 68% of Hutt City households have an emergency kit prepared.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 65% of Hutt City residents are prepared for an emergency.	NRB Communitrak Survey
 Emergencies responded to in accordance with the Corporate Emergency Plan, Civil Defence Plan and related procedures.	Management Records
 Rural fire emergencies responded to in accordance with the Rural Fire Plan and related procedures.	Wellington Regional Rural Fire Committee Records

EXPLANATION OF PERFORMANCE SYMBOLS					
 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently

### EMERGENCY MANAGEMENT – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
Operating subsidies	30	40	40	40
<b>Total operating revenue</b>	<b>30</b>	<b>40</b>	<b>40</b>	<b>40</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	202	206	206	206
Supplier costs	83	97	97	97
Support costs	161	163	159	160
Maintenance costs	6	6	6	6
Depreciation	16	16	14	13
<b>Total operating expenditure</b>	<b>468</b>	<b>488</b>	<b>482</b>	<b>482</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(438)</b>	<b>(448)</b>	<b>(442)</b>	<b>(442)</b>



**EMERGENCY MANAGEMENT – PROSPECTIVE FUNDING REQUIREMENT**

For the year ending 30 June 2003

**RATES FUNDING REQUIREMENT**

Net deficit before tax

(438) (448) (442) (442)

**Total rates funding requirement**

(438) (448) (442) (442)

**LOAN FUNDING REQUIREMENT**

Capital expenditure - maintaining services

- (110) - -

Less depreciation

16 16 14 13

**Total loan funding surplus/(requirement)**

16 (94) 14 13

**TOTAL FUNDING REQUIREMENT**

(422) (542) (428) (429)

**2002/2003****MAINTAINING SERVICES (ASSET RENEWALS)****RADIO MAINTENANCE**

\$110,000

Civil Defence maintains a robust radio network as part of its emergency management requirements on the FM network. Central Government has advised that users must vacate the existing FM band. Migration to the newly provided Emergency Services ("ES") band is required by 2004 and will maintain our existing requirements. Our radios are 15 years old and cannot be modified to the new band and require replacement. It is timely to now move to the ES band.

**Total Maintaining Services (Asset Renewals)**

\$110,000

## 17. Animal Control

*'My daughter came home last week and was so excited about a talk they'd been given at school about caring for animals. I was surprised to find that it was someone from the Council. Good on them for being pro-active about animal control in our city.'*

*Marianne, Hutt City mother of four*

### Description

This activity is concerned with the control of animals and stock in Hutt City, and public education about the care and control of animals. A large part of the Council's activity involves dogs and dog registrations.


### Reason for Activity

This is a legal requirement.

### Strategic Goal

The long term goal is to ensure that animals are controlled so that residents are safe, annoyance factors are minimised and the welfare of animals is protected. By 2010, the Council's target is to achieve a declining trend in the number of dog complaints as a percentage of total dog numbers.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 To exceed customer satisfaction levels achieved by peer local authorities.	NRB Communitrak Survey

EXPLANATION OF PERFORMANCE SYMBOLS					
 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently

ANIMAL CONTROL – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE				
For the year ending 30 June 2003				
	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	500	499	499	499
Other revenue	7	5	5	5
<b>Total operating revenue</b>	<b>507</b>	<b>504</b>	<b>504</b>	<b>504</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	214	212	212	212
Supplier costs	121	120	120	120
Support costs	178	176	171	173
Maintenance costs	5	5	5	5
Depreciation	2	2	2	1
<b>Total operating expenditure</b>	<b>520</b>	<b>515</b>	<b>510</b>	<b>511</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(13)</b>	<b>(11)</b>	<b>(6)</b>	<b>(7)</b>

**ANIMAL CONTROL – PROSPECTIVE FUNDING REQUIREMENT**

For the year ending 30 June 2003

**RATES FUNDING REQUIREMENT**

Net deficit before tax	(13)	(11)	(6)	(7)
<b>Total rates funding requirement</b>	<b>(13)</b>	<b>(11)</b>	<b>(6)</b>	<b>(7)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - improving services	-	(5)	-	-
Less depreciation	2	2	2	1
<b>Total loan funding surplus</b>	<b>2</b>	<b>(3)</b>	<b>2</b>	<b>1</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(11)</b>	<b>(14)</b>	<b>(4)</b>	<b>(6)</b>

**2002/2003****IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**

<b>PROMOTION OF THE REMOVAL OF ANIMAL WASTE FROM PUBLIC PLACES</b>	<b>\$5,000</b>
Signage and pooper scooper dispensers	
<b>Total Improving Services</b>	<b>\$5,000</b>

# Group Economy

Are we creating the right business environment and growing Hutt City in a way that will make it a great place to live, work and play? The 'Economy' section of this document looks at our plans in the areas of employment, encouragement of local business and contributing to our region's development.

## Significant Activity

---

18. Urban Design and Enhancement	84
19. Commercial Property	88
20. Economic Development	91

# 18. Urban Design and Enhancement

*'I'd love to have more of a say about the look of Hutt City's buildings. Architecture can be a real feature of a place.'*

*Nick, Hutt City seventh form art student*

## Description
















The Council aims to develop an urban environment that will help to attract people and investment and enhance the City's image. The Council also recognises the contribution the City's heritage buildings and features play in the City's image and history.

## Reason for Activity

The public space of Hutt City is managed and developed by the 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. The Council therefore purchases the public benefit on behalf of the community.

## Strategic Goal

The Council aims to develop an urban environment that helps to attract people and investment while retaining heritage buildings and features for future generations. By 2010, the Council's targets are to ensure the majority of Hutt City residents approve of the urban environment and that at least 80% of listed heritage buildings are retained.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 Central Area programme completed on time, to the required standard and within budget.  	Management Reports
 Urban design and enhancement projects programme completed on time, to the required standard and within budget.  	Management Reports
 Earthquake risk and heritage building fund projects completed on time, to the required standard and within budget.  	Management Reports
 Heritage Project Fund programmes completed on time, to the required standard and within budget.  	Management Reports
 Suburban Shopping Centre programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.  	Management Reports

EXPLANATION OF PERFORMANCE SYMBOLS					
 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently

## URBAN DESIGN AND ENHANCEMENT – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
<b>Total operating revenue</b>	-	-	-	-
<b>OPERATING EXPENDITURE</b>				
Employee costs	97	169	169	169
Support costs	75	102	99	100
Operating projects	196	207	165	140
Depreciation	-	21	23	29
<b>Total operating expenditure</b>	<b>368</b>	<b>499</b>	<b>456</b>	<b>438</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(368)</b>	<b>(499)</b>	<b>(456)</b>	<b>(438)</b>

## URBAN DESIGN AND ENHANCEMENT – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net deficit before tax	(368)	(499)	(456)	(438)
<b>Total rates funding requirement</b>	<b>(368)</b>	<b>(499)</b>	<b>(456)</b>	<b>(438)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - improving services	(434)	(513)	(300)	(300)
Less depreciation	-	21	23	29
<b>Total loan funding requirement</b>	<b>(434)</b>	<b>(492)</b>	<b>(277)</b>	<b>(271)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(802)</b>	<b>(991)</b>	<b>(733)</b>	<b>(709)</b>

## 2002/2003

### OPERATING PROJECTS

<b>ANTI GRAFFITI</b>	\$60,000
Funding for rapid response to anti graffiti.	
<b>HERITAGE PROJECT FUND</b>	\$20,000
Heritage projects will include trails, plaques and publications.	
<b>ORAL ARCHIVES</b>	\$10,000
Funding for the oral archives project.	
<b>EARTHQUAKE RISK AND HERITAGE BUILDING FUND</b>	\$75,000
This funding provides grants to building owners for feasibility studies, working drawings and strengthening work.	
<b>SAFER CITY STRATEGY</b>	\$30,000
Funds for continued strategy development.	
<b>CARRY OVER 2001/2002</b>	
<b>HERITAGE PROJECT FUND</b>	\$12,000
<b>Total Operating Projects including Carry Over</b>	<b>\$207,000</b>

## 2002/2003 CONTINUED

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
SUBURBAN SHOPPING CENTRES Improvements to suburban shopping centres.	\$100,000
CENTRAL BUSINESS DISTRICT DEVELOPMENT Assist Central Business District revitalisation.	\$100,000
SIGNAGE IN WINGATE AND NAENAE Improvements to signage in Wingate and NaeNae.	\$50,000
ENVIRONMENTAL SAFETY AUDIT An audit to be conducted by SCAN on environmental safety.	\$50,000
SAFER CITY STRATEGY Progressing Safer City Strategy.	\$70,000
<b>CARRY OVERS 2001/2002</b>	
SUBURBAN SHOPPING CENTRES	\$44,000
SAFE CITY STRATEGY	\$99,000
<b>Total Improving Services (Asset Upgrades and New Assets) including Carry Overs</b>	<b>\$513,000</b>

## 2003/2004

OPERATING PROJECTS	
ANTI GRAFFITI Funding for rapid response to anti graffiti.	\$60,000
HERITAGE PROJECT FUND Heritage projects will include trails, plaques and publications.	\$20,000
ORAL ARCHIVES Funding for the oral archives project.	\$10,000
EARTHQUAKE RISK AND HERITAGE BUILDING FUND This funding provides grants to building owners for feasibility studies, working drawings and strengthening work.	\$75,000
<b>Total Operating Projects</b>	<b>\$165,000</b>

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
SUBURBAN SHOPPING CENTRES Improvements to suburban shopping centres.	\$100,000
CENTRAL BUSINESS DISTRICT DEVELOPMENT Assist Central Business District revitalisation.	\$200,000
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$300,000</b>

## 2004/2005

OPERATING PROJECTS	
ANTI GRAFFITI Funding for rapid response to anti graffiti.	\$60,000
HERITAGE PROJECT FUND Heritage projects will include trails, plaques and publications.	\$20,000
EARTHQUAKE RISK AND HERITAGE BUILDING FUND This funding provides grants to building owners for feasibility studies, working drawings and strengthening work.	\$60,000
<b>Total Operating Projects</b>	<b>\$140,000</b>

## 2004/2005 CONTINUED

<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
SUBURBAN SHOPPING CENTRES	\$100,000
Improvements to suburban shopping centres.	
CENTRAL BUSINESS DISTRICT DEVELOPMENT	\$200,000
Assist Central Business District revitalisation.	
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$300,000</b>



# 19. Commercial Property

*'My Grandmother lives in a Council flat – and it's lovely! She absolutely loves it and it means we can visit regularly and know she's surrounded by friends and caring neighbours.'*

*Kathleen, Hutt City granddaughter*

## Description

The Council provides and maintains a number of properties that it operates on a commercial basis. The main portfolios are housing units for elderly people and the socially disadvantaged, buildings used for the Council's administration and the Seaview Marina.


## Reason for Activity

The Council's ownership of most of its commercial property is historical. The Council's policy is to retain rental housing for the elderly and socially disadvantaged, and to sell long term leases for the marina berths. The Council continues to assess its property needs in terms of the properties it currently owns and occupies.

## Strategic Goal

The long term goal is to ensure that properties owned by the Council that are required for core activities are efficiently managed and that all Hutt City residents have access to affordable housing. By 2010, the Council's targets are to have sold all freehold properties not required for core functions and to be a successful advocate of the community's housing needs.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 91% occupancy for rental housing.	Divisional Records
 At least 90% occupancy for commercial properties.	Divisional Records
 At least 80% occupancy for Marina berths.	Divisional Records
   Programmes to maintain current services (asset renewals, maintenance and operations) completed on time, to the required standard and within budget.	Management Reports
   Programmes to improve services (asset upgrades and new assets) completed on time, to the required standard and within budget.	Management Reports

EXPLANATION OF PERFORMANCE SYMBOLS											
	Completed on time		Completed within budget		Residents satisfied		Completed to technical standards		Completed effectively		Completed efficiently

## COMMERCIAL PROPERTY – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	2,641	2,353	2,055	2,055
Other revenue	-	3	3	3
<b>Total operating revenue</b>	<b>2,641</b>	<b>2,356</b>	<b>2,058</b>	<b>2,058</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	133	404	404	404
Supplier costs	910	1,547	1,547	1,547
Support costs	(374)	(1,133)	(1,103)	(1,112)
Maintenance costs	669	702	655	655
Operating projects	11	-	-	-
Interest expense	336	410	366	352
Depreciation	688	651	614	573
<b>Total operating expenditure</b>	<b>2,373</b>	<b>2,581</b>	<b>2,483</b>	<b>2,419</b>
<b>NET SURPLUS DEFICIT BEFORE TAX</b>	<b>268</b>	<b>(225)</b>	<b>(425)</b>	<b>(361)</b>

## COMMERCIAL PROPERTY – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net surplus deficit before tax	268	(225)	(425)	(361)
<b>Total rates funding surplus</b>	<b>268</b>	<b>(225)</b>	<b>(425)</b>	<b>(361)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	(126)	(214)	(395)	(645)
Capital expenditure - improving services	(63)	(114)	-	-
Less depreciation	688	651	614	573
Less asset sales	1,000	4,750	3,000	1,300
<b>Total loan funding surplus</b>	<b>1,499</b>	<b>5,073</b>	<b>3,219</b>	<b>1,228</b>
<b>TOTAL FUNDING SURPLUS</b>	<b>1,767</b>	<b>4,848</b>	<b>2,794</b>	<b>867</b>

## 2002/2003

### MAINTAINING SERVICES (ASSET RENEWALS)

<b>LAINGS ROAD ADMINISTRATION BUILDING</b>		\$130,000
<ul style="list-style-type: none"> <li>replace obsolete emergency lighting system with a system that complies with the Building Code and Fire Service Act 1975</li> </ul>	\$30,000	
<ul style="list-style-type: none"> <li>refurbish Offices at Asset Management and Street Services Divisions.</li> </ul>	\$100,000	
<b>EASTBOURNE SERVICE CENTRE</b>		\$6,000
<ul style="list-style-type: none"> <li>replace existing interior heaters with energy efficient heaters (Library area).</li> </ul>	\$6,000	

## 2002/2003 CONTINUED

<b>PETONE SERVICE CENTRE</b>		<b>\$42,500</b>
•	replace carpet in Atrium and ground floor stairway entry/lobby in common areas	\$4,500
•	replace existing interior heaters with energy efficient heaters	\$6,500
•	replace hinged main entry doors with glass sliding doors, two sets required. Fire egress and health and safety code requirements	\$13,500
•	replace exterior deteriorated and dangerous timber recreational seating area with a safe and suitable recreational structure. Public health and safety issue.	\$18,000
<b>STOKES VALLEY LIBRARY</b>		<b>\$8,000</b>
•	upgrade lighting to remedy lighting deficiency in Library area and remedy lighting controls at exterior verandah	\$2,500
•	replace deteriorated gas heater.	\$5,500
<b>SEAVIEW MARINA</b>		<b>\$27,000</b>
Install security camera, and chip seal public area.		
<b>Total Maintaining Services (Asset Renewals)</b>		<b>\$213,500</b>
<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>		
<b>THE PAVILION</b>		<b>\$4,500</b>
•	upgrade air conditioning controls – seminar Room, 1 <sup>st</sup> floor	\$3,000
•	upgrade exterior roof access ladder to building code compliancy standard.	\$1,500
<b>LAINGS ROAD ADMINISTRATION BUILDING</b>		<b>\$30,000</b>
Upgrade computerised building management system and controls for the heating and air conditioning systems (stage one of three).		
<b>WAINUIOMATA SERVICE CENTRE/LIBRARY</b>		<b>\$4,500</b>
Install air extract unit to West Library area and Reception area. Stage two of the ventilation upgrade.		
<b>SEAVIEW MARINA</b>		<b>\$27,200</b>
Waterblaster, sewage control works and new entrance.		
<b>CARRY OVER 2001/2002</b>		
<b>COUNCIL CHAMBERS UPGRADE</b>		<b>\$47,500</b>
<b>Total Improving Services (Asset Upgrades and New Assets) including Carry Over</b>		<b>\$113,700</b>

## 20. Economic Development

*'When we started our business we knew we could have done it in the centre of Wellington City, but decided we'd rather stay in Hutt City. It was a lifestyle choice and one that's really worked for us.'*

*James, Hutt City businessman and resident*

### Description







The 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 to Hutt City and contributing to regional growth through regional economic development initiatives.

### Reason for activity

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 the Council's support of the business sector and from the promotion of Hutt City as a place to visit and do business.

### Strategic Goal

The long term goal is to facilitate the expansion and creation of local businesses and to generate increased wealth for Hutt City residents through increased visitor numbers and additional businesses. By 2010, the Council's targets are to increase the number of businesses in, and visitors to, Hutt City, and to be viewed as a business friendly council.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 Economic development projects completed on time, to the required standard and within budget.  	Management Reports
 CBD + business plan milestones met.	Management Reports
 Jackson Street programme business plan milestones met.	Management Reports
 At least 80% of Hutt City residents are satisfied with the visitor information services and special events.	NRB Communitrak Survey

EXPLANATION OF PERFORMANCE SYMBOLS					
	Completed on time		Completed within budget		Residents satisfied
	Completed to technical standards		Completed effectively		Completed efficiently

### ECONOMIC DEVELOPMENT – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
Total operating revenue	-	-	-	-
<b>OPERATING EXPENDITURE</b>				
Employee costs	172	207	207	207
Support costs	179	94	92	92
Operating projects	912	1,459	1,348	1,348
<b>Total operating expenditure</b>	<b>1,263</b>	<b>1,760</b>	<b>1,647</b>	<b>1,647</b>
<b>NET DEFICIT BEFORE TAX</b>	<b>(1,263)</b>	<b>(1,760)</b>	<b>(1,647)</b>	<b>(1,647)</b>

**ECONOMIC DEVELOPMENT – PROSPECTIVE FUNDING REQUIREMENT**

For the year ending 30 June 2003

**RATES FUNDING REQUIREMENT**

Net deficit before tax	(1,263)	(1,760)	(1,647)	(1,647)
<b>Total rates funding requirement</b>	<b>(1,263)</b>	<b>(1,760)</b>	<b>(1,647)</b>	<b>(1,647)</b>

**LOAN FUNDING REQUIREMENT**

Capital expenditure - improving services	(77)	(223)	-	-
<b>Total loan funding requirement</b>	<b>(77)</b>	<b>(223)</b>	<b>-</b>	<b>-</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(1,340)</b>	<b>(1,983)</b>	<b>(1,647)</b>	<b>(1,647)</b>

**2002/2003****OPERATING PROJECTS**

<b>ECONOMIC DEVELOPMENT STRATEGY IMPLEMENTATION</b>	<b>\$325,000</b>
The implementation of economic development strategies.	
<b>CBD+</b>	<b>\$240,000</b>
Fourth year of a six year contract for the promotion and marketing of the Central Business District of Hutt City.	
<b>JACKSON STREET PROGRAMME</b>	<b>\$80,000</b>
Funding for the Jackson Street programme.	
<b>VISITOR INFORMATION OFFICE</b>	<b>\$120,000</b>
Provision and promotion of information on Hutt City through the Visitor Information Office.	
<b>EVENTS FUNDING</b>	<b>\$200,000</b>
Funding for promotional events in Hutt City.	
<b>REGIONAL ECONOMIC DEVELOPMENT AGENCY</b>	<b>\$310,000</b>
The Hutt City's contribution to the Regional Economic Development Agency.	
<b>INTERNATIONAL CITIES</b>	<b>\$43,000</b>
International cooperation with sister cities.	
<b>WELLINGTON GOLD AWARD</b>	<b>\$10,000</b>
Contribution towards the cost of the awards.	
<b>SMALL BUSINESS</b>	<b>\$20,000</b>
Assistance for small business.	
<b>FEASIBILITY STUDY</b>	<b>\$40,000</b>
Funding of a feasibility study which involves the Central Library, Dowse and Settlers Museums. The study is based on better utilisation of the Council's premises.	
<b>CARRY OVERS 2001/2002</b>	
<b>BROADBAND BUSINESS CASE</b>	<b>\$26,000</b>
<b>ENGINEERING TECHNOLOGIES</b>	<b>\$30,000</b>
<b>ECONOMIC DEVELOPMENT SEMINARS</b>	<b>\$15,000</b>
<b>Total Operating Projects including Carry Overs</b>	<b>\$1,459,000</b>

## 2002/2003 CONTINUED

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

SEAVIEW	\$100,000
Seaview/Gracefield developments.	
<hr/>	
<b>CARRY OVER 2001/2002</b>	
SEAVIEW	\$123,000
Seaview/Gracefield developments.	
<hr/>	
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$223,000</b>

## 2003/2004

### OPERATING PROJECTS

ECONOMIC DEVELOPMENT STRATEGY IMPLEMENTATION	\$180,000
The implementation of economic development strategies.	
<hr/>	
CBD+	\$240,000
Fifth year of a six year contract for the promotion and marketing of the Central Business District of Hutt City.	
<hr/>	
JACKSON STREET PROGRAMME	\$80,000
Funding for the Jackson Street programme.	
<hr/>	
VISITOR INFORMATION OFFICE	\$120,000
Provision and promotion of information on Hutt City through the Visitor Information Office.	
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EVENTS FUNDING	\$245,000
Funding for promotional events in Hutt City.	
<hr/>	
REGIONAL ECONOMIC DEVELOPMENT AGENCY	\$410,000
The Hutt City's contribution to the Regional Economic Development Agency.	
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INTERNATIONAL CITIES	\$43,000
International cooperation with sister cities.	
<hr/>	
WELLINGTON GOLD AWARD	\$10,000
Contribution towards the cost of the awards.	
<hr/>	
SMALL BUSINESS	\$20,000
Assistance for small business.	
<hr/>	
<b>Total Operating Projects</b>	<b>\$1,348,000</b>

## 2004/2005

### OPERATING PROJECTS

ECONOMIC DEVELOPMENT STRATEGY IMPLEMENTATION	\$180,000
The implementation of economic development strategies.	
<hr/>	
CBD+	\$240,000
Sixth year of a six year contract for the promotion and marketing of the Central Business District of Hutt City.	
<hr/>	
JACKSON STREET PROGRAMME	\$80,000
Funding for the Jackson Street programme.	
<hr/>	
VISITOR INFORMATION OFFICE	\$120,000
Provision and promotion of information on Hutt City through the Visitor Information Office.	
<hr/>	

## 2004/2005 CONTINUED

EVENTS FUNDING	\$245,000
Funding for promotional events in Hutt City.	
REGIONAL ECONOMIC DEVELOPMENT AGENCY	\$410,000
The Hutt City's contribution to the Regional Economic Development Agency.	
INTERNATIONAL CITIES	\$43,000
International cooperation with sister cities.	
WELLINGTON GOLD AWARD	\$10,000
Contribution towards the cost of the awards.	
SMALL BUSINESS	\$20,000
Assistance for small business.	
<b>Total Operating Projects</b>	<b>\$1,348,000</b>

# Other Activities

The Council carries out numerous functions and services – everything from managing profitable investments and planning for Hutt City’s future through to the administration of water services and answering general questions from Hutt City residents. The Council always endeavours to ensure that Hutt City is a great place to live, work and play.

## Significant Activity

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21. Managing the Investments	96
22. Council Management Services	98



# 21. Managing the Investments

*‘Movies are fantastic! About once every six weeks we take the kids to see something. They grab their jaffas and play a couple of video games – it’s something we can all enjoy.’*

*Brian, Hutt City resident and father of three*

## Description

The Council set up Local Authority Trading Enterprises (‘LATEs’) to ensure that operations in those areas are accountable and efficient. The Council will look after its shareholdings in the LATEs, requiring that they operate in an efficient, effective and profitable manner. The LATEs are:


- Centre City Plaza Limited: this is a property company which owns and operates the Centre City Plaza Development, a retail, cinema and parking complex in the City’s Central Business District
- Caulfold Holdings Limited: this is a property company which formerly owned and leased stage one of the Centre City Plaza Development.

## Reason for Activity

The LATEs were established to allow the Council to operate in a more accountable, contestable and efficient way when it purchases services provided by the LATEs and their subsidiaries. The Council intends to sell the building.

## Strategic Goal

Management of the City’s investments is prudently carried out to provide the best returns on secure low risk investments. The long term goal is to ensure all investments conform with the Council’s Treasury Management Policy.

PERFORMANCE MEASURES		SOURCE OF INFORMATION
	Centre City Plaza Limited will achieve a rate of return on shareholder’s funds of 6% before taxation.	Centre City’s Quarterly Financial Reports
	Property maintenance is carried out according to programme, budget and best of trade standards.	Divisional Records
	All building, technical and regulatory standards are complied with.	Building Services Records; Monthly and Annual Building Warrant of Fitness Inspections
	Targets achieved within allocated budgets.	Centre City’s Quarterly Financial Reports
	Value of the assets is maximised.	Centre City’s Quarterly Financial Reports
	Reporting obligations to the Council will be met by Caulfold Holdings Limited.	Caulfold Holding’s Quarterly Financial Reports

EXPLANATION OF PERFORMANCE SYMBOLS											
	Completed on time		Completed within budget		Residents satisfied		Completed to technical standards		Completed effectively		Completed efficiently

## MANAGING THE INVESTMENTS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

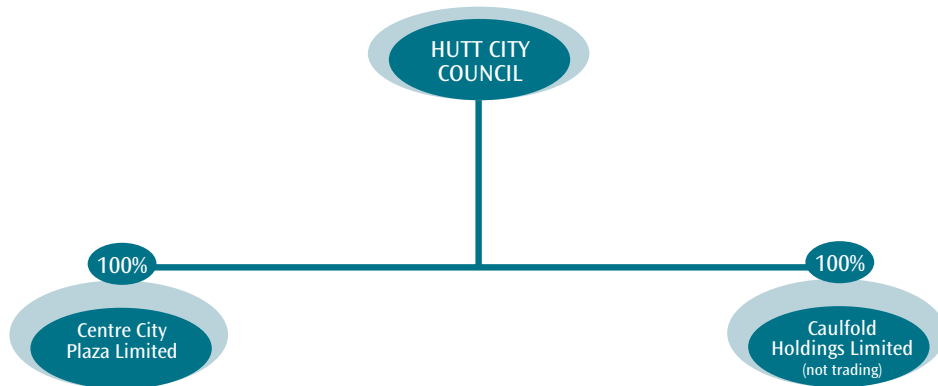
	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
Other revenue	520	520	520	520
<b>Total operating revenue</b>	<b>520</b>	<b>520</b>	<b>520</b>	<b>520</b>
<b>OPERATING EXPENDITURE</b>				
<b>Total operating expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET SURPLUS BEFORE TAX</b>	<b>520</b>	<b>520</b>	<b>520</b>	<b>520</b>

## MANAGING THE INVESTMENTS – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net surplus before tax	520	520	520	520
<b>Total rates funding surplus</b>	<b>520</b>	<b>520</b>	<b>520</b>	<b>520</b>
<b>TOTAL FUNDING SURPLUS</b>	<b>520</b>	<b>520</b>	<b>520</b>	<b>520</b>

### LATEs OPERATING STRUCTURE



## 22. Council Management Services

*'The Council is actually a pleasure to deal with!'*

*Emily, pleasantly surprised Hutt City resident*

### Description

The activities undertaken by Council Management Services include:


- |  |  |
|--|--|
| <p><b>1. Office of the Chief Executive</b></p> <ul style="list-style-type: none"> <li>Legal Counsel</li> <li>Communications</li> </ul> <p><b>2. Corporate Planning</b></p> <ul style="list-style-type: none"> <li>Strategic Planning</li> <li>Democratic Services</li> <li>Mayor's Office</li> <li>Human Resources</li> <li>Support Services</li> </ul> <p><b>3. Customer Relations</b></p> <ul style="list-style-type: none"> <li>Customer Call Centre</li> <li>Customer Service Centre</li> </ul> <p><b>4. Finance</b></p> <ul style="list-style-type: none"> <li>Rates Estimation</li> <li>Rates Collection</li> <li>Debt Management</li> <li>Financial Accounting</li> <li>Management Accounting</li> <li>Payroll</li> </ul> | <p><b>5. Information Management</b></p> <ul style="list-style-type: none"> <li>Information Technology</li> <li>Corporate Information</li> <li>Records</li> <li>Archives</li> <li>Engineering Records</li> <li>Land Information Services</li> <li>Corporate Library</li> </ul> <p><b>6. Administration</b></p> <ul style="list-style-type: none"> <li>Customer Services</li> <li>Asset Management</li> <li>Leisure Services</li> <li>Street Services</li> <li>Water Services</li> <li>Property</li> <li>Community Development</li> <li>Strategic Development</li> </ul> |
|--|--|

### Reason for Activity







Council Management Services are necessary for the proper management of Hutt City. The main areas are organisational management, financial management and reporting, customer services, risk management and management of information. There are a number of additional supporting services that ensure all activities are performed in a cost efficient manner.

### Strategic Goal

The strategic goal of Council Management Services is to ensure the administrative functions of the Council are delivered in a professional, timely and cost effective way. The long term goal is for management services to be rated better than peer local authorities using benchmark comparisons.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 The Council's operations are managed within budget. Specifically, in 2002/2003 the deficit does not exceed \$2.056 million.	Quarterly Accounts and Annual Accounts

EXPLANATION OF PERFORMANCE SYMBOLS					
 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 The net debt level is managed within the annual plan target. Specifically, closing net debt for the 2002/2003 financial year is no more than \$82.092 million.	Quarterly Accounts and Annual Accounts
 Total rates income is within 1% of the annual plan target. Specifically, in 2002/2003 total rates income is within 1% of \$59.569 million.	Draft Annual Plan
 Total capital projects are managed within budget. Specifically, in 2002/2003 total capital expenditure is no more than \$17.437 million.	Quarterly Accounts and Annual Accounts
 The programme of asset sales to generate \$75.0 million by 2006/2007 is continued. Specifically, in 2002/2003 asset sales total at least \$4.750 million.	Quarterly Accounts and Annual Accounts

#### EXPLANATION OF PERFORMANCE SYMBOLS

 Completed on time	 Completed within budget	 Residents satisfied	 Completed to technical standards	 Completed effectively	 Completed efficiently
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#### COUNCIL MANAGEMENT SERVICES – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2003

	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s
<b>OPERATING REVENUE</b>				
User charges	833	843	843	843
Other revenue	841	629	629	629
<b>Total operating revenue</b>	<b>1,674</b>	<b>1,472</b>	<b>1,472</b>	<b>1,472</b>
<b>OPERATING EXPENDITURE</b>				
Employee costs	4,702	4,242	4,242	4,242
Supplier costs	4,988	4,730	4,635	4,635
Maintenance costs	134	98	98	98
Operating projects	66	40	6	6
Net interest expense	(430)	-	-	-
Depreciation	911	1,104	1,003	1,074
<b>Total operating expenditure</b>	<b>10,371</b>	<b>10,214</b>	<b>9,984</b>	<b>10,055</b>
<b>OPERATING DEFICIT</b>	<b>(8,697)</b>	<b>(8,742)</b>	<b>(8,512)</b>	<b>(8,583)</b>
Less costs allocated to significant activities	9,565	8,742	8,512	8,583
<b>NET SURPLUS BEFORE TAX</b>	<b>868</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### COUNCIL MANAGEMENT SERVICES – PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2003

<b>RATES FUNDING REQUIREMENT</b>				
Net surplus before tax	868	-	-	-
Transfer to operating reserve	(170)	(110)	(110)	(110)
Transfer from loan funding	(113)	4,283	283	(375)
<b>Total rates funding surplus</b>	<b>585</b>	<b>4,173</b>	<b>173</b>	<b>(485)</b>
<b>LOAN FUNDING REQUIREMENT</b>				
Capital expenditure - maintaining services	(795)	(926)	(942)	(964)
Capital expenditure - improving services	(615)	(295)	(345)	(400)
Less depreciation	911	1,104	1,003	1,074
Transfer to rate funding	(2,147)	(4,283)	(283)	353
<b>Total loan funding requirement</b>	<b>(386)</b>	<b>(4,400)</b>	<b>(567)</b>	<b>63</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(199)</b>	<b>(227)</b>	<b>(394)</b>	<b>(400)</b>

## 2002/2003

### OPERATING PROJECTS

<b>NEW ZEALAND REPRESENTATIVE GRANTS</b>	<b>\$3,000</b>
New Zealand Representatives Grants are made to Hutt City residents who are representing New Zealand overseas.	
<b>CITIZENSHIP FLOWERS</b>	<b>\$3,500</b>
The gifting of a small native plant to each new citizen as part of the Citizen Ceremonies.	
<b>Total Operating Projects</b>	<b>\$6,500</b>

### MAINTAINING SERVICES (ASSET RENEWALS)

<b>PC REPLACEMENT PROGRAM</b>	<b>\$286,500</b>
Maintenance of hardware to ensure the Council's systems can provide acceptable levels of customer service, and to avoid escalating costs and parts incompatibility associated with old equipment.	
<b>PRINTER REPLACEMENT PROGRAM</b>	<b>\$38,000</b>
Replacement of old printers to meet current printing demands and maintain customer service levels.	
<b>SERVER REPLACEMENT PROGRAM</b>	<b>\$30,000</b>
To replace servers that are no longer capable of meeting current capacity requirements and are at the end of their usable life.	
<b>NETWORK MAINTENANCE (EQUIPMENT AS WELL AS WIRING)</b>	<b>\$26,000</b>
Replacement of hubs and switches to maintain network connectivity.	
<b>NON-MICROSOFT PURCHASES</b>	<b>\$55,000</b>
Provides for replacement of current valuation software to meet regulatory requirements.	
<b>REPLACE INTRANET AND CONTACT DATABASE</b>	<b>\$70,000</b>
Replacement of the current Intranet that no longer meets information and internal communication and distribution requirements.	
<b>AERIAL PHOTOS</b>	<b>\$370,000</b>
Replacement of current aerial photography of Hutt City which is seven years out of date and is now inaccurate. This is the Council's most requested dataset and is a vital information source for many of the Council's core services.	
<b>REGULATORY FINANCIAL SYSTEM REPLACEMENT PROJECT (YEAR 1)</b>	<b>\$50,000</b>
To develop business requirements for replacement of Regulatory and Financial software, required as the current supplier is withdrawing their product from the market.	
<b>Total Maintaining Services (Asset Renewals)</b>	<b>\$925,500</b>

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

<b>SOFTWARE ENHANCEMENTS</b>	<b>\$50,000</b>
To incorporate stand alone databases into core the Council's systems which will improve the Council's information management practices and improve the quality of information provided to customers.	
<b>ONLINE SERVICE DEVELOPMENT</b>	<b>\$95,000</b>
To provide for the development of a secure on line environment to enable customers to conduct their business and make payments online.	

## 2002/2003 CONTINUED

MOBILE DEVICES	\$30,000
Purchase of hand-held devices to record data 'in the field' reducing duplicate handling of information and improving speed and accuracy.	
CUSTOMER CALL CENTRE PBX	\$10,000
Funding keeping up with technology.	
CORPORATE EQUIPMENT	\$30,000
Expenditure for health and safety improvements and general office furniture and equipment.	
ARCHIVES FIRE PROTECTION	\$40,000
Install sprinkler system at Hutt Road Archives to protect the collection in case of fire.	
<b>CARRY OVER 2001/2002</b>	
ONLINE SERVICE DEVELOPMENT	\$40,000
<b>Total Improving Services (Asset Upgrades and New Assets) including Carry Over</b>	<b>\$295,000</b>

## 2003/2004

### OPERATING PROJECTS

NEW ZEALAND REPRESENTATIVE GRANTS	\$3,000
New Zealand Representatives Grants are made to Hutt City residents who are representing New Zealand overseas.	
CITIZENSHIP FLOWERS	\$3,500
The gifting of a small native plant to each new citizen as part of the Citizen Ceremonies.	
<b>Total Operating Projects</b>	<b>\$6,500</b>

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

CUSTOMER CALL CENTRE	\$15,000
Furniture and equipment will be required:	
<ul style="list-style-type: none"> <li>• to ensure continued health and safety of staff, including noise reduction</li> <li>• to replace CD player and video recorder</li> <li>• to replace Dterm phones and headsets.</li> </ul>	
CUSTOMER CALL CENTRE PBX	\$10,000
Funding keeping up with technology and upgrading systems.	
CORPORATE EQUIPMENT	\$30,000
Expenditure for health and safety improvements and general office furniture and equipment.	
NON-MICROSOFT SOFTWARE PURCHASES	\$80,000
Non-Microsoft software purchases.	
CORE BUSINESS APPLICATION ENHANCEMENTS	\$160,000
Core business application enhancements.	
LIS PROJECTS	\$30,000
LIS projects.	
ELECTRONIC DOCUMENT MANAGEMENT	\$20,000
Electronic document management.	
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$345,000</b>

## 2004/2005

<b>OPERATING PROJECTS</b>	
<b>NEW ZEALAND REPRESENTATIVE GRANTS</b>	<b>\$3,000</b>
New Zealand Representatives Grants are made to Hutt City residents who are representing New Zealand overseas.	
<b>CITIZENSHIP FLOWERS</b>	<b>\$3,500</b>
The gifting of a small native plant to each new citizen as part of the Citizen Ceremonies.	
<b>Total Operating Projects</b>	<b>\$6,500</b>
<b>IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)</b>	
<b>CUSTOMER CALL CENTRE PBX</b>	<b>\$20,000</b>
PBX technology upgrading.	
<b>CORPORATE EQUIPMENT</b>	<b>\$30,000</b>
Expenditure for health and safety improvements and general office furniture and equipment.	
<b>NON-MICROSOFT SOFTWARE PURCHASES</b>	<b>\$80,000</b>
Non-Microsoft software purchases.	
<b>CORE BUSINESS APPLICATION ENHANCEMENTS</b>	<b>\$180,000</b>
Core business application enhancements.	
<b>LIS PROJECTS</b>	<b>\$70,000</b>
LIS projects.	
<b>ELECTRONIC DOCUMENT MANAGEMENT</b>	<b>\$20,000</b>
Electronic document management.	
<b>Total Improving Services (Asset Upgrades and New Assets)</b>	<b>\$400,000</b>

# Statement of Significant Changes in Policies or Activities

In accordance with section 223D of the Local Government Act 1974 the Council is required to declare any significant changes in policies or activities planned for the next three years.

## Changes in Policies

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This Annual Plan follows the policies set out in the Council's Funding Policy 2001 – 2004 and Long Term Financial Strategy 2002 – 2012. The Long Term Financial Strategy is included in this Annual Plan together with an outline of the Funding Policy. An outline of the Council's Accounting Policies, Investment Policy and Borrowing Management Policy are also included in this Annual Plan. Please refer to the Financial Policies section on pages 116 to 136.

## The Funding Policy

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The Council is legally required to review its Funding Policy every three years. The Funding Policy 2001 – 2004 has been adopted by the Council. In general, the Funding Policy indicates that the current level of public and private funding for the Council's services is about right. The Funding Policy confirms the Council's intention to move some of the rates burden off the business community and onto the residential sector. For further details on the Funding Policy 2001 – 2004, please refer to the outline on pages 126 to 136.

## The Long Term Financial Strategy

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The Long Term Financial Strategy has been revised for the years 2002 – 2012 and appears in the following section. Some significant changes have been made to the Council's Long Term Financial Strategy. These are detailed in the Introduction on pages 106 to 107.

## Changes in Activities

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There have been no changes to the significant activities from those detailed in the Council's 2001/2002 Annual Plan. No further change in activities is planned for the next three years.

## Changes to Performance Measures

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There have been a few changes to performance measures for this year. Some performance measures have been revised but most are the same as for 2001/2002.

## Changes to the Rating System

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**Utility Networks** will be rated for the first time. A new differential group has been created for these properties and a differential of 1.5 times the residential rate will be applied.

**Sewerage charges** will be applied based on the number of pans in each property. The scale of charges will be 100 percent for the first pan and 50 percent of the full charge for each subsequent pan for each property. Each household will be charged for one pan only.

**Uniform annual charges for water** will be applied on the basis of one charge for each separately used or occupied portion of each property, unless a water meter is fitted.

**Business properties in the Central Business District (CBD)** will no longer pay a separate CBD rate differentiated between the inner and outer CBD area. Instead all CBD businesses will pay the same higher differential on the general rate. Overall the proportion of rates payable by CBD businesses will remain unchanged.

**A separate differential group** has been created for motels and resthomes.



## Changes to Fees and Charges

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The Local Government No. 3 Amendment Act requires the Council to look at the costs and benefits of each significant activity and, where specific users can be identified, charge the users for each service. In order to comply with the legislation, the Council has adopted a Funding Policy 2001 – 2004 which states that the overall level of current user charges is appropriate.

Any other movements in user charges in future years will only be to achieve the final allocation of costs as set out in the Funding Policy. The introduction of trade waste charges and increase in solid waste charges are likely to be the only significant changes to fees and charges over the next three years.

## Changes to the Local Authority Trading Enterprises ('LATEs')

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The Council operates two LATEs: Centre City Plaza Limited and Caulfold Holdings Limited. Council sold Centre City Plaza on 19 July 2002. The Long Term Financial Strategy assumes the property is sold in the 2005/2006 financial year. Caulfold Holdings Limited is a non-trading company and is not intended for sale.

# Long Term Financial Strategy

## 2002–2012

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This is the Long Term Financial Strategy of the Council in terms of section 122K of the Local Government Act 1974. To avoid repetition, information such as the reasons for the Council's activities is to be found in other parts of this Annual Plan.

It is a requirement of the Local Government Act 1974 to present a financial strategy that spans ten years. This provides an opportunity for ratepayers and residents to assess the appropriateness of the financial actions planned by the Council.

The financial strategy outlines how the Council will be funded for the next ten 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.

The Council has Asset Management Plans for its assets. These plans have provided the basis for the development of the Long Term Financial Strategy ('LTFS').

The LTFS is based on estimates of costs into the future. It is likely that changes will be required as events evolve and as the results of the tender process for major projects become known.

### Assumptions

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The following assumptions have been made in preparing the LTFS:

- service levels are generally assumed to remain the same for the period covered by the LTFS
- population is assumed to remain static, or change only marginally
- provision has been made for inflation of 2.0% for the 2002/2003 financial year, but no further inflation has been provided for in subsequent financial years
- the average interest rate on debt is assumed to be 7.4%. This is based on the pattern of existing commitments and judgements about future trends
- asset sales are included in accordance with the Council's resolutions and proceeds will be used to repay debt or fund asset purchases
- net debt will be below \$45 million in June 2010, in accordance with the Strategic Plan target
- depreciation and interest costs are fully funded from rates and other operating revenue
- capital expenditure is funded by loans, capital subsidies, transfers from reserves, rate funded depreciation charges and asset sales.

### Significant Change

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The only significant change that has been made to the Council's LTFS, since it was last published in the 2001/2002 Annual Plan, is that the Council has changed the accounting policy applied to capital contributions received from Upper Hutt City Council for the operation of the bulk wastewater system. This change is described under Accounting Policies – Outline on page 121.

### Risk

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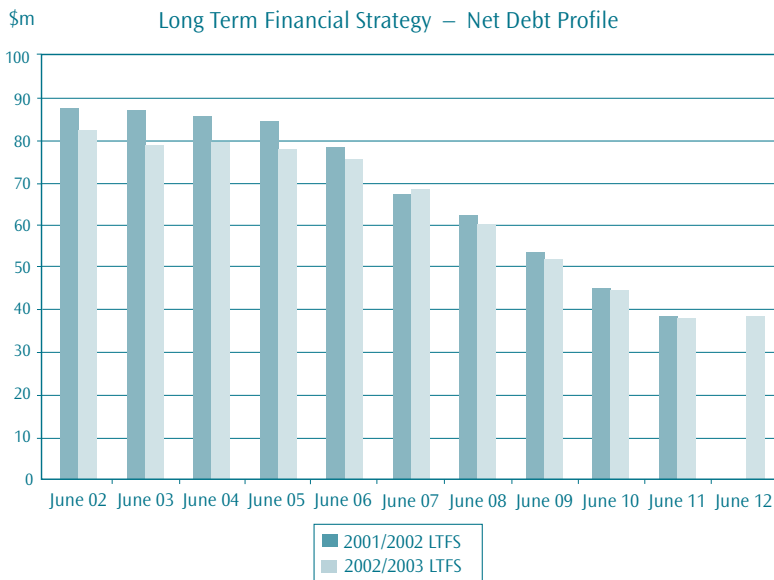
There are several significant risks that could have a material impact on whether the Council is able to achieve the financial results indicated in the LTFS:

- the Council has used conservative estimates for the likely proceeds from the sales of assets, including the Council's LATEs. 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. This includes the timing and amounts for capital expenditure and operating costs. The outcome of tender evaluation and negotiation processes on these projects may materially impact on the LTFS.

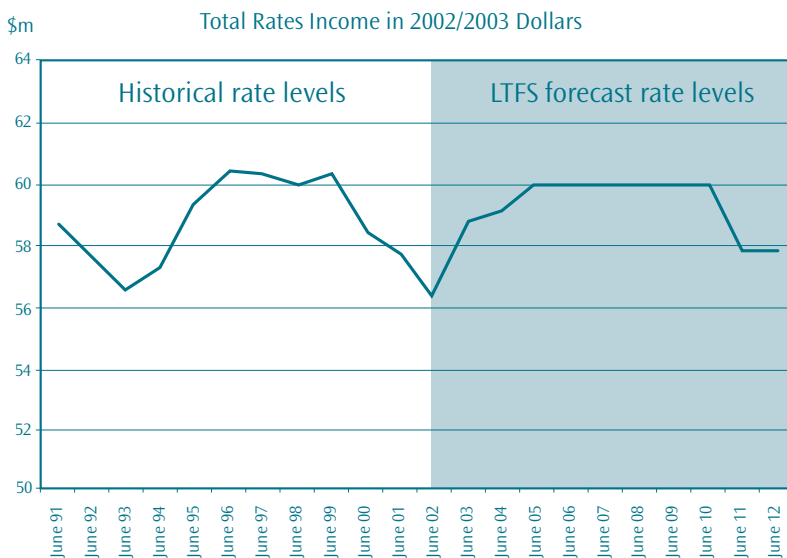
The LTFS has also been revised to incorporate recent council decisions in relation to rating levels, operational income and expenditure, assets sales and asset purchases.

## Commitments and Contingencies

The Financial Statements provide for all the material capital and operating commitments known to the Council. Prudent provisions have also been made in these Financial Statements for probable future obligations of the Council.



This graph shows the comparative levels of net debt based upon the 2001/2002 LTFS and the revised levels of net debt based upon the latest revisions to the 2002/2003 LTFS.



This graph shows the inflation adjusted rate income levels for the financial years 1990/1991 through to 2001/2002. It also shows the forecast rate levels based upon the 2002/2003 LTFS.

**LONG TERM FINANCIAL STRATEGY – STATEMENT OF PROSPECTIVE FUNDING REQUIREMENTS BY ACTIVITY**

For the year ending 30 June 2003

	Actual	Estimate	Budget	Forecast	Forecast	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
	30/6/2001	30/6/2002	30/6/2003	30/6/2004	30/6/2005	30/6/2006	30/6/2007	30/6/2008	30/6/2009	30/6/2010	30/6/2011	30/6/2012	
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Libraries	4,480	4,439	4,524	6,584	4,509	6,164	4,486	4,487	4,482	5,481	4,481	4,479	
Museums	1,735	1,586	1,639	2,979	1,516	1,574	1,507	1,530	1,495	1,489	1,485	1,481	
Aquatics and Recreation Programmes	2,992	2,974	3,218	3,011	2,944	2,797	2,784	2,768	2,753	2,738	2,725	2,716	
Parks and Reserves	6,359	6,043	7,958	7,787	6,567	6,639	6,561	6,499	6,476	7,085	7,047	6,359	
Community Assistance	1,987	2,125	2,268	2,248	2,251	2,251	2,249	2,248	2,250	2,251	2,252	2,251	
Community Property	1,175	1,084	514	493	467	1,266	488	458	463	448	479	442	
Elected Members	1,169	1,296	1,234	1,222	1,226	1,225	1,222	1,222	1,224	1,225	1,226	1,226	
Advice and Support Services	2,429	2,439	2,748	2,543	2,513	2,560	2,544	2,493	2,552	2,560	2,517	2,563	
Roading and Traffic Management	10,165	10,101	11,113	10,329	10,472	10,497	9,821	9,623	9,455	9,621	9,022	8,795	
Parking	(597)	(668)	(725)	(662)	(740)	(596)	(592)	(721)	(661)	(644)	(689)	(732)	
Water	8,146	8,236	8,801	8,637	8,753	8,793	8,595	8,971	8,496	8,373	8,337	8,423	
Wastewater	6,297	51,528	10,221	13,245	14,366	10,153	9,430	8,688	8,585	8,448	8,323	17,126	
Stormwater	2,853	3,137	3,916	3,652	3,628	4,964	3,240	3,252	3,110	3,372	2,980	2,949	
Solid Waste Management	236	(19)	-	-	-	5,164	98	-	117	-	-	-	
Environmental Management	1,690	1,754	1,944	1,877	1,882	1,882	1,877	1,877	1,879	1,882	1,882	1,881	
Emergency Management	395	422	542	428	429	429	428	428	428	429	429	429	
Animal Control	28	11	14	4	6	6	4	4	5	6	6	6	
Urban Design and Enhancement	573	802	991	733	709	509	408	408	409	409	409	409	
Commercial Property	(3,702)	(1,767)	(4,848)	(2,794)	(867)	479	(91)	(126)	32	(208)	(43)	(257)	
Economic Development	1,132	1,340	1,983	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	
Managing the Investments	-	(520)	(520)	(520)	(520)	(520)	-	-	-	-	-	-	
Council Management Services	(1,867)	(199)	227	394	400	(6,246)	(21)	230	239	220	196	(95)	
Consolidated cost adjustments	-	-	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)	
<b>TOTAL FUNDING REQUIREMENT</b>	<b>47,675</b>	<b>96,144</b>	<b>56,121</b>	<b>62,196</b>	<b>60,517</b>	<b>59,996</b>	<b>55,044</b>	<b>54,345</b>	<b>53,795</b>	<b>55,191</b>	<b>53,070</b>	<b>60,457</b>	
<b>FUNDED BY:</b>													
Rates	56,253	56,357	59,569	61,356	62,276	62,276	62,276	62,276	62,276	62,276	59,972	59,972	
(Loan repayment)/new loans	(8,578)	39,787	(3,448)	840	(1,759)	(2,280)	(7,232)	(7,931)	(8,481)	(7,085)	(6,902)	485	
<b>TOTAL FUNDING REQUIREMENT</b>	<b>47,675</b>	<b>96,144</b>	<b>56,121</b>	<b>62,196</b>	<b>60,517</b>	<b>59,996</b>	<b>55,044</b>	<b>54,345</b>	<b>53,795</b>	<b>55,191</b>	<b>53,070</b>	<b>60,457</b>	

**LONG TERM FINANCIAL STRATEGY – STATEMENT OF PROSPECTIVE COST OF SERVICES**

For the year ending 30 June 2003

	Actual	Estimate	Budget	Forecast	Forecast	Projection	Projection	Projection	Projection	Projection	Projection	Projection
	30/6/2001	30/6/2002	30/6/2003	30/6/2004	30/6/2005	30/6/2006	30/6/2007	30/6/2008	30/6/2009	30/6/2010	30/6/2011	30/6/2012
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Libraries	4,233	4,480	4,560	4,554	4,582	4,593	4,588	4,587	4,580	4,586	4,594	4,590
Museums	1,659	1,621	1,665	976	1,573	1,571	1,564	1,556	1,551	1,545	1,540	1,536
Aquatics and Recreation Programmes	2,933	3,154	3,403	2,971	2,971	2,963	2,947	2,928	2,910	2,893	2,877	2,865
Parks and Reserves	6,019	6,189	6,588	6,512	6,500	6,489	6,463	6,423	6,382	6,346	6,316	6,303
Community Assistance	1,987	2,125	2,268	2,248	2,251	2,251	2,249	2,248	2,250	2,251	2,252	2,251
Community Property	757	667	678	667	661	665	668	658	648	637	629	622
Elected Members	1,169	1,296	1,234	1,222	1,226	1,225	1,222	1,222	1,224	1,225	1,226	1,226
Advice and Support Services	2,429	2,439	2,698	2,493	2,613	2,510	2,494	2,593	2,502	2,510	2,617	2,513
Roading and Traffic Management	8,728	10,218	11,050	10,784	10,423	10,097	10,089	9,915	9,699	9,162	9,288	9,286
Parking	(521)	(591)	(647)	(666)	(665)	(667)	(664)	(663)	(665)	(661)	(661)	(667)
Water	9,388	9,251	9,833	9,737	9,695	9,649	9,576	9,481	9,386	9,288	9,197	9,141
Wastewater	7,400	7,924	11,668	11,370	11,337	11,376	11,272	11,091	10,894	10,705	10,530	10,575
Stormwater	3,387	3,495	4,223	4,173	4,150	4,134	4,089	4,007	3,921	3,841	3,767	3,722
Solid Waste Management	(337)	(538)	(335)	(337)	(436)	(314)	(91)	(117)	(124)	(127)	(148)	(164)
Environmental Management	1,705	1,772	1,957	1,882	1,884	1,883	1,877	1,877	1,879	1,882	1,882	1,881
Emergency Management	411	438	448	442	442	440	438	437	436	436	435	434
Animal Control	30	13	11	6	7	7	5	5	6	7	7	6
Urban Design and Enhancement	365	368	499	456	438	441	440	440	440	439	439	438
Commercial Property	(30)	(268)	225	425	361	336	314	271	224	178	138	119
Economic Development	983	1,263	1,760	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647
Managing the Investments	-	(520)	(520)	(520)	(520)	(520)	-	-	-	-	-	-
Council Management Services	(1,578)	(868)	-	-	-	-	-	-	-	-	-	-
Consolidated cost adjustments	-	-	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)	(1,641)
<b>TOTAL COST OF SERVICES</b>	<b>51,117</b>	<b>53,928</b>	<b>61,625</b>	<b>59,401</b>	<b>59,499</b>	<b>59,135</b>	<b>59,546</b>	<b>58,965</b>	<b>58,149</b>	<b>57,149</b>	<b>56,931</b>	<b>56,683</b>

**LONG TERM FINANCIAL STRATEGY – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE**

For the year ending 30 June 2003

	Actual	Estimate	Budget	Forecast	Forecast	Projection	Projection	Projection	Projection	Projection	Projection	Projection
	30/6/2001	30/6/2002	30/6/2003	30/6/2004	30/6/2005	30/6/2006	30/6/2007	30/6/2008	30/6/2009	30/6/2010	30/6/2011	30/6/2012
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>OPERATING REVENUE</b>												
Rates funding	56,253	56,357	59,569	61,356	62,276	62,276	62,276	62,276	62,276	62,276	59,972	59,972
User charges	16,576	16,966	17,016	16,913	17,045	17,045	17,045	17,045	17,045	17,045	17,045	17,045
Operating subsidies	2,545	1,503	1,507	1,507	1,507	1,507	1,507	1,507	1,507	1,507	1,507	1,507
Upper Hutt City Council operating contribution	606	843	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Interest earned	1,303	750	300	331	258	262	270	288	295	303	317	334
Dividends	7	-	-	-	-	-	-	-	-	-	-	-
Gain on disposal of assets	147	190	-	-	-	-	-	-	-	-	-	-
Other revenue	1,544	1,729	1,614	2,614	2,142	2,057	1,639	1,729	1,650	1,656	1,747	1,662
<b>Total operating revenue</b>	<b>78,981</b>	<b>78,338</b>	<b>81,606</b>	<b>84,321</b>	<b>84,828</b>	<b>84,747</b>	<b>84,337</b>	<b>84,445</b>	<b>84,373</b>	<b>84,387</b>	<b>82,188</b>	<b>82,120</b>
<b>OPERATING EXPENDITURE</b>												
Employee costs	14,447	15,422	15,761	15,841	15,841	15,841	15,841	15,841	15,841	15,841	15,841	15,841
Supplier costs	31,956	31,579	35,216	35,447	35,631	35,444	35,442	35,633	35,446	35,446	35,630	35,448
Maintenance costs	6,726	6,779	6,748	6,701	6,731	6,731	6,731	6,731	6,731	6,731	6,731	6,731
Operating projects	1,807	2,738	3,586	2,788	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665
Interest expenditure	5,143	4,920	6,582	6,030	5,817	5,667	5,315	4,754	4,147	3,570	3,052	2,814
Depreciation	15,572	16,173	17,501	17,300	17,344	17,518	17,664	17,548	17,473	17,421	17,351	17,371
<b>Total operating expenditure</b>	<b>75,651</b>	<b>77,611</b>	<b>85,394</b>	<b>84,107</b>	<b>84,029</b>	<b>83,866</b>	<b>83,658</b>	<b>83,172</b>	<b>82,303</b>	<b>81,674</b>	<b>81,270</b>	<b>80,870</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>3,330</b>	<b>727</b>	<b>(3,788)</b>	<b>214</b>	<b>799</b>	<b>881</b>	<b>679</b>	<b>1,273</b>	<b>2,070</b>	<b>2,713</b>	<b>918</b>	<b>1,250</b>
Capital subsidies	1,806	1,702	1,732	1,741	1,978	2,260	2,051	2,038	2,057	2,414	2,123	2,039
Upper Hutt City Council capital contribution	372	15,855	-	-	-	-	-	-	-	-	-	-
<b>NET SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>5,508</b>	<b>18,284</b>	<b>(2,056)</b>	<b>1,955</b>	<b>2,777</b>	<b>3,141</b>	<b>2,730</b>	<b>3,311</b>	<b>4,127</b>	<b>5,127</b>	<b>3,041</b>	<b>3,289</b>
Tax benefit	157	-	-	-	-	-	-	-	-	-	-	-
<b>NET SURPLUS/(DEFICIT) AFTER TAX</b>	<b>5,665</b>	<b>18,284</b>	<b>(2,056)</b>	<b>1,955</b>	<b>2,777</b>	<b>3,141</b>	<b>2,730</b>	<b>3,311</b>	<b>4,127</b>	<b>5,127</b>	<b>3,041</b>	<b>3,289</b>

LONG TERM FINANCIAL STRATEGY – STATEMENT OF PROSPECTIVE MOVEMENTS IN EQUITY

For the year ending 30 June 2003

	Actual	Estimate	Budget	Forecast	Forecast	Projection	Projection	Projection	Projection	Projection	Projection	Projection
	30/6/2001	30/6/2002	30/6/2003	30/6/2004	30/6/2005	30/6/2006	30/6/2007	30/6/2008	30/6/2009	30/6/2010	30/6/2011	30/6/2012
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>TOTAL EQUITY AT BEGINNING OF THE YEAR</b>	647,597	651,040	669,324	633,269	635,224	638,001	641,142	643,872	647,183	651,310	656,437	659,478
Net surplus/(deficit) after tax	5,665	18,284	(2,056)	1,955	2,777	3,141	2,730	3,311	4,127	5,127	3,041	3,289
Change in asset revaluation reserves and other movements	(2,222)	-	(33,999)	-	-	-	-	-	-	-	-	-
<b>Total recognised revenue and expenses for the year</b>	3,443	18,284	(36,055)	1,955	2,777	3,141	2,730	3,311	4,127	5,127	3,041	3,289
<b>TOTAL EQUITY AT END OF THE YEAR</b>	651,040	669,324	633,269	635,224	638,001	641,142	643,872	647,183	651,310	656,437	659,478	662,767

**LONG TERM FINANCIAL STRATEGY – STATEMENT OF PROSPECTIVE FINANCIAL POSITION**

As at 30 June 2003

	Actual	Estimate	Budget	Forecast	Forecast	Projection	Projection	Projection	Projection	Projection	Projection	Projection
	30/6/2001	30/6/2002	30/6/2003	30/6/2004	30/6/2005	30/6/2006	30/6/2007	30/6/2008	30/6/2009	30/6/2010	30/6/2011	30/6/2012
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>EQUITY</b>												
Accumulated funds	421,627	439,815	403,903	405,419	408,180	411,212	413,791	416,686	421,018	425,655	428,744	431,426
Restricted reserves	34	32	32	32	32	32	32	32	32	32	32	32
Council created reserves	3,094	3,192	3,049	3,488	3,504	3,613	3,764	4,180	3,975	4,465	4,417	5,024
Revaluation reserves	226,285	226,285	226,285	226,285	226,285	226,285	226,285	226,285	226,285	226,285	226,285	226,285
<b>Total equity</b>	<b>651,040</b>	<b>669,324</b>	<b>633,269</b>	<b>635,224</b>	<b>638,001</b>	<b>641,142</b>	<b>643,872</b>	<b>647,183</b>	<b>651,310</b>	<b>656,437</b>	<b>659,478</b>	<b>662,767</b>
<i>Represented by:</i>												
<b>CURRENT ASSETS</b>												
Cash and call deposits	7,931	6,089	3,664	4,103	4,119	4,228	4,379	4,795	4,590	5,080	5,032	5,639
Sinking funds - current	10,428	4,044	2,679	-	-	-	-	-	-	-	-	-
Other current assets	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455
<b>Total current assets</b>	<b>23,814</b>	<b>15,588</b>	<b>11,798</b>	<b>9,558</b>	<b>9,574</b>	<b>9,683</b>	<b>9,834</b>	<b>10,250</b>	<b>10,045</b>	<b>10,535</b>	<b>10,487</b>	<b>11,094</b>
<b>NON-CURRENT ASSETS</b>												
Fixed assets	686,108	755,380	716,052	718,408	719,410	726,162	721,509	716,473	712,324	709,876	706,063	709,230
Work in progress	11,522	413	413	413	413	413	413	413	413	413	413	413
Sinking funds - non-current	513	1,000	-	-	-	-	-	-	-	-	-	-
Investments in subsidiaries	7,410	7,410	7,410	7,410	7,410	7,410	7,410	7,410	7,410	7,410	7,410	7,410
Other non-current assets	592	592	592	592	592	592	592	592	592	592	592	592
<b>Total non-current assets</b>	<b>706,145</b>	<b>764,795</b>	<b>724,467</b>	<b>726,823</b>	<b>727,825</b>	<b>728,577</b>	<b>723,924</b>	<b>718,888</b>	<b>714,739</b>	<b>712,291</b>	<b>708,478</b>	<b>711,645</b>
<b>Total assets</b>	<b>729,959</b>	<b>780,383</b>	<b>736,265</b>	<b>736,381</b>	<b>737,399</b>	<b>738,260</b>	<b>733,758</b>	<b>729,138</b>	<b>724,784</b>	<b>722,826</b>	<b>718,965</b>	<b>722,739</b>
<b>CURRENT LIABILITIES</b>												
Public debt - current	36,684	66,636	30,823	33,984	32,225	29,945	22,713	24,782	21,301	14,216	17,314	22,799
Other current liabilities	21,026	23,276	21,026	21,026	21,026	21,026	21,026	21,026	21,026	21,026	21,026	21,026
<b>Total current liabilities</b>	<b>57,710</b>	<b>89,912</b>	<b>51,849</b>	<b>55,010</b>	<b>53,251</b>	<b>50,971</b>	<b>43,739</b>	<b>45,808</b>	<b>42,327</b>	<b>35,242</b>	<b>38,340</b>	<b>43,825</b>
<b>NON-CURRENT LIABILITIES</b>												
Public debt - non-current	20,562	20,500	50,500	45,500	45,500	45,500	45,500	35,500	30,500	30,500	20,500	15,500
Other non-current liabilities	647	647	647	647	647	647	647	647	647	647	647	647
<b>Total non-current liabilities</b>	<b>21,209</b>	<b>21,147</b>	<b>51,147</b>	<b>46,147</b>	<b>46,147</b>	<b>46,147</b>	<b>46,147</b>	<b>36,147</b>	<b>31,147</b>	<b>31,147</b>	<b>21,147</b>	<b>16,147</b>
<b>Total liabilities</b>	<b>78,919</b>	<b>111,059</b>	<b>102,996</b>	<b>101,157</b>	<b>99,398</b>	<b>97,118</b>	<b>89,886</b>	<b>81,955</b>	<b>73,474</b>	<b>66,389</b>	<b>59,487</b>	<b>59,972</b>
<b>NET ASSETS</b>	<b>651,040</b>	<b>669,324</b>	<b>633,269</b>	<b>635,224</b>	<b>638,001</b>	<b>641,142</b>	<b>643,872</b>	<b>647,183</b>	<b>651,310</b>	<b>656,437</b>	<b>659,478</b>	<b>662,767</b>



**LONG TERM FINANCIAL STRATEGY – STATEMENT OF PROSPECTIVE CASH FLOWS**

For the year ending 30 June 2003

	Actual	Forecast	Forecast	Projection	Projection	Projection	Projection	Projection	Projection	Projection		
	30/6/2001	30/6/2002	30/6/2003	30/6/2004	30/6/2005	30/6/2006	30/6/2007	30/6/2008	30/6/2009	30/6/2010	30/6/2011	30/6/2012
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>												
<i>Cash was provided from:</i>												
Rates	56,802	56,357	59,569	61,356	62,276	62,276	62,276	62,276	62,276	62,276	59,972	59,972
User charges and other income	22,871	22,743	23,469	24,375	24,272	24,469	23,842	23,919	23,859	24,222	24,022	23,853
Interest received	1,251	750	300	331	258	262	270	288	295	303	317	334
Tax received	499	-	-	-	-	-	-	-	-	-	-	-
Regional Council rates	10,392	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	<b>91,815</b>	<b>89,850</b>	<b>93,338</b>	<b>96,062</b>	<b>96,806</b>	<b>97,007</b>	<b>96,388</b>	<b>96,483</b>	<b>96,430</b>	<b>96,801</b>	<b>94,311</b>	<b>94,159</b>
<i>Cash was applied to:</i>												
Payments to suppliers and employees	53,746	54,268	63,561	60,777	60,868	60,681	60,679	60,870	60,683	60,683	60,867	60,685
Interest paid	5,536	4,920	6,582	6,030	5,817	5,667	5,315	4,754	4,147	3,570	3,052	2,814
Regional Council rates	9,078	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	<b>68,360</b>	<b>69,188</b>	<b>80,143</b>	<b>76,807</b>	<b>76,685</b>	<b>76,348</b>	<b>75,994</b>	<b>75,624</b>	<b>74,830</b>	<b>74,253</b>	<b>73,919</b>	<b>73,499</b>
<b>Net cash flows from operating activities</b>	<b>23,455</b>	<b>20,662</b>	<b>13,195</b>	<b>19,255</b>	<b>20,121</b>	<b>20,659</b>	<b>20,394</b>	<b>20,859</b>	<b>21,600</b>	<b>22,548</b>	<b>20,392</b>	<b>20,660</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<i>Cash was provided from:</i>												
Sale of fixed assets	2,950	1,000	4,750	3,000	1,300	6,000	-	-	-	-	-	-
UHCC capital contribution	372	15,855	515	1,902	2,758	834	524	229	229	229	229	3,680
Withdrawals from sinking funds	30,804	8,623	4,979	4,641	973	-	-	-	-	-	-	-
Other receipts and investments	3,654	-	-	-	-	-	-	-	-	-	-	-
Dividends received	7	-	-	-	-	-	-	-	-	-	-	-
	<b>37,787</b>	<b>25,478</b>	<b>10,244</b>	<b>9,543</b>	<b>5,031</b>	<b>6,834</b>	<b>524</b>	<b>229</b>	<b>229</b>	<b>229</b>	<b>229</b>	<b>3,680</b>
<i>Cash was applied to:</i>												
Purchase/construction of fixed assets	15,212	75,146	17,437	24,558	22,404	25,104	13,535	12,741	13,553	15,202	13,767	24,218
Contributions to sinking funds	31,818	2,726	2,614	1,962	973	-	-	-	-	-	-	-
Other investments and payments	8	-	-	-	-	-	-	-	-	-	-	-
	<b>47,038</b>	<b>77,872</b>	<b>20,051</b>	<b>26,520</b>	<b>23,377</b>	<b>25,104</b>	<b>13,535</b>	<b>12,741</b>	<b>13,553</b>	<b>15,202</b>	<b>13,767</b>	<b>24,218</b>
<b>Net cash flows from investing activities</b>	<b>(9,251)</b>	<b>(52,394)</b>	<b>(9,807)</b>	<b>(16,977)</b>	<b>(18,346)</b>	<b>(18,270)</b>	<b>(13,011)</b>	<b>(12,512)</b>	<b>(13,324)</b>	<b>(14,973)</b>	<b>(13,538)</b>	<b>(20,538)</b>

**LONG TERM FINANCIAL STRATEGY – STATEMENT OF PROSPECTIVE CASH FLOWS**

For the year ending 30 June 2003

	Actual 30/6/2001 \$000s	Estimate 30/6/2002 \$000s	Budget 30/6/2003 \$000s	Forecast 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Projection 30/6/2006 \$000s	Projection 30/6/2007 \$000s	Projection 30/6/2008 \$000s	Projection 30/6/2009 \$000s	Projection 30/6/2010 \$000s	Projection 30/6/2011 \$000s	Projection 30/6/2012 \$000s
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<i>Cash was provided from:</i>												
Funds raised from public debt	88,968	66,574	60,823	28,984	32,225	29,945	22,713	14,782	16,301	14,216	7,314	17,799
	<b>88,968</b>	<b>66,574</b>	<b>60,823</b>	<b>28,984</b>	<b>32,225</b>	<b>29,945</b>	<b>22,713</b>	<b>14,782</b>	<b>16,301</b>	<b>14,216</b>	<b>7,314</b>	<b>17,799</b>
<i>Cash was applied to:</i>												
Repayment of public debt	99,119	36,684	66,636	30,823	33,984	32,225	29,945	22,713	24,782	21,301	14,216	17,314
	<b>99,119</b>	<b>36,684</b>	<b>66,636</b>	<b>30,823</b>	<b>33,984</b>	<b>32,225</b>	<b>29,945</b>	<b>22,713</b>	<b>24,782</b>	<b>21,301</b>	<b>14,216</b>	<b>17,314</b>
<b>Net cash flows from financing activities</b>	<b>(10,151)</b>	<b>29,890</b>	<b>(5,813)</b>	<b>(1,839)</b>	<b>(1,759)</b>	<b>(2,280)</b>	<b>(7,232)</b>	<b>(7,931)</b>	<b>(8,481)</b>	<b>(7,085)</b>	<b>(6,902)</b>	<b>485</b>
Net increase/(decrease) in cash	4,053	(1,842)	(2,425)	439	16	109	151	416	(205)	490	(48)	607
Plus cash balance at beginning of the year	3,878	7,931	6,089	3,664	4,103	4,119	4,228	4,379	4,795	4,590	5,080	5,032
<b>Cash balance at end of the year</b>	<b>7,931</b>	<b>6,089</b>	<b>3,664</b>	<b>4,103</b>	<b>4,119</b>	<b>4,228</b>	<b>4,379</b>	<b>4,795</b>	<b>4,590</b>	<b>5,080</b>	<b>5,032</b>	<b>5,639</b>
<i>Cash balance at end of the year comprises:</i>												
Cash and on call deposits	7,931	5,089	2,664	3,103	3,119	3,228	3,379	3,795	3,590	4,080	4,032	4,639
Short term deposits	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>Cash balance at end of the year</b>	<b>7,931</b>	<b>6,089</b>	<b>3,664</b>	<b>4,103</b>	<b>4,119</b>	<b>4,228</b>	<b>4,379</b>	<b>4,795</b>	<b>4,590</b>	<b>5,080</b>	<b>5,032</b>	<b>5,639</b>

For the year ending 30 June 2003

	Actual	Estimate	Budget	Forecast	Forecast	Projection	Projection	Projection	Projection	Projection	Projection	Projection
	30/6/2001	30/6/2002	30/6/2003	30/6/2004	30/6/2005	30/6/2006	30/6/2007	30/6/2008	30/6/2009	30/6/2010	30/6/2011	30/6/2012
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>NET DEBT AT BEGINNING OF THE YEAR</b>												
Current debt	26,858	36,684	66,636	30,823	33,984	32,225	29,945	22,713	24,782	21,301	14,216	17,314
Non-current debt	40,539	20,562	20,500	50,500	45,500	45,500	45,500	45,500	35,500	30,500	30,500	20,500
Less: Sinking funds	(9,843)	(10,941)	(5,044)	(2,679)	-	-	-	-	-	-	-	-
<b>Net debt at beginning of the year</b>	<b>57,554</b>	<b>46,305</b>	<b>82,092</b>	<b>78,644</b>	<b>79,484</b>	<b>77,725</b>	<b>75,445</b>	<b>68,213</b>	<b>60,282</b>	<b>51,801</b>	<b>44,716</b>	<b>37,814</b>
<b>PLUS CAPITAL EXPENDITURE</b>												
Capped expenditure improving services	5,023	3,765	5,110	8,931	3,712	7,685	2,366	2,821	2,331	3,921	2,811	2,141
Carry-over of capped expenditure	886	989	692	-	-	-	-	-	-	-	-	-
<b>Total capped capital expenditure</b>	<b>5,909</b>	<b>4,754</b>	<b>5,802</b>	<b>8,931</b>	<b>3,712</b>	<b>7,685</b>	<b>2,366</b>	<b>2,821</b>	<b>2,331</b>	<b>3,921</b>	<b>2,811</b>	<b>2,141</b>
Plus non-capped expenditure improving services	1,337	61,149	1,996	5,770	8,310	2,060	1,060	110	110	110	110	12,425
Bulk wastewater	350	561	740	600	875	6,100	1,000	500	1,400	600	1,000	500
Landfills	32	22	30	30	30	30	30	30	30	30	30	30
Fully subsidised works	296	652	475	100	100	100	100	100	100	100	100	100
Other reserve funded works	7,253	8,008	8,394	9,127	9,377	9,129	8,979	9,180	9,582	10,441	9,716	9,022
Plus capital expenditure maintaining services	<b>9,268</b>	<b>70,392</b>	<b>11,635</b>	<b>15,627</b>	<b>18,692</b>	<b>17,419</b>	<b>11,169</b>	<b>9,920</b>	<b>11,222</b>	<b>11,281</b>	<b>10,956</b>	<b>22,077</b>
<b>Total non-capped capital</b>	<b>15,177</b>	<b>75,146</b>	<b>17,437</b>	<b>24,558</b>	<b>22,404</b>	<b>25,104</b>	<b>13,535</b>	<b>12,741</b>	<b>13,553</b>	<b>15,202</b>	<b>13,767</b>	<b>24,218</b>
<b>Total capital expenditure</b>												
<b>LESS NON-DEBT FUNDING FOR CAPITAL EXPENDITURE</b>												
Reserve funding	296	516	670	58	430	365	100	(289)	489	(203)	206	(283)
UHCC capital contribution	372	15,855	515	1,902	2,758	834	524	229	229	229	229	3,680
Capital subsidies	1,806	1,702	1,732	1,741	1,978	2,260	2,051	2,038	2,057	2,414	2,123	2,039
Depreciation	15,572	16,173	17,501	17,300	17,344	17,518	17,664	17,548	17,473	17,421	17,351	17,371
<b>Total non-debt funding for capital expenditure</b>	<b>18,046</b>	<b>34,246</b>	<b>20,418</b>	<b>21,001</b>	<b>22,510</b>	<b>20,977</b>	<b>20,339</b>	<b>19,526</b>	<b>20,248</b>	<b>19,861</b>	<b>19,909</b>	<b>22,807</b>
<b>LESS ASSET SALE PROCEEDS</b>												
Asset sales - LATES	-	-	-	-	-	6,000	-	-	-	-	-	-
Asset sales - other	2,867	1,000	4,750	3,000	1,300	-	-	-	-	-	-	-
<b>Total asset sale proceeds</b>	<b>2,867</b>	<b>1,000</b>	<b>4,750</b>	<b>3,000</b>	<b>1,300</b>	<b>6,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LESS OTHER ITEMS</b>												
Rate funding	2,476	113	(4,283)	(283)	353	407	428	1,146	1,786	2,426	760	926
Other cash adjustments	3,037	4,000	-	-	-	-	-	-	-	-	-	-
<b>Total other items</b>	<b>5,513</b>	<b>4,113</b>	<b>(4,283)</b>	<b>(283)</b>	<b>353</b>	<b>407</b>	<b>428</b>	<b>1,146</b>	<b>1,786</b>	<b>2,426</b>	<b>760</b>	<b>926</b>
<b>NET DEBT AT END OF THE YEAR</b>												
Current debt	36,684	66,636	30,823	33,984	32,225	29,945	22,713	24,782	21,301	14,216	17,314	22,799
Non-current debt	20,562	20,500	50,500	45,500	45,500	45,500	45,500	35,500	30,500	30,500	20,500	15,500
Less: Sinking funds	(10,941)	(5,044)	(2,679)	-	-	-	-	-	-	-	-	-
<b>Net debt at end of the year</b>	<b>46,305</b>	<b>82,092</b>	<b>78,644</b>	<b>79,484</b>	<b>77,725</b>	<b>75,445</b>	<b>68,213</b>	<b>60,282</b>	<b>51,801</b>	<b>44,716</b>	<b>37,814</b>	<b>38,299</b>



## Accounting Policies – Outline

### 1. Reporting Entity and Statutory Base

The Hutt City Council (the 'Council') is a territorial local authority governed by the Local Government Act 1974. The Council was first formed as Lower Hutt City Council on 1 November 1989 by the amalgamation of four local authorities and the Hutt Valley Drainage Board. The name of the Council was changed to 'The Hutt City Council' by a special Act of Parliament on 8 October 1991.

The activities of the Local Authority Trading Enterprises ('LATEs') owned by the Council are included in these Financial Statements only to the extent of any forecast dividends to be paid to the Council.

This Annual Plan and Budget have been prepared pursuant to section 223D of the Local Government Act 1974 and sections 31 and 32 of the Transit New Zealand Act 1989. For the purposes of the former Act, the outputs are deemed to be significant activities.

### 2. Measurement Base

The measurement base is historical cost adjusted for the revaluation of certain assets. Reliance is placed on the fact that the Council is a going concern. Accrual accounting is used to recognise and match the cost of services provided with revenues earned. Generally accepted accounting practices have been applied in relevant areas.

### 3. Specific Accounting Policies

#### A. 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 the 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.

#### B. 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.

#### C. Goods and Services Tax 'GST'

The 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.

## D. 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.

## E. Equity

Equity is the community's interest in the Council as measured by total assets less total liabilities. Equity is desegregated and classified into a number of reserves to enable clearer identification of the specified uses that the Council makes of its 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 the Council.

Reserves are created by the 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 the Council.

Restricted reserves are subject to specific conditions accepted as binding by the Council, which may not be revised by the Council 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.

## F. Accounts Receivable

Accounts receivable are recognised at expected realisable values after providing for doubtful and uncollectable debts.

## G. Inventories

Inventories are recognised at the lower of their cost, determined on a first-in first-out basis, and net realisable value.

## H. Fixed Assets

Expenditure of a capital nature of \$2,500 or more, or \$1,000 or more in the case of computer equipment, has been capitalised. Expenditure of less than \$2,500, or less than \$1,000 in the case of computer equipment, has been charged to operating expenditure.

Previously expenditure of a capital nature of \$1,000 or more was capitalised. This change in accounting policy does not have a significant impact on the council's financial statements.

Fixed assets consist of:

- **Infrastructure assets**

Infrastructure assets are the fixed utility systems owned by the Council. 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**

Restricted assets are parks and reserves owned by the Council, which cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community.

# Statement of Accounting Policies continued

## Valuation

All assets are valued at historical cost except for the following:

- land and buildings are valued at net current value. Revaluations are carried out three yearly
- infrastructure assets are valued at optimised depreciated replacement cost. Revaluations are carried out three 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 50% of the average land market value
- Seaview Marina is valued at net market value. Revaluations are carried out three yearly
- library literary assets are valued at depreciated replacement cost. Revaluations are carried out three 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.

The next asset revaluation is scheduled to occur during 2002/2003. Some changes to valuation methodology will be necessary to meet the requirements of Financial Reporting Standard No. 3, Accounting for Property, Plant and Equipment.

Fixed asset 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 has been expensed in the Statement of Financial Performance.

## Additions

Additions between valuations are recorded at cost, except for vested assets. Certain infrastructure assets and land have been vested in the Council as part of the subdivisional consent process. The vested reserve land has been valued at the most recent appropriately certified government valuation. 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.

## Work in progress

Work in progress is included at cost. The total cost of a project is transferred to the relevant capital class on its completion and then depreciated.

## I. Depreciation

Depreciation is provided on a straight-line basis on all fixed assets over their estimated economic lives with the following exceptions:

- art, museum collections and land are not depreciated and
- library collections are not depreciated. Book purchases are expensed each year.

The expected useful economic lives have been estimated as follows:

Estimated economic lives	Years
<b>Operational assets</b>	
Buildings	50 – 80
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

# Statement of Accounting Policies continued

Estimated economic lives	Years
<b>Infrastructure assets</b>	
Bridges	100
Drainage including manholes and drainpipe	80
Kerbing	80
Footpaths	40
Unsealed pavement (base course and sub base)	25 – 30
Street lights	25
Wharves	15
Traffic signals and signs	10
Seal	10 – 12
Reservoirs	80
Storm water pipe network assets	60 – 100
Water pipe network assets	60 – 90
Milliscreen plant	50
Pump and gauging stations	50
Sewerage pipe network assets	40 – 80
Gauging, milliscreen and reservoir equipment	15
Pump station control equipment	8 – 10

## J. Investments

### Investments in subsidiaries

Investments in operating subsidiary companies are stated at cost. Investments in property subsidiaries are valued at the lower of their cost and net realisable value.

### 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 is recognised as an expense 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.

## K. 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.

## L. Employee Entitlements

Provision is made in respect of the Council’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 present value of expected future entitlements.



# Statement of Accounting Policies continued

## M. Leases

### Finance leases

Finance leases effectively transfer to the lessee substantially all the risks and benefits incident to the ownership of the leased item. No material finance leases have been entered into as lessor.

### 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.

## N. Landfill Post Closure Costs

The Council, as operator of several landfills, has a legal obligation to provide ongoing maintenance and monitoring services at the landfill site after closure. Landfill charges have been set to provide for the estimated cost of aftercare. Surpluses generated from landfill operations are being used to create a reserve to fund future aftercare expenditure. The estimated cost of aftercare is calculated based on estimates of:

- **Total current cost**

This is defined as the amount that would be paid if all equipment, facilities and services included in the estimate were acquired during the current period. The estimate has been based on costs of closure of similar landfills by other local authorities.

- **Total capacity**

The estimated length of time needed for post-closure care is 25 years.

The Council intends to change its accounting policy for landfill post closure costs to meet the requirements of Financial Reporting Standard No. 15, Provisions, Contingent Liabilities and Contingent Assets. This change in accounting policy will not materially change the Council's financial statements.

## O. Financial Instruments

The 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 on 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 paragraphs F. and J.

- **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.

## Statement of Accounting Policies continued

- **Interest rate swaps and options**

The 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.

### P. Operating Statements Included in the Statement of Service Performance

The operating statements report the net cost of services for significant activities of the Council. The 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 the Council is allocated to each significant activity based on the net book value of fixed assets used by the activity.

### Q. Statement of Cash Flows

**Cash** means cash balances on hand, in bank accounts, demand deposits and other highly liquid investments which the Council holds as part of its day-to-day cash management.

**Operating activities** include cash received from all income sources within the 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 the 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 the Council.

## 4. Changes in Accounting Policies

The value reported in the Statement of Financial Position for fixed assets has been reduced by approximately \$34 million to reflect Upper Hutt City Council's beneficial interest in the bulk wastewater system owned by Council. Capital contributions from Upper Hutt City Council for the bulk wastewater system were previously recognised as revenue in the Statement of Financial Performance. These contributions are now recognised as an increase in Upper Hutt City Council's beneficial interest in the bulk wastewater system and accounted for in the Statement of Financial Position as outlined above.

There have been no other significant changes in accounting policies. All other policies have been applied on bases consistent with those used in previous years.

## 5. Prospective Financial Information

As from 1 September 1996 an updated Financial Reporting Standard No. 29 Prospective Financial Information ('FRS-29'), came into effect. FRS-29 was approved by the Accounting Standards Review Board for the purposes of the Public Finance Act 1989.

Prospective financial information disclosed in the Annual Plan must comply with this FRS. Previously Local Authorities were exempt.

Prospective financial information is based on assumptions about the future. It relates to events and actions that have not yet occurred and may not occur. The actual results achieved are likely to vary from the information presented and the variations may be significant.

## Statement of Accounting Policies continued

Prospective financial information can be presented in the following two forms:

- a forecast – this is prospective financial information prepared on the basis of assumptions as to future events and actions that are expected to take place
- a projection – this is prospective financial information prepared on the basis of one or more hypothetical but realistic assumptions, that reflect possible courses of action.

Prospective financial information disclosed in this Annual Plan was prepared using the assumptions detailed under the Long Term Financial Strategy.

Prospective financial information for the 2001/2002 financial year was prepared, in general, using actual financial results for the nine months ended 31 March 2002.

The purpose of disclosing prospective financial information is to enable the ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, financial position and cash flows of the Council.

All information regarding future year plans involves known and unknown risks, uncertainties and other factors which may cause actual results, performance and achievements to be materially different from those expressed or implied by such forward looking Financial Statements.

Such factors include, among other things:

- major natural disasters
- government intervention and law changes
- changes in Councillors and any resulting effects on future policy
- the sale or splitting out of specific operations of the Council
- other significant unforeseen factors.

Given these uncertainties readers are cautioned not to place undue reliance on the prospective financial information.

# Investment Policy – Outline

The Borrowing Management and Investment Policies are summarised extracts from the Council's Treasury Policy. The Treasury Policy has been reviewed and minor revisions made, which were adopted by the Council on 17 October 2000. The full document can be obtained on request from the Council.

The Council maintains investments in the following financial assets:

- treasury instruments incorporating longer term and liquidity investments
- equity investments, including shareholdings and loan advances to LATEs, trading and service enterprises, charitable trusts and incorporated societies. This includes community advances where the primary objective is social rather than financial return
- property investments, including deferred payment arrangements.

## Treasury Investments

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The Council maintains treasury investments for the following primary reasons:

- invest amounts allocated to special funds, trusts, sinking funds and reserves
- invest funds allocated for approved future expenditure, to implement strategic initiatives or to support inter-generational allocations
- invest proceeds from the sale of assets
- invest surplus cash, and working capital funds.

## Equity Investments and Loan Advances

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Investments include shareholdings in and advances to LATEs, charitable trusts, incorporated societies, community groups and other long term investments which are consistent with the Council's strategic plan.

The Finance and Corporate Review Committee reviews performance of these investments on a regular basis to ensure strategic and economic objectives are being achieved.

Advances and loans are only provided to organisations where the Council has a significant interest. In default, the assets of the organisation would revert to the Council.

All dividend income from the Council's equity investments is included in the consolidated revenue account.

Any disposition of these investments requires the Council's approval. The proceeds from the sale of significant investments are used to repay the Council's borrowing.

## Property Investments

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The Council's overall objective is to only own property that is necessary to achieve its strategic objectives. As a general rule, the Council will not maintain a property investment where it is not essential to the delivery of relevant services, and property is only retained where it relates to a primary output of the Council. The Council reviews property ownership through assessing the benefits of continued ownership in comparison to other arrangements. This assessment is based on the most financially viable method of achieving the delivery of its services. The Council generally follows a similar assessment criterion in relation to new property investments.

From time to time and subject to the Council's approval, the sale of property may be financed through a deferred payment or mortgage arrangement. Loans are provided on a commercial basis and have a first charge over the property.

The Finance and Corporate Review Committee reviews the performance of the Council's property investments on a regular basis.

All income, including rentals and ground rent from property investments, is included in the consolidated revenue account.

Any disposition of property requires the Council's approval. The proceeds from the sale of property are used to repay borrowing.

# Investment Policy – Outline continued

## Investment Objectives

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The General Manager Finance and the Treasurer set the overall investment strategy, by reviewing on a regular basis cash flow forecasts incorporating plans for approved expenditure and strategic initiatives, evaluating the outlook for interest rates.

The Council's primary objective when investing is the protection of its investment. Accordingly, only credit worthy partners are acceptable.

Credit worthy partners are selected on the basis of their current Standard and Poor's (Australia) Pty Limited credit rating which must be a long term credit rating of A+ or better. Credit ratings are monitored on a monthly basis by the Treasury Accountant.

Within the above credit rating constraints, the Council also seeks to:

- maximise investment return
- ensure investments are liquid
- manage potential capital losses due to interest rate movements if investments need to be liquidated before maturity.

The following principles form the key assumptions of the operating parameters contained in the investment framework:

- credit risk is minimised by placing maximum limits for each broad class of non-Government issuer, and by limiting investments to registered banks, strongly credit rated State Owned Enterprises, and certain corporates within prescribed credit limits
- liquidity risk is minimised by ensuring that all investments must be capable of being liquidated in a readily available secondary market. Furthermore, the Council maintains at least 25% of the sinking fund pool with a maturity of less than one year.

## Interest Rate Risk Management

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The Council's investments give rise to a direct exposure to a change in interest rates, impacting on the return and capital value of its fixed rate investments.

The General Manager Finance and the Treasurer set the interest rate risk management strategy by monitoring the interest rate markets on a regular basis, evaluating the outlook and determining the interest rate profile to adopt for investments.

The interest rate risk management strategy is implemented by reviewing rolling cash flow forecasts and using risk management instruments to protect investment returns and to change the interest rates exposure and the maturity profile.

The following interest rate risk management instruments may be used to manage risk:

- forward rate agreements
- interest rate swaps
- interest rate option based products.

Selling interest rate options for the purpose of generating premium income is not permitted.

## Sinking Funds

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Under Part VIIA of the Local Government Act 1974, and after 1 July 1998, the Council is not required to use specific borrowing mechanisms and therefore the Council uses its discretion in determining whether a sinking fund mechanism is appropriate. The Council operates sinking funds and nominated commissioners to administer the outstanding loans. The sinking fund commissioners are the Mayor and Deputy Mayor. Sinking funds are managed as part of the Council's overall investment portfolio.

A statement of sinking funds is prepared annually by the sinking fund commissioners and reported to the Council.

# Borrowing Management Policy

## – Outline

The Borrowing Management and Investment Policies are summarised extracts from the Council's Treasury Policy. The Treasury Policy has been reviewed and minor revisions made, which were adopted by the Council on 17 October 2000. The full document can be obtained on request from the Council.

The Council exercises its flexible and diversified borrowing powers within Part VIIA of the Local Government Act 1974. The Council approves borrowing by resolution during the annual planning process. Projected debt levels are ascertained from detailed revolving cash flow forecasts prepared during the strategic and annual planning processes.

### Borrowing Objectives

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The Council raises borrowing for the following primary purposes:

- general debt to fund the balance sheet and from time to time liquidity requirements
- specific debt associated with 'special one-off' projects and capital expenditure
- to fund assets with inter-generational qualities.

### Borrowing Arrangements

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The 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 the Treasurer will take into account the following:

- the size and the economic life of the project
- the impact of the new debt on the borrowing limits
- relevant margins under each borrowing source
- the 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.

### Borrowing Limits

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The Borrowing Management Policy contains limits in order to avoid excessive exposure to interest rate and liquidity risks. These limits are adhered to by the General Manager Finance and the Treasurer, and monitored by the Council's Finance and Corporate Review Committee.

The limits include maintaining:

- net debt (gross debt less sinking fund investments) below \$100 million
- gross interest expense below 10% of the Council's revenue
- unhedged floating rate debt below \$25 million and below 25% of gross debt
- debt due for refinancing in any one financial year below the total of \$20 million plus 25% of total borrowings plus undrawn committed borrowing facilities maturing beyond the end of the financial year
- a liquidity ratio above 0.50 to 1.00 after allowing for undrawn committed credit lines
- Standard & Poor's liquidity requirements for A-1+ rated short term issuers
- liquid investments above specified minimums.

# Funding Policy – Outline

In 1998 the Hutt City Council (the ‘Council’) adopted its first Funding Policy. This gave residents and ratepayers an opportunity to be involved in the policy settings for the Council’s revenue. For the first time the Council had to clearly state who was going to pay for services, and why. By law this policy must be fully reviewed every three years.

In 2001 the Council completed the first full review of its Funding Policy. The following section provides an outline of the Funding Policy 2001 – 2004. The full policy document can be obtained, free of charge, on request from the Council.

## Purpose

This Funding Policy has been prepared to meet the requirements of Part VIIA of the Local Government Act (the ‘Act’). The purpose of this new legislation is to promote prudent, effective, and efficient financial management by local authorities. This is achieved through public input into the Council’s decision making, using a greater level of information and consultation than existed before. For all revenue, including rates, councils are now required to explain to their communities what the money is for, who is paying and why.

## Process

The Funding Policy is developed through a compulsory three step process involving funding principles, funding modifications and funding mechanisms. This process covers all operating and capital expenditures.

Decision Makers	Process Step	Issues Covered
Officers	One	Economic allocation of costs according to benefits received. Includes public funding distribution.
Councillors	Two	Modifications for the interests of residents and ratepayers, fairness and equity, lawful policies and adjustment difficulties. The distribution of public funding between rating groups.
Councillors	Three	Further adjustments to the allocation of costs due to the practicality, efficiency and transparency of the funding mechanisms available to the Council.
Councillors		Consultation

The costs of servicing the loans are allocated to each activity according to the proportion of the Council’s physical assets used by that activity. Depreciation and net interest costs based on these assets is included in the operating cost. The distribution of the debt reduction costs through the operating surplus to the community is treated as a separate issue and is not allocated to a specific activity.

The Council reviewed all of its activities as part of the Strategic Planning process undertaken in 1999/2000. The Council decided to continue with all of its existing operations, which are reported on under 20 significant activities. These account for the Council’s entire operations and budget. The criteria used to identify these were activities that:

- (a) have significant financial consequences for Hutt City and
- (b) benefit people and groups in different ways, or at different levels, than do other services or
- (c) are of such importance to the community that they should be analysed and reported separately.

The previous Funding Policy had 38 significant activities. A number of these proved to be too small to provide stable budget analysis over time and on review did not meet the criteria set out above.

## Funding Policy Requirements

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The Act requires the Council to carry out an assessment of all the significant activities of the Council and determine:

- who benefits
- who should pay
- how the payments will be made
- why the Council is providing the service.

The Act provides a process to achieve this and allows for public input into the decisions made by the Council. The Act clearly intends for Councillors to modify the theoretical assessment to reflect the wishes and needs of the community. There are no 'correct' answers to each final target. Information on averages from other councils is intended to be used as information only.

### **STEP 1** Funding Principles (indicative allocation of costs)

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The Act states:

#### **'Section 122F – Principles relating to funding of expenditure needs**

The principles referred to in section 122E(1)(a) of this Act (which principles are not ranked in order of priority) are:

- (a) the principle that the costs of any expenditure should be recovered at the time that the benefits of that expenditure accrue
- (b) the principle that, to the extent that any expenditure:
  - (i) is independent of the number of persons who benefit or
  - (ii) generates benefits that do not accrue to identifiable persons or groups of persons or
  - (iii) generates benefits to the community generally,

the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988

- (c) the principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons and
- (d) the principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.'

#### **Interpretation**

The sections above have been widely interpreted to mean the following:

- (a) intergenerational equity
- (b) public good
- (c) user pays or private benefit and
- (d) exacerbator pays.

While the Act does not use these words specifically they have come to be the accepted industry practice. They are used to try and simplify the legal meanings so that more people can understand the basis for the analysis.

#### **Intergenerational Equity**

This principle 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. The method used to spread these costs over time is to use loan funding. This ensures that current ratepayers do not pay for benefits received by future ratepayers. Each year ratepayers pay the costs of operating the asset, including the interest and depreciation charges that are associated with it. 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.



# Funding Policy – Outline continued

## Public Good

This principle aims to identify those expenditures that should be funded by the community in general. Expenditure funded by the community should be used where:

- additional people benefiting has little or no impact on costs, for example, Streetlighting
- the person or people benefiting cannot be identified, for example, Parks and Reserves
- the community in general benefits, for example, Elected Members.

For benefits of this type it is either not possible, practical, or desirable to charge people directly so they are funded through rates. It is not necessary that the entire community benefits for this principle to be applied.

## User Pays

This principle applies where direct benefits to an individual or groups of people can be identified. In this case the costs of those benefits should be funded on a user pays basis. It must be possible to identify the user and to withhold the service if they choose not to pay, for example, refuse disposal.

## Exacerbator Pays

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 the Council should recover any costs directly from those causing the problem. Examples are fixing a chemical spill, dog control, littering and parking fines. These are actually public bads rather than public goods.

Once these principles are applied to each activity, a picture emerges of how different parts of the community benefit from the Council's services. This is subjected to professional peer review and then presented to the Councillors as the community's representatives as the Indicative Allocation of Costs, which is what people would pay if they only paid for the benefits they received.

For the purposes of this policy the benefits obtained by the general public from the control of public bads are included as private benefits under this principle.

The Indicative Allocation of Costs is the basis for the Council's modifications in step two.

## **STEP 2** Policy Modifications to Indicative Allocation of Costs

The Indicative Allocation of Costs is a technical assessment of who benefits from the Council's activities. This might not always be compatible with the Council's objectives for the community. The legislation allows the Council to modify the way in which the costs are shared according to the following considerations:

### Section 122G – considerations related to funding of expenditure needs

The considerations referred to in section 122E(1)(b) of this Act (which considerations are not ranked in order of priority) are:

- (a) the obligation of the local authority to act in the interests of its residents and ratepayers
- (b) the fairness and equity of any allocation of costs
- (c) any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy and
- (d) balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.

# Funding Policy – Outline continued

## Interpretation

The sections above have been widely interpreted to mean the following:

- (a) the interests of residents and ratepayers
- (b) fairness and equity
- (c) lawful policies
- (d) transition period.

While the Act does not use these words specifically they have come to be the accepted industry practice. They are used to try and simplify the legal meanings so that more people can understand the basis for the analysis. Reflecting the diverse nature of communities across New Zealand, there is a wide range of modifications made at this stage by different councils. Clearly there is no correct answer and the Council should look to modify, where needed, to best suit the needs of Hutt City.

## The Interests of Residents and Ratepayers

This broad consideration allows the Council to modify the Indicative Allocation of Costs which, if left unchanged, would be detrimental to the interests of the community as a whole.

## Fairness and Equity

Where the Indicative Allocation of Costs places unaffordable financial burdens on sectors of the community, modifications can be made to shift those burdens on to either the community in general or sectors that can afford to pay. The Council can also modify the distribution of public funding between sectors of the community.

## Lawful Policies

Where the Council has policies to achieve specific results in Hutt City, it can alter the allocation of costs to best achieve these. For example, the Council wishes to promote environmental values in the community. Recycling will not occur at levels the Council desires if left to the private sector, so it is subsidised through rates.

## Transition Period

If the Council decides to shift the incidence of rates from one sector to another, or from public funding to user pays, the impact on individuals can be significant. To allow residents and/or ratepayers time to plan for an impact, the Council can phase these changes in over a number of years. This period is generally five years.

## **STEP 3** Practicality, Efficiency and Accountability Modifications

Once the Council has modified the Indicative Allocation of Costs, it then assesses whether it is practical to collect its income from the community in that manner.

The Council is limited in how it can collect funds by the Rating Powers Act 1988. For example, the Council cannot vary uniform annual charges according to the type of property concerned. The limitations of this Act are being reviewed by Parliament, but until this is complete, the Council must achieve the desired allocation of costs within its limits.

It is desirable that every member of the community knows exactly how much he or she is being charged for each of the Council's activities. This gives a high degree of accountability. There are 20 such significant activities, however, and some of these represent only a dollar or two per person per year. The cost of separating out every activity is too expensive in relation to the amount of money collected. For practicality reasons, therefore, the Council currently combines the cost of many activities into the 'General Rate' charge.

The Practicality and Accountability modifications are:

### Section 122H – matters related to mechanisms for funding of expenditure needs

# Funding Policy – Outline continued

The matters referred to in section 122E(1)(c) of this Act are:

- (a) the extent to which any funding mechanism or combination of funding mechanisms lawfully available to the local authority can achieve any allocation of costs
- (b) the efficiency, including the costs, of the different funding mechanisms available to the local authority
- (c) the extent to which it is efficient and effective to fund any expenditure need by a funding mechanism that is separate from those used to fund any other expenditure of the local authority
- (d) the extent to which different funding mechanisms lawfully available to the local authority will allow persons or categories of persons to whom costs are allocated to identify the expenditure needs to which those costs relate.

## Interpretation

The sections above have been widely interpreted to mean the following:

- (a) lawfully achieving objectives
- (b) efficiency
- (c) separate or general rate
- (d) transparency.

## Lawfully Achieving Objectives

Any method the Council may wish to use to best achieve its objectives needs to be lawful. Only those rating methods as stated in the Rating Powers Act 1988, can be utilised by the Council.

## Efficiency

The preferred funding method may involve the collection of user charges. In some activities, such as Parks and Reserves, the cost of collection (structures and staff) will be higher than the revenue gained.

## Separate Rate or General Rate

For some activities the quantity of rates funding to be collected amounts to only a few cents for each ratepayer. The administrative costs and lack of significance would lead the Council to fund a number of activities in a general rate.

## Transparency

The Council needs to weigh up administrative costs and complexity against the need for ratepayers to more clearly understand the costs they are being charged for each activity.

## Economic Allocation of Costs

After analysing the 20 significant activities of the Council (see table on the following page) an overall picture of private versus public funding from a strictly economic assessment can be made.

When the assessment was done in 2001 the Council had operating expenditure of \$78.2 million a year. This assessment indicated that \$44.8 million (58%) of this should be funded from a user pays basis (including uniform annual charges for water and wastewater as a proxy for a user charge). At that time the Council funded \$35.8 million (46%) from a user pays basis. The step one analysis concluded that there was a private benefit subsidy of \$9.0 million funded from public rates income.

## Funding Policy – Outline continued

### Council Modifications – the Impact of the Council’s Policy and Lawful Rating Methods

The Council has reviewed the economic assessment in the light of the Council’s policies, the ability of people to pay, fairness and equity, the legal ability of the Council to impose charges and the efficiency of doing so. The results of all of these decisions are summarised in the table below by significant activity.

Significant Activity	Step 1	Step 2	Step 3
1. Libraries	50	6	6
2. Museums	50	30	20
3. Aquatics and Recreation Programmes	60	39	39
4. Parks and Reserves	20	10	10
5. Community Assistance	20	5	5
6. Community Property	60	40	21
7. Elected Members	-	-	-
8. Advice and Support Services	-	-	-
9. Roading and Traffic Management	54	50	22
10. Parking	100	150	156
11. Water Supply	90	90	90
12. Wastewater	95	95	95
13. Stormwater	20	-	-
14. Solid Waste Management	95	98	98
15. Environmental Management	60	50	45
16. Emergency Management	-	7	7
17. Animal Control	95	95	97
18. Urban Design and Enhancement	15	-	-
19. Commercial Property	95	95	95
20. Economic Development	25	-	-
<b>Whole of Council</b>	<b>58</b>	<b>50</b>	<b>45</b>

The Funding Policy concludes that the overall current proportion of user charges is about right. Some services will see an increase in the level of charges. The Council’s expenditure in the Wastewater area is increasing significantly and the Council has agreed to the introduction of Trade Waste Charges. The overall proportion of total operating expenditure is not expected to increase.

# Funding Policy – Outline continued

## Summary of Step 3

	Percentage of Private Benefit				
	HUTT CITY COUNCIL			Survey of 32 Councils	
	Funding Policy 2001	Funding Policy 1998	2000/2001 Budget	Urban 1998	All Councils 1998
1. Libraries	6	6	6	8	11
2. Museums	20	18	17	22	23
3. Aquatics and Recreation Programmes	39	39	33	47	31
4. Parks and Reserves	10	17	10	11	11
5. Community Assistance	5	7	1	7	5
6. Community Property	21	40	21	38	32
7. Elected Members	-	-	-	-	-
8. Advice and Support Services	-	-	-	-	-
9. Roading and Traffic Management	22	30	22	19	31
10. Parking	156	122	156	92	88
11. Water Supply	90	80	84	64	86
12. Wastewater	95	100	111	63	77
13. Stormwater	-	1	-	-	14
14. Solid Waste Management	98	94	111	98	63
15. Environmental Management	45	50	45	51	51
16. Emergency Management	7	7	7	3	1
17. Animal Control	97	95	97	84	84
18. Urban Design and Enhancement	-	-	-	-	-
19. Commercial Property	95	85	96	100	94
20. Economic Development	-	-	-	4	6
<b>Whole of Council</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>41*</b>	<b>39*</b>

\* Simple averages only

# Funding Policy – Outline continued

## Public Funding Distribution

The table below sets out how the rates funding needed for each activity has been assessed for the residential, business and rural sectors.

### Public Funding

	Residential	Business	Rural
<b>Proportion of Capital Value – July 2000</b>	<b>81.4%</b>	<b>17.1%</b>	<b>1.5%</b>
1. Libraries	81.4%	17.1%	1.5%
2. Museums	64.8%	34.0%	1.2%
3. Aquatics and Recreation Programmes	81.4%	17.1%	1.5%
4. Parks and Reserves	81.4%	18.1%	0.5%
5. Community Assistance	81.4%	17.1%	1.5%
6. Community Property	81.4%	17.1%	1.5%
7. Elected Members	81.4%	17.1%	1.5%
8. Advice and Support Services	81.4%	17.1%	1.5%
9. Roading and Traffic Management	29.0%	70.0%	1.0%
10. Parking	81.4%	17.1%	1.5%
11. Water Supply	81.4%	18.6%	0.0%
12. Wastewater	81.4%	18.6%	0.0%
13. Stormwater	60.3%	39.0%	0.8%
14. Solid Waste Management	81.4%	17.1%	1.5%
15. Environmental Management	19.0%	80.0%	1.0%
16. Emergency Management	81.4%	17.1%	1.5%
17. Animal Control	20.0%	0.0%	80.0%
18. Urban Design and Enhancement	10.0%	90.0%	0.0%
19. Commercial Property	81.4%	17.1%	1.5%
20. Economic Development	0.0%	100.0%	0.0%
Other Opex Offsets (petrol tax, rates penalties, interest income)	81.4%	17.1%	1.5%
<b>Total Public Funded Operating Expenditure</b>	<b>60.6%</b>	<b>38.3%</b>	<b>1.1%</b>
Debt repayment ten-year average	49.0%	50.0%	1.0%

### Overall Rating Burden

The overall public funding distribution can be stated as a ratio of total rates to total capital value. The bottom-up analysis summarised above is compared to the proportion of capital value each sector has of the total City capital value. For example, the business sector is currently paying 34% of total rates, but it only makes up 17% of Hutt City's capital value. This results in an overall funding ratio of 2.0. The Funding Policy aims for a final ratio of 1.7.

Sector	Actual 2000/2001	Funding Policy Target 2006
<b>Residential</b>	<b>0.8</b>	<b>0.9</b>
<b>Business</b>	<b>2.0</b>	<b>1.7</b>
<b>Rural</b>	<b>0.3</b>	<b>0.5</b>

These overall ratios are far more meaningful than merely focusing on the general rate differentials (business is currently 4.1, residential 1.0 and rural 0.7 of capital value) as they relate to the entire rates bill rather than only one part of it.

## Funding Policy – Outline continued

The result of this analysis reaffirms the current Council view that the business sector is paying too much for the services it receives. Overall (including the uniform water and sewer charges) the business sector is subsidising the residential sector by \$2.1 million and the rural sector by \$0.2 million. This analysis concludes that the fair proportion of the total rates income should be the following:

Sector	Percentage of Total Rates Actual 2000/2001	Percentage of Total Rates Funding Policy
Residential	65.1%	70.6%
Business	34.2%	28.7%
Rural	0.5%	0.7%

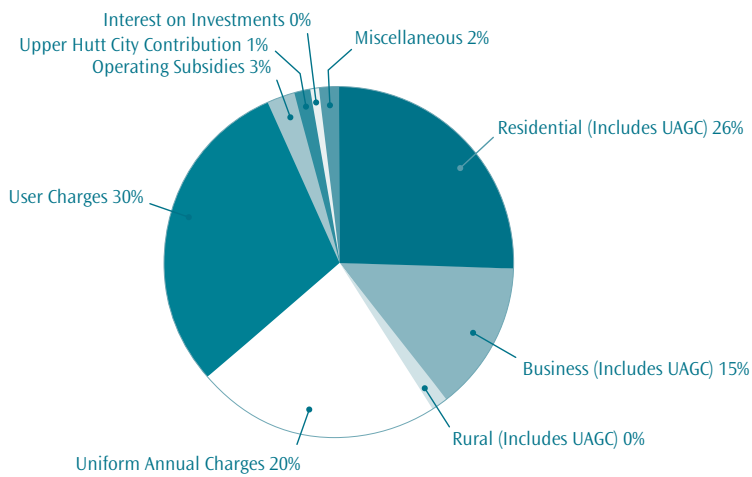
To fully implement this decision residential rates need to increase by around 9% and rural rates by 61%. Business rates would decrease by \$2.3 million or 13%. When the impact of the wastewater plant and other Council initiatives are added, the following profile of income results:

### Funding Mechanism

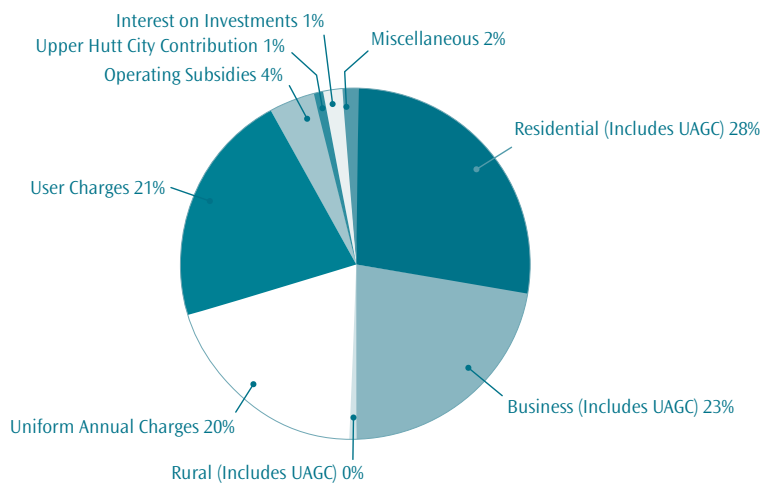
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006
<b>For Operating Expenditure</b>						
<b>Rates Funding</b>						
Residential (Includes UAGC)	27.8%	27.3%	27.6%	28.0%	28.6%	29.3%
Business (Includes UAGC)	23.2%	22.8%	21.7%	20.9%	20.2%	19.5%
Rural (Includes UAGC)	0.3%	0.3%	0.4%	0.4%	0.5%	0.5%
Uniform Annual Charges	20.0%	21.2%	21.9%	22.6%	23.0%	22.9%
User Charges	21.3%	21.3%	21.2%	21.2%	20.9%	20.9%
Operating Subsidies	3.6%	3.6%	3.5%	3.5%	3.4%	3.4%
Upper Hutt City Contribution	0.8%	1.0%	1.5%	1.5%	1.5%	1.5%
Interest on Investments	1.3%	1.0%	0.7%	0.5%	0.4%	0.4%
Miscellaneous	1.6%	1.6%	1.6%	1.6%	1.5%	1.5%
<b>Total Operating Revenue</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>For Operating Expenditure</b>						
Long Term Borrowing	-11.0%	55.1%	-1.2%	8.8%	-8.1%	-39.4%
Upper Hutt City Contribution	2.7%	20.4%	6.1%	11.6%	9.3%	0.9%
Capital Subsidies	5.8%	0.8%	3.9%	1.7%	6.9%	2.1%
Transfer from Reserves	3.2%	0.9%	6.0%	2.8%	1.5%	2.3%
Depreciation	99.2%	22.7%	85.1%	75.2%	90.3%	134.1%
<b>Total Capital 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>

# Funding Policy – Outline continued

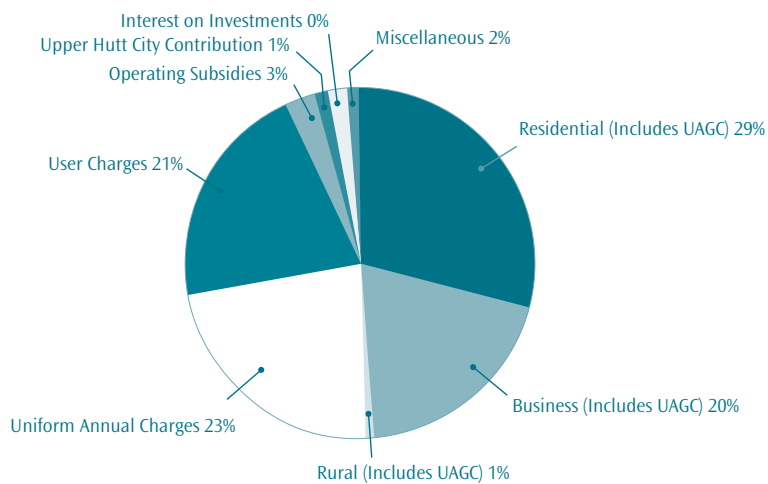
## Step 1 Indicative Allocation of Operating Costs



## 2000/2001 Actual Allocation of Operating Costs



## Proposed Allocation of Operating Costs 2005/2006





# Transfund New Zealand Funding

The information set out below is provided to meet the requirements of sections 31 and 32 of the Transit New Zealand Act 1989.

The figures shown in the table below are included in the roading and traffic management activity Statement of Financial Performance.

Surpluses and deficits relating to this activity are dealt with as follows:

- any operating surplus is first applied to fund capital expenditure and the remainder used to reduce the net funding requirement from rates
- any operating deficit is funded from rates.

## PROFESSIONAL SERVICES BUSINESS UNIT – OPERATING STATEMENT

<b>Revenue/sales from:</b>	<b>\$000</b>
In-house professional services for Transfund New Zealand financially assisted roading	232
Other activities	1,520
<b>Total revenue</b>	<b>1,752</b>
<i>Less:</i>	
Operating costs	1,752
<b>Total operating costs</b>	<b>1,752</b>
<b>Net surplus</b>	<b>-</b>

# Fees and Charges

The Council's fees and charges for 2002/2003 are either the result of the Funding Policy or are transitional steps towards achieving the required targets as specified in the Funding Policy (refer to pages 126 to 135).

Each significant activity has been analysed using the Three Step Process, outlined in the Funding Policy, to obtain the appropriate funding mechanisms, including fees and charges.

The Funding Policy is used to set the total revenue required from fees and charges. Individual fees and charges are based on estimated levels of use for each activity. The proportion of revenue made up from fees and charges will increase over the life of the Funding Policy.

Council reserves the right to vary fees and charges at its discretion in accordance with Section 690A of the Local Government Act 1974.

This year the Council has made changes to fees and charges in the provision of cemetery fees and charges, Resource Consent applications, landfill services and parking.

All fees and charges include Goods and Services Tax.

## CEMETERIES

### Plot Purchase and Maintenance in Perpetuity

Adult	\$1,099.00
Child (1 to 12 years)	\$267.00
Child (under 1 year)	\$186.00
Ashes	\$347.00
Ashes entrance garden, Block 17	\$678.00
Memorial tree plots, Block 18	\$454.00
Ponga trail, Block 19	\$544.00
Monumental plots, Block 16	\$1,598.00

### Interment Fees

Adult	\$472.00
Child (1 to 12 years)	\$368.00
Child (under 1 year)	\$71.00
Ashes	\$54.00

### RSA Section

Burial plot purchase	No charge
Burial interment fee	\$472.00
Ashes plot purchase	No charge
Ashes interment fee	\$54.00
Ashes interment (memorial wall)	\$54.00

### Disinterments

Burial (to top level of top casket only)	\$526.00
Burial (lower than top of top casket)	Actual cost
Ashes	\$152.00

### Re-interments

To be charged as for interment fees

## Special Fees and Charges

Outside district fees – all interments and disinterments	\$389.00
Casket larger than standard	\$132.00
Triple depth burial interment	\$132.00
Outside standard burial hours	Actual cost
Plaque/Memorial fees	\$21.00
Plot cancellation fee	\$37.00
Breaking of concrete	Actual cost
Search fee: Per entry (up to 30 minutes)	\$8.00
Maximum charge	

## ENVIRONMENTAL APPROVALS

### Resource Consents

#### Non-Complying Activity

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)	\$1,675.00
No hearing required	\$1,300.00
Non-notified Resource Consent	\$270.00

#### Discretionary Activity

Hearing required	\$1,675.00
No hearing required	\$1,300.00
Non-notified Resource Consent	\$270.00

#### Notified Controlled Activity

Hearing required	\$1,675.00
No hearing required	\$1,300.00
Non-notified Resource Consent	\$270.00
Review by consent authority	\$112.50
Controlled activity	\$270.00
Any special inspections (per hour)	\$75.00
Outline plans	\$112.50

#### Subdivisions (including Title/Cross Lease)

Certificate under section 223 – Resource Consent	\$270.00
Certificate under section 224(c)	\$150.00
Rights of way	\$202.50

#### Certificate of Compliance

Resource Management Act	\$270.00
Planning certificate under Sale of Liquor Act 1989, and in relation to motor vehicle dealers	\$112.50

#### Discharge of Withdrawal of Registerable Agreement

Legal costs plus officers time at (per hour)	\$75.00
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Removal of Building Lines (plus disbursements)	\$112.50
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#### Adjustment of Easements

Legal costs plus officers time at (per hour)	\$75.00
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## 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 charged at \$720.00 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. Actual advertising costs shall be payable by the requiring authority. 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.

## LANDFILLS

### Domestic Vehicles (cash only)

Cars and station wagons	\$6.00
Vans, utilities, small trailers	\$10.00
Large trailers, small trucks	\$15.00

### Car Bodies

Clean car bodies	\$12.00
Other car bodies	\$35.00

### Trade Vehicles (per tonne)

	Minimum Charge	
General refuse	\$45.00	\$22.50
Special burials	\$65.00	\$32.50
Hazardous wastes (by arrangement)	\$130.00	\$65.00

#### 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.

### Refuse Bags

Plastic bags – packet of 10	\$10.00
Plastic bags – packet of 50	\$47.50

## PARKING

### Meters (Monday to Saturday)

1 hour time limit (per hour)	\$1.20
2 hour time limit (per hour) (apart from Rutherford Street)	\$1.20
Rutherford Street (per hour)	\$0.80
No time limit	\$0.60/hour up to 6 hours then \$0.10/hour

### Pay and Display

#### Off-street areas (Mon to Fri)

Civic Fountain/Dowse/Stevens Grove (per hour)	\$0.60
Maximum per day	\$4.00

#### Riverbank carpark (Mon to Fri)

Per hour	\$0.40
Maximum per day	\$2.00

(reduced charges may apply from time to time in some areas of the Riverbank carpark)

#### On-street areas (Mon to Fri)

Myrtle Street – all day angle parking (per hour)	\$0.40
Maximum per day	\$2.00
Raroa Road/Bloomfield Terrace – 1 hour time limit (per hour)	\$1.20
Cornwall Street – 2 hour time limit (per hour)	\$1.20
Cornwall Street – all day parking	\$0.60 per hour up to 6 hours then \$0.10/hour

#### Leased Parking

Riverbank (standard rate) per week	\$15.00
Victoria Street (standard rate) per year	\$260.00

#### Penalties – Metered Areas

Maximum as set out in the Transport Act

#### Penalties – Pay and Display Areas

Not displaying a Valid Ticket	\$40.00
Overstaying where the excess time is:	
Not more than 30 minutes	\$12.00
More than 30 minutes but not more than 1 hour	\$15.00
More than 1 hour but not more than 2 hours	\$21.00
More than 2 hours but not more than 4 hours	\$30.00
More than 4 hours but not more than 6 hours	\$42.00
More than 6 hours	\$57.00

#### Miscellaneous

Construction loading zones	Site specific
Meter hoods (per day)	\$12.00

### SEAVIEW MARINA

#### Berths

	Annual lease
10 metre	\$2,200.00
12 metre	\$2,450.00
14 metre	\$2,600.00
16 metre	\$2,850.00
18 metre	\$3,650.00
20 metre	\$3,950.00
Trailer parks	\$750.00
Moorings	\$950.00
Registration fee	\$56.25

### OFFICIAL INFORMATION

#### Schedule of Charges for the Provision of Information Under the Local Government Official Information and Meetings Act 1987 (The 'Act')

- If the request is made by an identifiable natural person seeking access to any personal information about that person then such requests are not subject to any charge
- Where repeated requests are made in respect of a common subject in any four week period, requests after the first shall be aggregated for charging purposes

- (c) If the aggregate amount of staff time spent in actioning the 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 **\$25.00**
  - then for each additional half hour or part thereof **\$28.00**
- (d) Photocopying on standard A4 or foolscap paper will be free of charge for the first 20 pages and thereafter will be charged at (per page) **\$0.20**
- (e) All other charges incurred shall be fixed at an amount which recovers the actual costs involved. This will include:
- producing a document by the use of a computer or other like equipment
  - reproducing a 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
- (f) A charge may be modified or waived at the discretion of a Deputy Chief Executive 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
- (g) The charge may not include any allowance for:
- information which is not where it ought to be
  - time spent deciding whether or not access should be allowed and in what form
- (h) In accordance with section 13(4) of the Act, charges shall be paid in advance.
-

These definitions are intended to define terms used in this Annual Plan in plain English. For legal definitions see the Local Government Act 1974.

## **Asset**

Something of value that the 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.

## **Draft Annual Plan**

A plan that describes what activities the Council will do, the reasons for doing them, the performance measures used and how much revenue and expenditure it needs to undertake each activity.

## **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 the 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 the Council and can represent community concerns to the Council (see also Ward Committees). Hutt City Council has three Community Boards: Eastbourne, Petone and Wainuiomata.

## **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**

This Annual Plan covers the period from 1 July 2002 to 30 June 2003.

## **Funding Policy**

The Funding Policy is about who should pay for the Council's activities. The Funding Policy outlines who will benefit from each activity and who should pay for it, taking account of fairness and what is practical.

## **Land Value**

Value of land, excluding any improvements.

## **Local Authority Trading Enterprise ('LATE')**

A commercial company owned by the Council.

## **Local Government Act 1974**

The law that defines the powers and responsibilities of territorial local authorities like Hutt City.

## **Long Term Financial Strategy ('LTFS')**

This is a ten-year plan for the Council's revenue and expenditure, cash flows, and borrowing program.

## **Maintenance Costs**

Expenditure in relation to repairs and maintenance of the Council's assets.

### **Mana Whenua**

People with the mana of the land.

### **Operating Expenditure**

Expenditure for the normal services of the Council.

### **Operating Projects**

Expenditure on significant projects that do not result in the creation of the Council's assets.

### **Performance Measure**

A measure that shows how well the Council is doing in achieving the goals it has set for itself.

### **Rates**

Funds collected by the 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 Charges.

### **Runanganui o Taura Here ki Rimutaka**

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.

### **Significant Activities**

All the things that the Council does. This plan lists 20 separate significant activities along with the management of investments and managing the organisation.

### **Supplier Costs**

Expenditure for the purchase of general goods and services.

### **Support Costs**

The internal allocation of expenditure incorporated in significant activity 22, 'Council Management Services'.

### **Taonga**

A highly prized resource.

### **Te Atiawa**

Local tangata whenua with inherited land ownership with kinship to northern Taranaki Te Atiawa.

### **Uniform Annual Charge ('UAC')**

Income to the Council for specific services by a levy of an equal amount on each rateable property that uses these services (this charge does not vary with value of the property).

### **Uniform Annual General Charge ('UAGC')**

Income to the Council for general use by a levy of an equal amount on each rateable property (this charge does not vary with value of the property).

### **User Charges**

Income to the Council by fees paid by those who use specific services provided by the Council.

### **Ward Committees**

Local committees set up by the Council. Ward Committees are consulted by the Council and can represent community concerns to the Council (see also Community Boards). Hutt City Council has four Ward Committees: Central, Eastern, Northern, and Western.

### **Wellington Tenths Trust Te Atiawa**

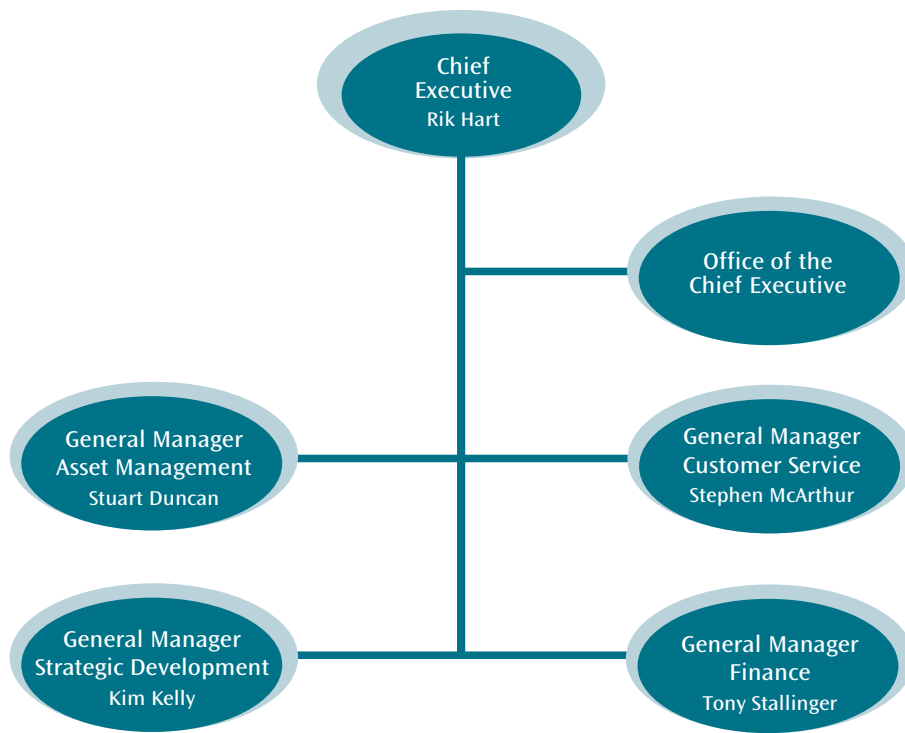
Local tangata whenua with inherited land ownership to Wellington and Hutt Valley and kinship to Northern Taranaki Te Atiawa.



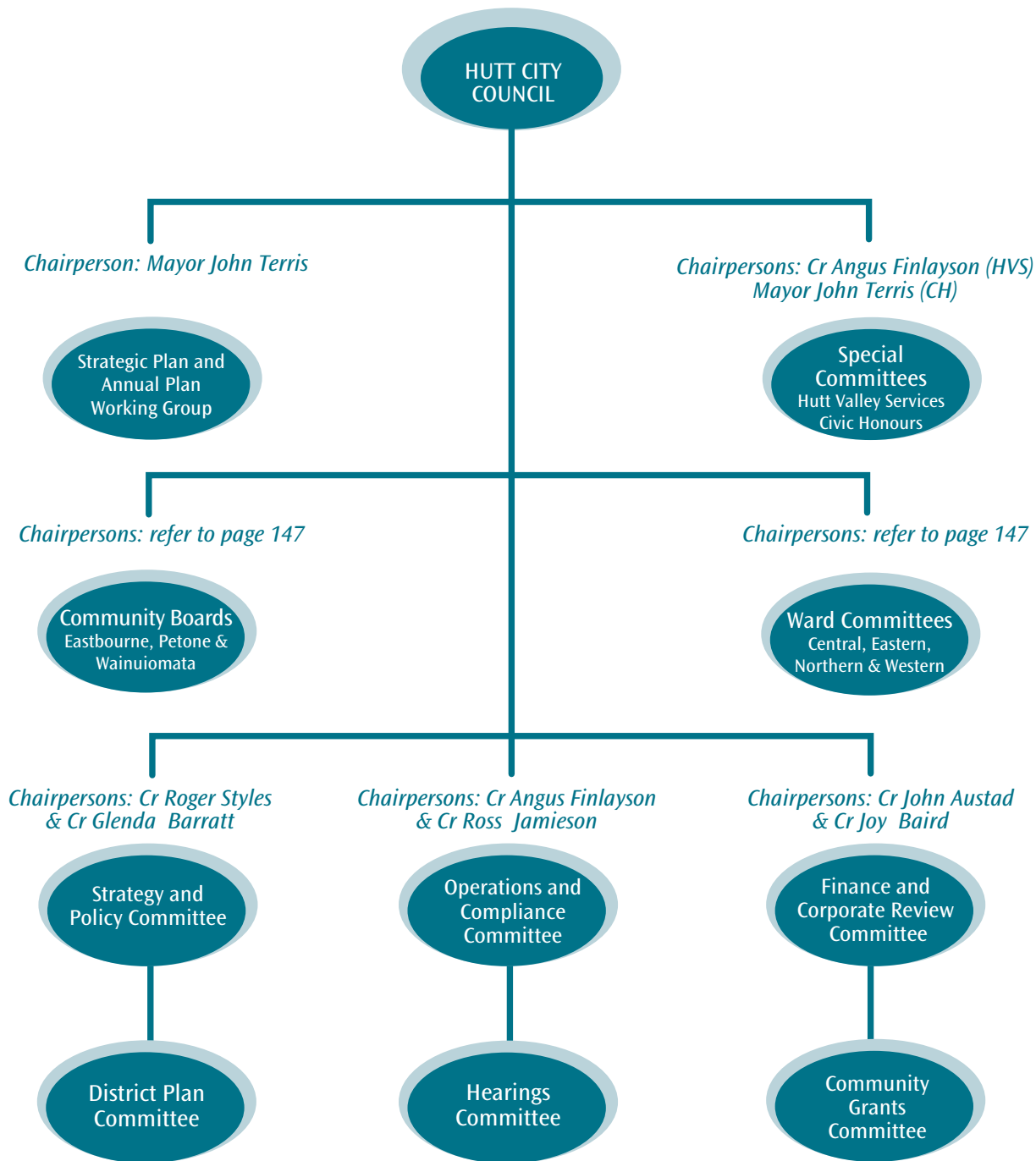
# Statistical Information

HUTT CITY – A SUMMARY PROFILE		Percentage change from 1996
Land area (hectares)	37,998	
<b>Wards 2001 Population</b>		
Northern	14,802	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>95,475</b>	<b>-0.4</b>
<b>Wards 2001 Households</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>34,659</b>	<b>1.7</b>
<b>TOTAL COUNCIL ASSETS (30 June 2001)</b>		
Area of parks and reserves	\$729,959,000	
Number of swimming pools	5,000 hectares	
Number of libraries	6	
Length of roads	8	
Length of footpaths	475 km	
Number of streetlights	588 km	
Length of wastewater pipes	11,081	
Length of stormwater pipes	642 km	
Length of water pipes	495 km	
Rating system	671 km	
Rateable properties	Capital	
Capital value of Hutt City	38,143	
	\$8,333,550,000	

# Management Structure



# Political Structure



# Community Board and Ward Committee Members

## Eastbourne Community Board

	Telephone
Mr Geoff Mann ( <i>Chair</i> )	568 5573
Mr Roger Lawrence ( <i>Deputy Chair</i> )	568 5118
Ms Maureen Burgess	589 1834
Mr Simon Shaw	562 8772
Mr Peter Willis	562 8460
Cr Joy Baird	568 3225

## Petone Community Board

	Telephone
Ms Maureen Burgess ( <i>Chair</i> )	589 1834
Mr Murray Smith ( <i>Deputy Chair</i> )	568 6664
Mr Gerald Davidson	938 3723
Mr Warwick Johnston	568 5936
Miss Moana Mackey	973 6034
Mrs Sandra Wilson	589 1509
Cr Ross Jamieson	562 7231

## Wainuiomata Community Board

	Telephone
Mrs Tracey Pollard ( <i>Chair</i> )	564 3021
Mr Reg Moore ( <i>Deputy Chair</i> )	971 6872
Mr Randall Day	564 9950
Mr Tony Leatham	564 4755
Cr Julie Sylvester	564 3968
Cr Ray Wallace	970 5337

## Central Ward Committee

	Telephone
Mr Brian Moylan ( <i>Chair</i> )	569 2499
Mr Bill Werry ( <i>Deputy Chair</i> )	567 8807
Mr John Bishop	566 3786
Mrs Deborah Hislop	576 0567
Mr Evan Ng	570 1898
Cr Ray Wallace	970 5337
Cr Glenda Barratt ( <i>Alternate</i> )	567 8816

## Eastern Ward Committee

	Telephone
Mrs Jan Paterson ( <i>Chair</i> )	938 1238
Miss Sally Fergus ( <i>Deputy Chair</i> )	566 2902
Mr Gerry Pallo	938 1534
Mr Richard Small	566 0315
Mr Harry Wishaw	973 4991
Cr Glenda Barratt	567 8816
Cr Roger Styles ( <i>Alternate</i> )	934 3270

## Northern Ward Committee

	Telephone
Mr Fred Allen ( <i>Chair</i> )	934 0559
Mr Athol Greentree ( <i>Deputy Chair</i> )	934 6720
Ms Shayne McIntyre	563 8512
Mrs Sylvia Stevenson	567 3268
Mrs Audrey Misipeka	567 4471
Cr Joy Baird	568 3225
Cr Julie Englebretsen ( <i>Alternate</i> )	563 5179

## Western Ward Committee

	Telephone
Mrs Kathryn McGavin ( <i>Chair</i> )	586 1477
Mrs Jacinth Webster ( <i>Deputy Chair</i> )	569 1383
Mr Frank Chandrahasen	565 0464
Mr Arthur Drake	565 1749
Mrs Sherril McNabb	586 0513
Cr Angus Finlayson	566 5046
Cr Margaret Cousins ( <i>Alternate</i> )	586 2135

# Mayor and Councillors

- (I) Independent
- (CV) City Vision – Terris’ Team
- (H) Hutt 2020/Labour

You can contact the Mayor or any Councillor at:

**Hutt City Council**  
**30 Laings Road**  
**Private Bag 31 912**  
**Lower Hutt**

**Telephone:** (04) 570 6666 or 0800 HUTT CITY  
**Facsimile:** (04) 569 4290  
**Email:** [contact@huttcity.govt.nz](mailto:contact@huttcity.govt.nz)



**John Terris**  
 Mayor QSO (CV)

Telephone: (private) 566 3175  
 Telephone: (business) 570 6932  
 Facsimile: 566 7027



**Councillor Ray Wallace JP (I)**  
 Deputy Mayor, Wainuiomata Ward

Telephone: (private) 970 5337  
 Facsimile 970 5337  
 Mobile: 027 226 4046

**Councillor John Austad (CV)**  
 Central Ward

Telephone: (private) 569 3804  
 Facsimile: 566 1220



**Councillor Julie Englebretsen (H)**  
 Northern Ward

Telephone: (private) 563 5179  
 Mobile: 021 161 8338

**Councillor Joy Baird JP (I)**  
 Harbour Ward

Telephone: (private) 568 3225  
 Telephone: (business) 918 7838  
 Facsimile: 569 3350  
 Mobile: 025 300 737



**Councillor Angus Finlayson JP (CV)**  
 Northern Ward

Telephone: (private) 566 5046  
 Facsimile: 566 2082  
 Mobile: 025 453 035

**Councillor Glenda Barratt (CV)**  
 Central Ward

Telephone: (private) 567 8816  
 Facsimile: 567 2703  
 Mobile: 021 128 9377  
 Email: [clive.barratt@xtra.co.nz](mailto:clive.barratt@xtra.co.nz)



**Councillor Ross Jamieson JP (I)**  
 Harbour Ward

Telephone: (private) 562 7231  
 Business: 562 7231  
 Facsimile: 562 7231  
 Mobile: 025 427 319

**Councillor Margaret Cousins JP (I)**  
 Western Ward

Telephone: (private) 586 2135  
 Facsimile: 586 1046



**Councillor Roger Styles (CV)**  
 Eastern Ward

Telephone: (private) 934 3270  
 Facsimile: 934 3271  
 Mobile: 027 480 0072

**Councillor Scott Dalziell JP (H)**  
 Eastern Ward

Facsimile: 567 1044  
 Mobile: 027 241 1077



**Councillor Julie Sylvester (CV)**  
 Wainuiomata Ward

Telephone: (private) 564 3968  
 Facsimile: 564 3969  
 Mobile: 025 475 944