

A young girl with long brown hair is smiling at the camera. She is wearing a blue and white striped shirt. The background is a blurred playground with green trees and a person in a white shirt.

*Long Term Council
Community Plan*



*Planning for Our 2003-2013
Community Together*
Community Plan



We live, work and play in Hutt City.

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

and we want to know that

Hutt city is a place of the future.

Note to Community Plan

Legislation requiring local authorities to produce a Long Term Council Community Plan was introduced just before Christmas 2002. The new Local Government Act 2002 requires local authorities to develop a Long Term Council Community Plan by the beginning of the 2004/05 financial year. The Act also gave councils the right to prepare one earlier – for the 2003/04 financial year.

Hutt City Council resolved to put together a Community Plan earlier than required. This required a huge amount of work. However, your Council believes that the advantages of the Plan, in identifying what is important to the community and showing how our activities will contribute to these 'community outcomes,' is just too important to put off for another year.

The new Act imposes many new obligations on Council, including requiring us to consult on new draft policies, showing how we will work with other councils in the region and how we will work in partnership with other government departments and organisations providing social services in Hutt City. Capital and operating expenditure had to be set out, not just for the coming year, but for the next three years.

As you can see the document is a much larger document than the old Annual Plan. The amount of work staff and councillors have been asked to perform has been massive but, again, we believe it has been worth it.

Consultation on the Draft Community Plan was undertaken during April and May of this year, and after considering feedback from submitters the final Community Plan was adopted by Council on 19 June 2003. 1,070 submissions were received by Council and 70 submitters spoke at the Draft Community Plan submission hearings.

We have endeavoured to ensure that we have complied with the Act in every respect. We have consulted with and attended seminars organised by Local Government New Zealand. We have consulted our legal advisers and Audit NZ to check that we have complied with the legislation.

We are one of the first council's in the country to develop a Community Plan and we are confident we have done the very best job possible.

Hutt City Council

Long Term Council Community Plan

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ISSN 1171-8390

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Petone Community Library and Service Centre

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Stokes Valley Community Library and Service Centre

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Vision for Hutt City

A great place to live, work and play.

The Long Term Council Community Plan 2003–2013 provides direction for Council's plans, policies and strategies and gives a long term focus to all Council's activities.

The Long Term Council Community Plan has five key areas:

PEOPLE

Hutt City Council Strategic Goals

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

UTILITY SERVICES

Hutt City Council Strategic Goal

- Affordable, sustainable, accessible and high quality services.

ENVIRONMENT

Hutt City Council Strategic Goal

- A clean healthy, attractive and sustainable environment.

ECONOMY

Hutt City Council Strategic Goal

- A strong, enterprising and diverse economy.

ORGANISATION

Hutt City Council Strategic Goals

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

Welcome to Hutt City Council's first Long Term Council Community Plan.

'Long Term Council Community Plan' is a cumbersome term so from this point on the document you are reading will be referred to as Hutt City's Community Plan.

As you read through the Plan you will notice that things are a little different this year. As well as the usual Council three-year work programme and other financial information normally included in the Annual Plan, the Community Plan provides additional information on social, cultural, economic and environmental outcomes identified by Hutt City people, for the city. As these are citywide outcomes, we also identify those we will partner with to assist in achieving the outcomes.

WHAT IS A COMMUNITY PLAN?

As the name suggests, a Community Plan is a document put together by the community and Council that sets the strategic direction for the city over the next 10 years. The diagram on this page shows the major components of the Community Plan and highlights the links between Community Outcomes, Council's strategies and the three-year work plan as well as the partnership approach to achieving the Community Outcomes. This is a major change for the way Council works and how we think about our planning. The outcomes identified by the community indicate how the city should grow socially, culturally, economically and environmentally. The end result is an all-encompassing document that outlines the community's expectations and shows how Council, with the help of the community and other organisations, will work together to achieve these.

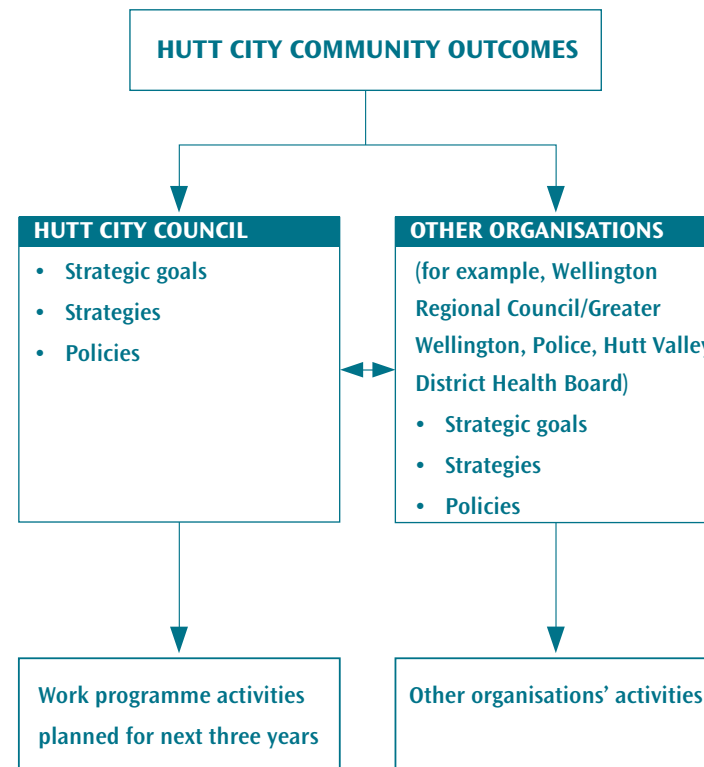
Under the new Local Government Act 2002, Hutt City Council is required to produce, once every three years, a Community Plan covering the next 10 years. Council will produce a Plan every year that will provide an update on how the city is progressing and include any changes that may occur along the way.

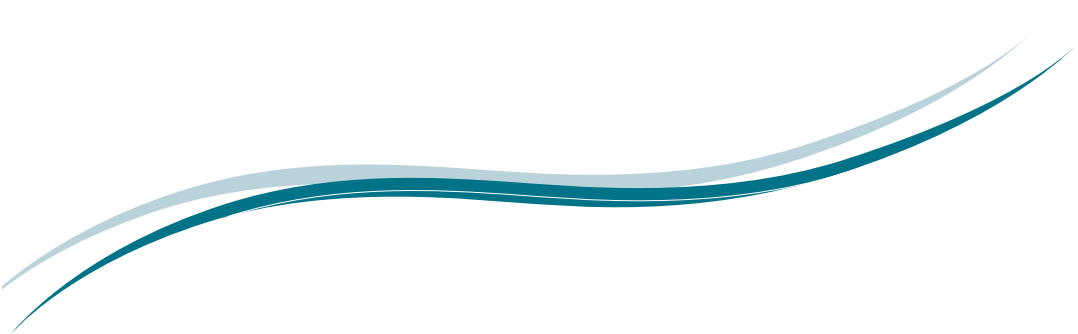
The Community Plan must be reviewed and evaluated once every three years, and the Community Outcomes contained within the document reviewed and evaluated once every six years to ensure that Council is on track. A summary document outlining progress will be distributed annually to residents, as part of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

THE DOCUMENT YOU ARE READING IS THE COMMUNITY PLAN

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

It is important to understand that the Community Plan is not something made up by Council. It reflects what Hutt City residents have told Council about what they want for the city now and in the future. To find out more about how Council gathered input for the 2003–2013 Community Plan see page 9.





WHAT IS THE DIFFERENCE BETWEEN THE COMMUNITY PLAN AND LAST YEAR'S ANNUAL PLAN?

The main difference is that the Community Plan is an all-encompassing document that includes:

- outcomes identified by the community for the city
- indicative indicators to measure progress in achieving the outcomes
- examples of how we currently work in partnership with other organisations, something Council will begin to do more of
- strategic goals of Council to assist in achieving Community Outcomes (these were previously in a separate document)
- new and amended policies in line with the requirements of the Local Government Act 2002.

Council's financial statements and work programme for the next three years are presented in the same way as in previous Annual Plans. It is important to note that the Annual Plan will still exist. The only change is that it will be incorporated in the Community Plan.

As the name indicates, another major difference between the two documents is that the Community Plan also focuses on the role other organisations will play in achieving the city's Community Outcomes.

From Council



OUR VISION FOR OUR CITY

I am very optimistic about Hutt City. I, like many others, came here originally to enjoy the inherent advantages we enjoy. We have an excellent environment and enjoy fantastic lifestyle opportunities, and this is definitely a great place to live and raise a family.

People are also actively involved here in the shape of their community. There are those who will tell you that people only get interested in what a Council is doing when we get it wrong. Not in Hutt City. Everyone who lives, works and plays here has a stake in the city, and consultation on this Community Plan has resulted in widespread participation, far exceeding that of our neighbours. Our local democracy is in good heart.

Looking Ahead

The performance of the business sector underpins our economic success and we offer built-in advantages for business:

- Our superb location as the hub of the Wellington region, which makes us a natural place for transporters, for distributors, and for retailers;
- We have a lower cost structure, because the cost for lease or rent of commercial and industrial space is half what it is in Wellington City;
- We have a skilled workforce.

But these advantages don't necessarily guarantee our success. We have to actively get out and sell those advantages, if we are to attract and retain the businesses we need. We are working hard on these things.

We contribute \$410,000 annually to a joint regional local authority programme to attract new business. Our own

Economic Development activity costs \$1.4 million dollars a year – and that is low compared to the sums that a number of much smaller local authorities are spending. Some economic development money will be spent on looking at ways we can attract more visitors. We are looking at new events, that suit our niche, and also at growing existing events to attract more people.

Other Advantages

All these efforts are to promote our city better to the region and to draw people in so they can appreciate not only the great shopping opportunities we offer, but also our leisure attractions like the Foreshore, the Rimutaka Forest Park, the Dowse, and so on. For that purpose, some of our facilities are getting old and need a makeover. The Dowse is bursting at the seams. As long ago as 1999, a study recommended necessary improvements. The Central Library has never had a major restoration in fifty years, and it is earthquake prone. The upgrade will include better access to the rear of the building and to the upper floors – improvements that are especially important for library users who have limited mobility. We are proud of our environment, and justifiably, but it costs money to be 'Clean and Green' and pay for projects such as our new Wastewater Treatment Plant, which is by far our biggest obligation this year.

Recent statistics show that our population has finally begun to move up again after falling for many years. But, welcome as the population increases are, they are still very small. If we want to create a vibrant and diverse city, then we need to put the right priority on goals such as economic development and improved cultural and recreational opportunities, as well as on the actions that are taken to achieve these goals.

As a Council, we are continually conscious that we need to be very careful with the limited funds we have and to make economies at the same time that we are funding new programmes. We are constantly mindful of people on fixed incomes, who can't easily deal with increases in rates. Hutt City is the only Council in the country to have held rates and absorbed inflation for five of the last six years though unfortunately we can't keep absorbing inflation for ever, without cutting back on services.

Our Objective

We must not lose sight of our overall goal of making Hutt City a Great Place to Live, Work and Play. We are steadily taking steps to help lift the local economy and provide better services, in cooperation with the other sectors of the local economy. It will take time, but the results are beginning to show. As your city develops, we are keen to take you with us on what is an exciting and challenging journey to the future.

The Community Charter

The values we espouse, tell other people who we are, and are reflected in the way we treat each other in our families, neighbourhoods and communities, and it is your Council's wish to be active in affirming and promoting the Charter, outlined on page 18, so that we might be able to recover some of the "Village Values" which are sometimes lost in our drive for greater material well-being.

John Terris
Mayor
Hutt City

From the Staff



Welcome to Council's new Community Plan, blueprint for the future direction of our city.

The new legislative environment

After many years of gestation and two Ministers of Local Government, Parliament passed the Local Government Act in December 2002. It represented the most comprehensive review of local government legislation for 20 years and marked a change in the way Council and the community are expected to work together in the future. Along with many other changes, the new Act required Council to produce a Long Term Council Community Plan by 2004/2005 – a strategic document to guide the city's development for the next 10 years.

The Long Term Council Community Plan

The Community Plan will contribute to a much better alignment of the community's aspirations and vision for Hutt City, and Council's work programme.

Whereas previously Council committed itself essentially to maintaining or exceeding existing service levels and any debate mainly centred around a few large, generally capital projects, the new legislation requires us to be more strategic. Council must clearly show how its activities and projects contribute to the achievement of 'Community Outcomes.' After you have read this Plan, we are sure you will see how Council's spending contributes to the Community Outcomes. On page 10 you can see a diagram showing the linkages between Council activities and the Community Outcomes.

Community Outcomes were identified by the community as priorities to improve the social, economic, environmental and cultural well-being of Hutt City. They will largely govern Council's activities for the next 10 years.

Perhaps the biggest obvious difference between last year's Annual Plan and this Community Plan is the document's size. That's because there are now new policies covering rating and rates remissions, financial management, public-private partnerships and a new 'significance' policy that lists key strategic assets that require special consultative procedures to be followed before any changes are considered – as well as Council's activity areas (what you may remember as the Annual Plan).

However, even with the best will in the world, Council cannot achieve the Community Outcomes on its own. There are a number of other organisations that will play a key role. So included in the plan is information on how other organisations like the Police, Hutt Valley Health, and Wellington Regional Council/Greater Wellington will contribute to the Community Outcomes. To ensure we are on the right track, once every three years Council is required to report on progress the city has made toward delivery of the Community Outcomes.

Rates

Last year, Council indicated that this year's average rate increase would be in the order of 3%, which is required to pay for the new wastewater treatment plant, plus any increase to cover inflation. This year, following some excellent submissions by groups and organisations wanting funding for their projects, Council has confirmed spending plans that will result in an overall rates increase of 3.7% (the average residential rates increase will be 3.3%) .

The new initiatives have a definite focus on encouraging the sustainable economic development of Hutt City. Funding has also been earmarked for strengthening and expanding the central library, and further improvements are also being made to Jackson Street and the Petone

Foreshore. Continuing tight controls on expenditure and reducing Hutt City's debt levels have meant that we do have room to invest in the city's infrastructure.

Hutt City is truly a great place to live, work and play. Council staff are enthusiastic about the future of Hutt City and, in partnership with residents and other stakeholders, we will strive to ensure it continues to offer an unbeatable mix of an easy and affordable lifestyle underpinned by a vibrant and innovative business sector.

Rik Hart
Chief Executive Officer
Hutt City Council

Planning for *Our Community Together*

WHAT IS A COMMUNITY OUTCOME?

This is an outcome identified by the city's residents as a priority for the current or future social, economic, environmental and cultural well-being of the community.

How were the Community Outcomes for 2003 – 2013 decided?

Hutt City's Community Outcomes were developed following extensive research and consultation with many community groups, organisations and individuals.

Comprehensive research was carried out during 2002 to provide community feedback for Hutt City Council's first Long Term Council Community Plan. Discussion groups with residents and special interest groups were conducted as Council believed that this approach (as opposed to a written or verbal survey) gave members of the community an opportunity to provide a detailed rationale of their views, as well as to discuss and debate the outcomes and priorities.

Additionally, Council included a questionnaire in its monthly Hutt News supplement, 'Hutt on the Edge'. This asked residents to rank the outcomes they considered most important.

How did the discussion groups decide what was most important?

The discussion groups evaluated a list of potential Community Outcomes that could set the direction for Hutt City for the next 10 years. These initial outcomes were developed by Council employees, based on their understanding of what the community might want for the future. Research participants were then given the opportunity to list their own outcomes.

It is important to note that while the initial suggestions came from Council, the Community Outcomes detailed in this document were developed by Hutt City residents and members of special interest groups.

During the research process participants:

- identified the community's vision for Hutt City in 10 years' time
- identified any additional desired outcomes and eliminated undesirable outcomes from the list suggested by Council
- prioritised the valued Community Outcomes

- investigated public perception of Council's involvement in achieving these desired outcomes, and the types of activities/actions that Council could undertake to achieve them. This question was asked because outcomes such as health and education are not part of Council's core activities
- explored public perception of how the achievements of these outcomes may be measured and monitored over time.

How will the community know if the outcomes have been achieved?

Council will monitor Community Outcomes to ensure they have been achieved. At least every three years it will report back to the community on progress and achievement.

Every six years Council will go through another consultation process to identify Community Outcomes.

See page 15 for further information on the monitoring and reporting of Community Outcomes.

HUTT CITY COUNCIL'S COMMUNITY OUTCOMES FRAMEWORK

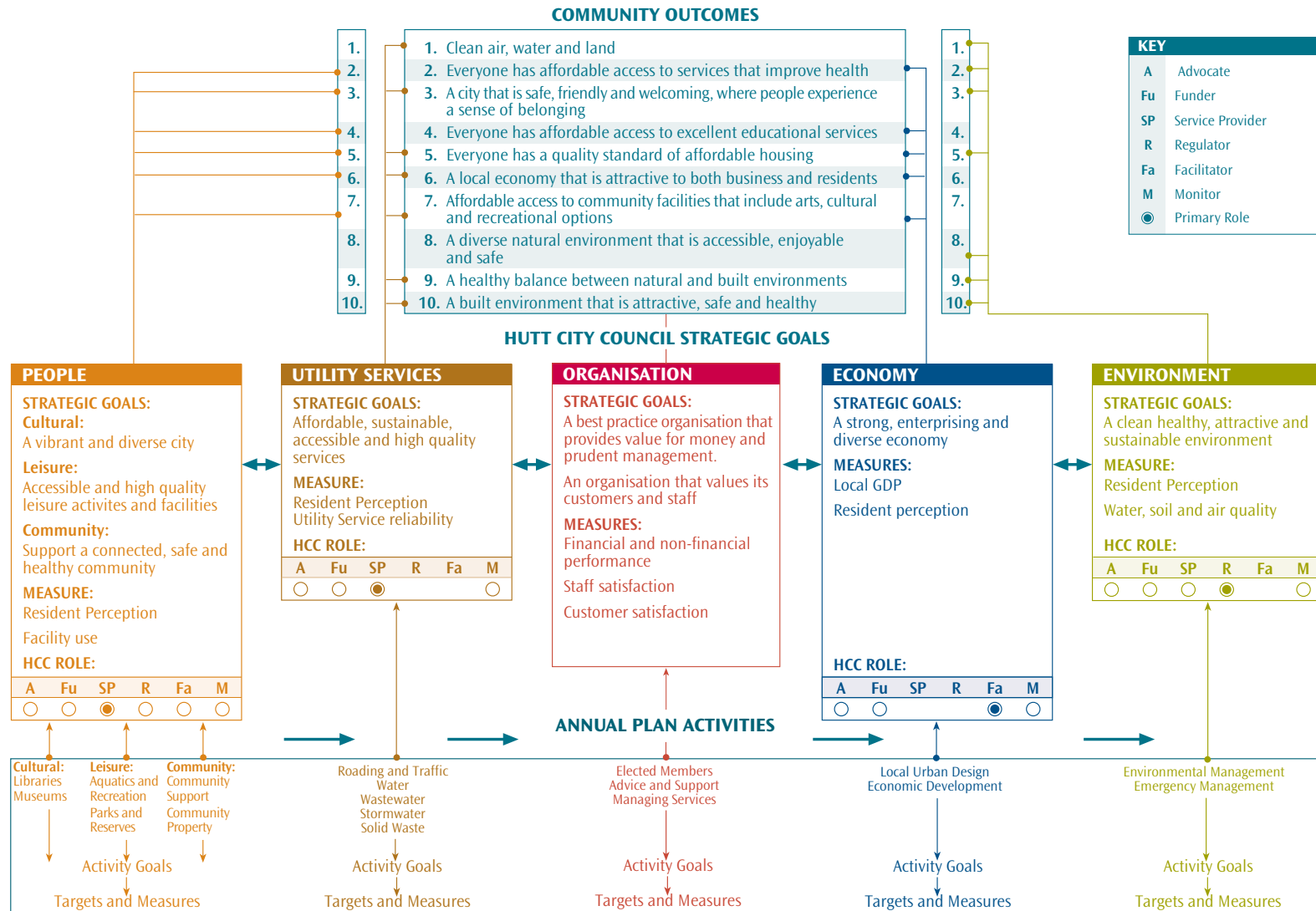
The framework on the next page shows the relationship between the Community Outcomes and Council's strategic goals. It identifies the primary role Council will play in contributing towards the city's Community Outcomes. The framework also shows how these are linked to activities that Council undertakes on a day-to-day basis.

Reinforcing these relationships are key Council planning documents such as:

- Economic Development Strategy
- Other Strategies
- Council Policy Statements
- Reserves Policy
- District Plan
- Asset Management Plan.

Hutt City

– a great place to live work and play



Community Outcomes for 2003 – 2013

Ten Community Outcomes have been identified as being most important to the Hutt City community for the next 10 years. These are divided into four separate sections below and are examined in greater detail later in this document.

SOCIAL AND CULTURAL COMMUNITY OUTCOMES

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

Research revealed that Hutt City people believe affordable access to health, education and quality housing is essential. Safety is also a major issue. Crime and other anti-social behaviour in Hutt City during recent times have caused concern, particularly for young families and older people. Residents want to see better facilities and entertainment for young people and rangatahi. They also want affordable access to recreational facilities such as sport and the arts, and believe this will help create a strong and vibrant youth community.

ECONOMIC COMMUNITY OUTCOME

- A thriving local economy that is attractive to both business and residents.
- People want to see more full time jobs and the promotion of growth and development in Hutt City. Businesses believe that a healthy economy underpins all other activities, and that growth in the economy is vital to the future of Hutt City and its people.

ENVIRONMENTAL COMMUNITY OUTCOMES

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

People want a diverse natural environment that is accessible, enjoyable and safe. They wish to maintain and improve the city's natural assets by developing the river, Petone foreshore and walkways and by reinstating native forests.

Residents' desires for the future include a healthy balance between natural and built environments. People believe water supply, encouragement of recycling, reduction of waste and pollution monitoring are important in ensuring that the built environment remains attractive, safe and healthy. They also want a modern, integrated public transport system that serves outlying areas.

HOW WILL HUTT CITY COUNCIL HELP ACHIEVE THE COMMUNITY OUTCOMES?

Hutt City Council will work with the community, key organisations and stakeholders and together achieve the Community Outcomes. Council's role will vary depending on the specific outcome and the activities involved. Generally it will fulfil one or more of the following:

- promote
- advocate
- funder/sponsorship
- service provider
- regulator
- facilitator
- monitor

For further information on Council's role in achieving the Community Outcomes, see page 13.

Will there be key programmes and activities? If so, what will they be?

Yes, there will be key programmes and activities. Hutt City Council has a number of city-wide and local initiatives that impact directly and indirectly on the social, cultural, economic and environmental well-being of the community.

Section E of this document (see page 35) sets out in detail Council's key programmes and activities for the next three years.

Council's Role *in Hutt City*

WHAT IS HUTT CITY COUNCIL'S ROLE IN THE COMMUNITY?

Council's principal role is to set strategy and policies and deliver services that help achieve the city's vision: 'Hutt City is a great place to live, work and play' and the Community Outcomes. Council represents the views of the community and makes decisions that allow the city to grow and prosper.

WHAT IS YOUR ROLE AS A HUTT CITY RESIDENT?

Council is accountable to you. So we need you to check the actions of Council. You can do this by taking part in consultation processes and having your say when decisions on projects and activities are being made during the development of work programmes, Strategic Plans, Community Plans (that is, Long Term Council Community Plans), and other initiatives that may affect you.

WE WANT TO HEAR FROM YOU

We want you to participate in the decision-making process and management of Hutt City's resources. If you want to tell us that we have done something well or you have a good idea, give us a call, drop us a letter or an email. If you have a complaint, we want to hear! That means at any stage during the year, not just at Community Plan time.

HUTT CITY COUNCIL OPERATES UNDER 'OPEN GOVERNMENT'

This means we will share information and follow open and transparent processes.

We will:

- make sure that there is easy access to Council public facilities and buildings
- be visible and open
- provide you with information as required by relevant legislation, including the Local Government Official Information and Meetings Act 1987
- give reasons for the non-disclosure of information
- handle all complaints fairly and efficiently
- encourage suggestions to improve our community
- encourage participation by assisting residents to work with us.



Working Together:

Hutt City Council and Other Key Organisations

Hutt City Council is not solely responsible for all the Community Outcomes that have been identified, and welcomes the help of other key organisations at local, regional and central government levels.

HOW WE WILL WORK TOGETHER

Council will work towards creating effective partnerships that recognise the unique contributions of everyone within Hutt City.

A partnership approach will be encouraged when working towards Community Outcomes with the following organisations:

- Businesses and their representative organisations
- Volunteer organisations
- Local mana whenua and Marae
- Community groups
- Government agencies.

CREATING EFFECTIVE PARTNERSHIPS – SOME EXAMPLES

Hutt City Police

Council has a special partnership with the Hutt City police to tackle crime in the city. New initiatives include youth-focused community support networks (a long term strategy that has been operating for the last six months), liquor bans and the pending use of Closed Circuit Television (CCTV) in the central business district, as well as a new 'streetwise' programme.

New initiatives being considered over and above normal policing are:

- Project Rangatahi initiative to identify leadership potential within Maori youth to foster and promote lasting partnerships between Police and Maori. This will involve Police working with schools, mentoring potential leaders to build trust, self-esteem and lasting partnerships with Police.
- Continuation of work with the Samoan Community and the SAU Trust, targeting Samoan Youth at Risk.

- Targeting youth and alcohol in the inner city through a more active approach from Youth Aid workers and J Team.

Hutt Valley District Health Board

Council will work with Hutt Valley District Health Board to help further Community Outcomes that focus on affordable access to improved health services and programmes that will focus on the health of the community.

Some initiatives to be considered in partnership with Council and other key organisations are:

- **Youth Health:** develop youth-friendly services that reduce teenage road traffic accidents, pregnancies, drug and alcohol misuse, and suicide.
- **Healthy Communities:** encourage people to exercise more, eat more healthily, stop smoking, and improve parenting skills through a range of health promotion strategies including: intersectoral initiatives, community development, healthy public policies and supportive environment.
- **Reduce Inequalities:** reduce the inequities in health status among certain disadvantaged populations, including Maori and Pacific people, so they can enjoy the same length and quality of life as other Hutt City residents.
- **Elderly Health:** ensure the health needs of the elderly are adequately met and maintained.

Wellington Regional Council / Greater Wellington: The Hutt City Council and Wellington Regional Council / Greater Wellington are working in partnership by managing the environment to ensure that natural and physical resources are used and developed in a sustainable manner. In this respect care has been taken to ensure that the District Plan is compatible with the Regional Policy Statement and that a number of projects of mutual benefit are worked on together. These include statutory and non-statutory projects relating to the Hutt River Floodplan Management Plan, regional and district roading proposals, parks and recreation matters, transport issues, waste management and environmental education.



ORGANISATIONS THAT WILL CONTRIBUTE TO HUTT CITY'S SOCIAL AND CULTURAL COMMUNITY OUTCOMES

Leisure, recreation, social and cultural activities are recognised as significant and important aspects of people's lives. Council will continue its involvement as one of many players in the social and cultural development of the people who live in Hutt City. Council provides a range of opportunities for enjoyment, including reserves, parks, open spaces, libraries, museums and facilities such as swimming pools.

Other organisations that Council will continue to work in partnership with to further Hutt City's social and cultural outcomes include:

- Wellington Regional Council / Greater Wellington
- Department of Conservation
- Police
- Accident Compensation Corporation
- Child Youth and Family
- Hutt Valley Health
- Te Puni Kokiri
- Lower Hutt Safer Community Council (SCAN)
- Nga Awa
- Te Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui
- Wellington Tenth's Trust
- Work and Income New Zealand
- Te Runanganui o Taura Here ki Rimutaka

Input from the wider community, as well as other agencies and organisations, will be sought during the Community Plan process.

ORGANISATIONS THAT WILL CONTRIBUTE TO HUTT CITY'S ECONOMIC COMMUNITY OUTCOMES

Council is one of many players involved in improving the economic status of the city and growing the businesses within it. Council will adopt roles of leadership and strategy, facilitation and promotion to help achieve economic Community Outcomes and the strategies outlined in Council's Economic Development Strategy. Council will continue to work closely with:

- Local businesses and business organisations.

Council will be active in continuing to develop and formalise relationships, including partnership agreements and Memoranda of Understanding, with:

- Positively Wellington Business
- Weltec
- Hutt Valley Chamber of Commerce
- CBD+ and Jackson Street Programmes

ORGANISATIONS THAT WILL CONTRIBUTE TO HUTT CITY'S ENVIRONMENTAL COMMUNITY OUTCOMES

Council is committed to ensuring that the city's environment is clean, healthy, attractive and sustainable. Organisations that will continue to work together with Council to further the Hutt City's environmental outcomes include:

- Wellington Regional Council / Greater Wellington
- Environmental and residents' groups
- Forest and Bird
- Business Care
- Waiwhetu Marae
- Ministry for the Environment
- Department of Conservation
- Residents' groups

How will Hutt City Council measure and assess progress?

Hutt City Council will assess the progress of Community Outcomes in a number of ways. The following table details specific Community Outcomes, measurable indicators and results for 2001/02 (if known), noting when results were last measured or if an indicator is new.

COMMUNITY OUTCOMES	CITYWIDE INDICATORS	RESULTS 2001/02	NEW/ EXISTING
1. Clean air, water and land.	• Air quality. <i>Source: Wellington Regional Council / Greater Wellington.</i>		New
	• Water quality. <i>Source: Wellington Regional Council / Greater Wellington.</i>		New
	• Soil quality. <i>Source: Wellington Regional Council / Greater Wellington.</i>		New
2. Affordable access to services that improve health.	• Hutt Valley District Health Board indicators to be requested. Possible indicators are:		New
	– Average wait time for key procedures		
	– Number of full time equivalent GPs practising in Hutt City per head of population		
	– Percentage of population enrolled in Primary Health organisations		New
	– Youth health indicators		
	– Healthy Community indicators		
	– Reduce inequalities indicators		
3. A city that is safe, friendly and welcoming, where people experience a sense of belonging.	• The number of crimes recorded in Hutt City and the percentage resolved. <i>Source: NZ Police.</i>	2,630 recorded convictions 45% resolved	2001
	– Number of convictions finalised by type of offence for Hutt Valley (includes Upper Hutt). Last reported, 2001, 'Social Monitoring Report'. <i>Source: Ministry of Justice.</i>		
	• The percentage of residents who feel safe in the city in general. <i>Source: Hutt City Council Survey.</i>		New
	• The percentage of residents who feel safe in the central city. <i>Source: Hutt City Council Survey.</i>		New
	• The percentage of residents who think that the community works together and people support each other. <i>Source: Hutt City Council Survey.</i>	56%	March 2002
	• The percentage of residents who believe that increasing diversity in the city is a positive factor. <i>Source: Hutt City Council Survey.</i>	52%	March 2002
	• The percentage of visitors who see Hutt City as being friendly and welcoming. <i>Source: Visitor Information Office.</i>		New

COMMUNITY OUTCOMES	CITYWIDE INDICATORS	RESULTS 2001/02	NEW/ EXISTING
4. Affordable access to excellent educational services.	<ul style="list-style-type: none"> The percentage of school leavers who leave school with a qualification, Hutt City figures compared with the national average. <i>Source: Ministry of Education.</i> 		New
	<ul style="list-style-type: none"> Hutt City figures compared with the national average. <i>Source: Ministry of Education and Statistics New Zealand.</i> <ul style="list-style-type: none"> Number of students attending schools in the city by age and ethnic identity Truancy rates across schools in Hutt City Number of students attending schools by type of student and nature of attendance Number of secondary school students enrolling in tertiary institutions Number of 0 – 4 year olds enrolled in early childhood education centres in the city Number of 0 – 4 year olds enrolled at Kohanga Reo <p>Please note that these are suggested indicators only. Final indicators will be set after more comprehensive discussions with central and regional agencies.</p>		New
5. A quality standard of affordable housing.	<ul style="list-style-type: none"> Relevant Housing New Zealand Corporation indicators yet to be obtained 		New
6. A thriving local economy that is attractive to both business and the community.	<ul style="list-style-type: none"> Ratio of registered unemployed to total working age population in Hutt City. <i>Source: Work and Income cited in Hutt City Council's 'Social Monitoring Report'.</i> The number of businesses in Hutt City. <i>Source: Statistics NZ.</i> The number of jobs (in terms of % change). <i>Source: Statistics NZ.</i> The amount of investment in the City. <i>Source: Statistics NZ.</i> 	6%	December 2002
7. Affordable access to community facilities that include arts, cultural and recreational options.	<ul style="list-style-type: none"> The percentage of residents who are satisfied with the current levels of access to community facilities that include arts, cultural and recreational options. <i>Source: Hutt City Council Survey.</i> 		New
8. A diverse natural environment that is accessible, enjoyable and safe.	<ul style="list-style-type: none"> The percentage of residents who are satisfied with the city's parks, reserves and gardens. <i>Source: Hutt City Council Survey.</i> 	95%	March 2002
	<ul style="list-style-type: none"> The number of kilometres of maintained parks and reserves tracks within the district (accessibility). <i>Source: Hutt City Council.</i> 		New
9. A healthy balance between natural and built environments.	<ul style="list-style-type: none"> State of the environment reporting. <i>Source: Wellington Regional Council/ Greater Wellington.</i> 		New
10. A built environment that is attractive, safe and healthy.	<ul style="list-style-type: none"> The percentage of residents who think that the City's built environment is attractive, safe, and healthy. <i>Source: Hutt City Council Survey.</i> 		New



HOW WILL HUTT CITY COUNCIL REPORT ON THE PROGRESS OF COMMUNITY OUTCOMES?

Council will report on the progress of Community Outcomes once every three years. In some instances, for example where Community Outcomes focus primarily on health, education, housing and community safety, Council will work with other key agencies and groups to ensure that the most appropriate measures are developed and that an integrated approach to reporting is achieved.

For new measures not currently in place Council will undertake to source the appropriate information from elsewhere, for example:

- Resident satisfaction surveys
- Other local authorities
- Central government agencies
- Statistics New Zealand.

Hutt City's Community Charter

– Building a Better Community



Community Charter: Hutt City has become the first in NZ to adopt its own Charter, setting out what it believes are the values and attitudes which we as a City should adopt and promote. The initiative for this came from Church leaders, following the tragic death in April last year of one of our local residents, which prompted us all to reflect more deeply about how we care for one another, and also accept a responsibility towards one another. The first words of the Charter are “together we make a difference” and the document, which has been endorsed by public consultation as properly reflecting the values we should aim for, is now the subject of examination by Council staff, to decide both the best way that these sentiments can be adopted into the processes and procedures of the Council as a body, and also in what ways we can encourage businesses, schools and other institutions (some of whom have already adopted their own but others will, we believe be interested in doing) to do the same.

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

OUR COMMUNITY VALUES

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

Our city has what it takes to:

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

FOR THE COMMUNITY TO ACHIEVE THE VALUES:

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

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



*Statement of
Commitments*

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Statement of Commitments

COMMITMENT TO OUR COMMUNITY

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

We are committed to:

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

Our Role

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

We will also:

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

Your Role

Council is accountable to you, its residents. So we need you to check the actions of Council. You can do this by taking part in consultation processes and having your say when decisions on projects and activities are being made that may affect you or the community in which you live, work or play.

COMMITMENT TO OUR ENVIRONMENT

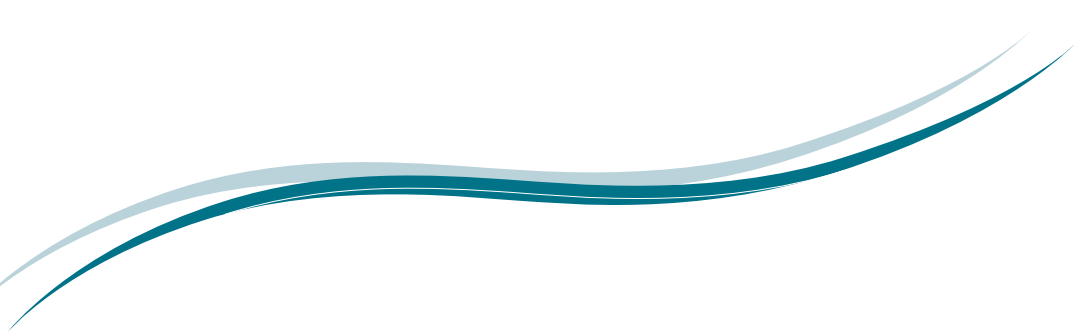
Hutt City Council is committed to ensuring the city's environment is clean, healthy, attractive and sustainable. Council's commitment to the environment embraces the environmental outcomes that the city's residents identified as essential.

Council has a number of citywide and local initiatives that impact directly and indirectly on the environment. Some activities are focused towards providing community services and others involve regulatory responsibilities. These activities can also affect the environment beyond the city's boundaries, for example the water quality of Wellington Harbour.

The Wellington Regional Council/Greater Wellington, the Ministry for the Environment, the Department of Conservation, environmental groups, and other organisations also play a pivotal role in making sure the city's environment is maintained to a high standard.

All activities are undertaken with a view to enhancing the environment, controlling the adverse effects of refuse disposal, wastewater, invasive animals and plants, and ensuring the delivery of Council's services in a manner consistent with safeguarding public health and the sustainable management of resources. Council will continue to monitor and report on the social, economic, cultural and environmental impacts of these activities on a regular basis.

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



Wastewater	Now that the new wastewater treatment plant is operating and the discharge has been removed from the Wainuiomata River, Council is continuing to improve the level of service by reducing the wet weather loading of the wastewater system and increasing system reliability.
Recycling and Waste	Significant effort will be directed towards minimising waste within Hutt City. This will include education and other programmes to promote the recovery, reuse, and recycling of materials, as well as a review of the current Waste Management Plan.
Urban Environmental Enhancement	<p>Further physical enhancements are planned for the inner city and suburban areas. The focus will be on creating a more attractive, safe, and vibrant urban environment.</p> <p>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.</p>
Biodiversity	<p>There are ongoing programmes aimed at protecting rare and endangered plants, and eliminating pest plant species within the city. Native plants are used to revegetate sites that have been invaded by pest species.</p> <p>Residential reserve boundaries will continue to be cleared of gorse and blackberry. Cleared areas are replanted with more fire-resistant, bird-attracting native plants.</p>

Environmental Education

Council is also committed to the eradication of animal pests, which helps protect key ecosystems. This includes the continuation of the award – winning ‘Possum Busters’ programme.

There are ongoing programmes and projects designed to raise awareness of environmental issues within a specific context. Council supports programmes, projects and campaigns such as the BusinessCare business sustainability programme, and the Reduce Your Waste campaign. Council supports and undertakes environmental projects in conjunction with schools and environmental groups.

Council provides coordination and support for its communities with projects to improve and beautify community areas. This is done through programmes such as: Keep Hutt City Beautiful, Graffiti in Our City, Dog Litter in Public Places, and Sustainable Households. Other projects have also been undertaken, including the Seaweek beach clean-up and the Tidiest Street competition. The ‘Environmental Education’ group also undertakes the citywide clean up during Keep Hutt City Beautiful/Clean Up New Zealand week.

COMMITMENT TO THE TREATY OF WAITANGI – TE TIRITI O WAITANGI

Council 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 relationships with and 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 these rights are vested in the Wellington Tenth Trust. 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.

This extends to urban Maori now resident in Hutt City, including Te Taura Here o te Te Awakairangi and Hutt City Marae.

Memorandum of Understanding

Council has a Memorandum of Understanding with:

- Te Taura Here o te Te Awakairangi.

Memoranda of Agreement

Council has Memoranda of Agreement with:

- The Wellington Tenth Trust
- Te Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui.

The Memoranda of Agreement provide for prior consultation between Council and both organisations.

Key Principles

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

Goals

- To maintain consultation and involvement with Te Atiawa
- To consult Te Taura Here o te Te Awakairangi
- To consult Hutt City Marae.

Programmes

- Ongoing promotion of the Memoranda of Agreement
- Working to maintain the relationship with the Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui and the Wellington Tenth Trust.
- Ensuring that all parties are kept informed of Council's developments and are given the opportunity to take part in Council's affairs.

Joint Initiatives

- Te Whiti Park is jointly managed by the Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui and Council.
- Grants to Hutt City Marae.



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 was judged winner of the local government section of the 2002 New Zealand Performance Excellence Awards.

It is our goal over the 2003/2004 financial year to continue to provide Hutt City residents with excellent service and to deliver ongoing improvements of which we can all be proud. We want to build relationships with our customers. We will listen more to our customers (that’s you) and their needs. We will find out what is important and what customers value, and take these factors into account when delivering our services. Our aim is not just to provide customer service, but to provide customer service with passion.

Customer Strategy

- treat customers right
- provide exceptional service and value for money
- involve and inform customers
- listen and learn from our customers
- be the first point of contact resolution.

Quality Service

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

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 and help us to learn 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

We will:

- do it right the first time, on time, every time
- make realistic promises and keep them
- measure ourselves against the best and go the extra mile
- be knowledgeable, accurate and informative
- be interested, fair, professional and friendly
- be easy to contact
- take ownership.

COMMITMENT TO OUR STAFF

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

Staff Education, Training and Development

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

Staff Health and Safety

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

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

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

Staff Satisfaction

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

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



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

Staff Performance Management

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

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

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

Equal Employment Opportunities

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

The principles of the Equal Employment Programme are to:

- provide fair and proper treatment for staff
- eliminate inequality in employing any person or group of persons
- ensure that no preference or discrimination is made on the basis of gender, transgender, marital status, religious or ethical belief or its absence, colour, race, ethnicity, nationality, health, disability, age, sexual orientation, pregnancy, political opinion, employee association involvement, employment status, beneficiary status, family status or the identity of a partner or relative

- require supervisors and managers to be responsible and accountable for the implementation and integration of equal employment opportunities.

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

Council will continue its Equal Employment Programme which:

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



Rates



Rates for 2003/2004

INTRODUCTION

The Funding Impact Statement (FIS) required under clause 10 of schedule 10 of the Local Government Act 2002 details the rates, defines the differential categories, and shows the rating factors to be used for 2003/2004.

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

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

SUMMARY OF CHANGES

Some adjustments have been made to the differential factors and categories used last year, for the reasons set out in the Revenue and Financing Policy. The changes from last year are as follows:

- (a) The Business Eastbourne category factor has been increased from 2.25 to 2.80.
- (b) The Utility Network category factor has been increased from 1.50 to 2.50.
- (c) Three separate Community Facilities categories have been created for various types of community and not-for-profit organisations. The category factors have been set as 0.50, 1.00 and 2.50.
- (d) A new category has been created called Business Queensgate.
- (e) The Business Central category factor has been reduced from 4.90 to 4.80. (This rate also applies to Business Queensgate).
- (f) The Business Suburban category factor has been reduced from 4.10 to 4.00.

SCHEDULE OF RATES FOR 2003/2004

(A) Water Supply Rate

Type: Targeted Rate

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

The charges for the 2003/4 rating year are as follows:

Category	Charge
Connected	\$266 per part
Serviceable but not Connected	\$133 per part

(B) Wastewater Rate

Type: Targeted Rate

Rating Factor: Number of Water Closets or urinals

The charges for the 2003/4 rating year are as follows:

Category	Charge
First WC or urinal per rating unit (maximum of one per household)	\$312
Second and each subsequent WC or urinal per rating unit	\$156 each

(C) Jackson Street Programme Rate

Type: Targeted Rate

Rating Factor: Capital Value

The charge for the 2003/4 rating year is as follows:

Category	Rate
Rating units in any Business category having frontage to Jackson Street, Petone, between Hutt Road and Cuba Street.	0.1514 cents per \$ of Capital Value

(D) General Rate

Type: General Rate

Rating Factor: Capital Value

The differential categories and charges for the 2003/4 rating year are as follows:

Category	Ratio	Indicative Charge per \$ of Capital Value
Residential (RE)	1.00	0.4042 cents
Rural (RU)	0.65	0.2627 cents
Business Accommodation (BA)	3.00	1.2125 cents
Business Central (BC)	4.80	1.9399 cents
Business Queensgate (BQ)	4.80	1.9399 cents
Business Eastbourne (BE)	2.80	1.1316 cents
Business Suburban (BS)	4.00	1.6166 cents
Utility Networks (UN)	2.50	1.0104 cents
Community Facilities 1 (CF1)	1.00	0.4042 cents
Community Facilities 2 (CF2)	0.50	0.2021 cents
Community Facilities 3 (CF3)	2.50	1.0104 cents

EXAMPLES OF RATES ON A RANGE OF TYPICAL PROPERTIES

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

Category	Value	No. of Pans/ Units	HCC Rates 2002/3	Rates 2003/4		
				HCC Rates	Change	
	\$		\$	\$	%age	
Residential (Average)	181,000	1	1,267	1,310	42	3.3%
Residential	100,000	1	947	982	35	3.7%
Residential	300,000	1	1,738	1,791	53	3.1%
Residential	2,000,000	6	9,206	9,442	236	2.6%
Rural (With Services)	280,000	1	1,271	1,314	43	3.3%
Rural (Average)	280,000	0	719	736	17	2.3%
Bus. Accommodation	1,060,000	16	15,367	15,771	403	2.6%
Utility Networks	40,445,000	0	239,718	408,656	168,939	70.5%
Business Central/Q'gate	21,450,000	18	418,417	419,339	922	0.2%
Business Eastbourne	1,250,000	1	11,666	14,723	3,057	26.2%
Business Eastbourne	270,000	5	3,553	4,257	705	19.8%
Business Suburban	220,000	1	4,116	4,135	18	0.4%
Business Suburban - JSP	150,000	1	3,208	3,230	22	0.7%
Community Facilities 1	210,000	2	1,117	946	(171)	(15.3%)
Community Facilities 2	Church	2	702	734	32	4.6%
Community Facilities 2	321,000	5	1,786	1,526	(260)	(14.6%)
Community Facilities 3	4,100,000	17	40,457	44,500	4,043	10.0%
Community Facilities 3	1,100,000	1	9,462	11,692	2,230	23.6%
Community Facilities 3	770,000	5	9,010	8,982	(28)	(0.3%)

RATES INSTALMENT DETAILS

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

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

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

PENALTIES ON UNPAID RATES

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

After the due date shown for each instalment, a penalty charge of 10% of the amount remaining unpaid for that instalment will be added to the rate account.

All rates levied in any previous financial year (including any penalty amounts already added for late payment) which remain unpaid after the due date for payment of the second instalment in the current year (20 October), will incur a further penalty charge of 10%.

All rates levied in any previous financial year (including any penalty amounts already added for late payment) which remain unpaid after the due date for payment of the fifth instalment in the current year (20 April), will incur a further penalty charge of 10%.

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

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



*Strategic
Measures*

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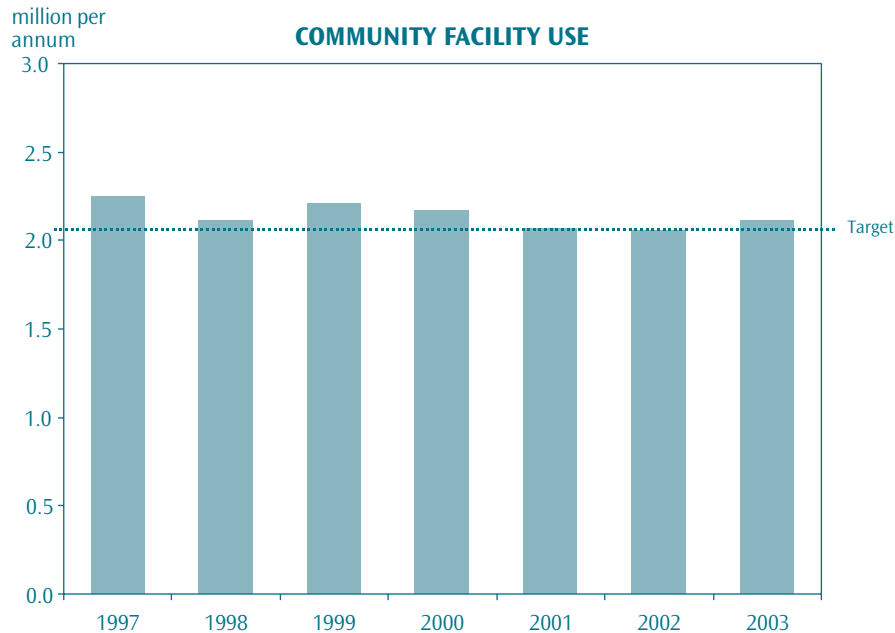
Summary of Strategic Measures

STRATEGIC MEASURES

The diagram on page 10 identifies Council's strategic goals and how these relate to achieving Community Outcomes. The diagram also lists the measures Council will use to ascertain whether its strategic goals have been achieved. This section of the Community Plan provides historical and forecast information, targets and benchmarks in relation to

those measures. As these are new measures, in several instances the information is incomplete. This is most apparent with the measures of resident perception and environmental quality. The additional information required will be gathered during the next 12 months.

STRATEGIC MEASURES – PEOPLE

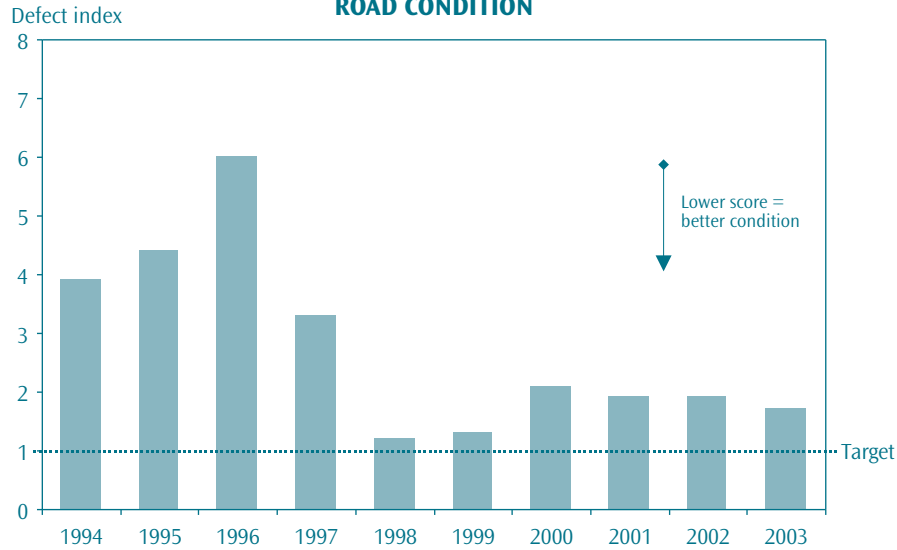


Community Facility Use

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

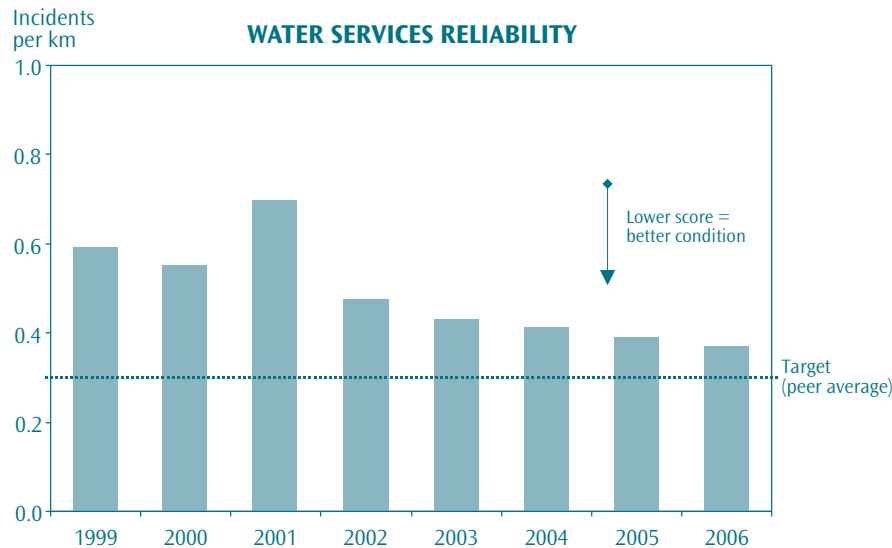
STRATEGIC MEASURES – UTILITY SERVICES

ROAD CONDITION



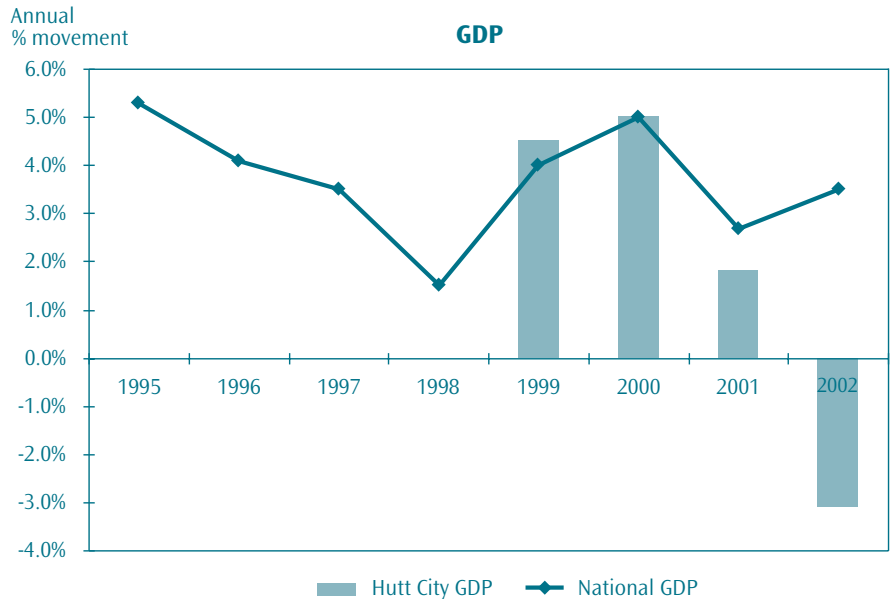
Transfund measures defects in roading surfaces and records a surface condition index. This graph shows the historical condition of the roads in Hutt City and Council's current target. A significant improvement in road conditions is apparent since the early 1990's. Comparative information for peer local authorities is not currently available but Transfund intends to publish this in the future.

WATER SERVICES RELIABILITY



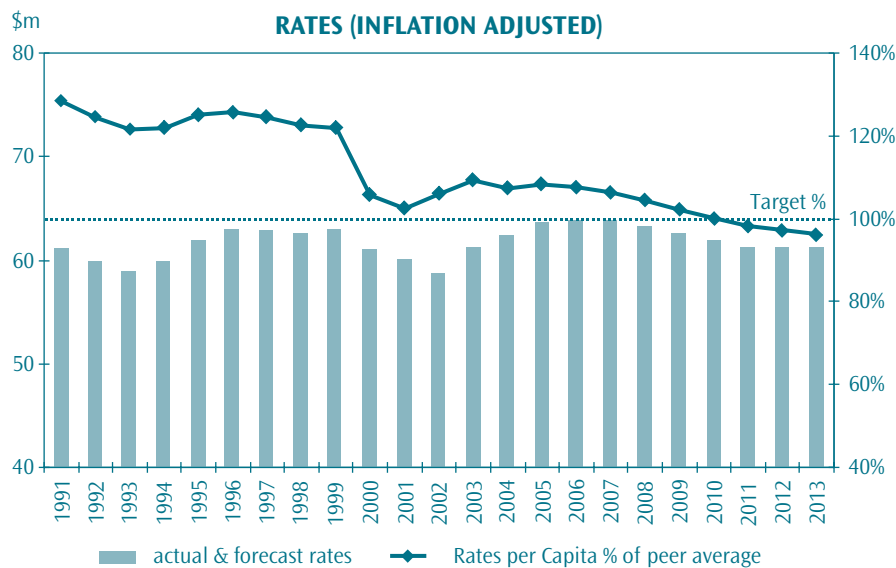
This graph measures combined incidents per kilometre in the water supply, wastewater and stormwater networks. A favourable trend can be seen, but results remain slightly worse than peer averages. The main reason for this is the age and condition profile of pipes. Council's asset renewal programme will address this issue.

STRATEGIC MEASURES – ECONOMIC DEVELOPMENT



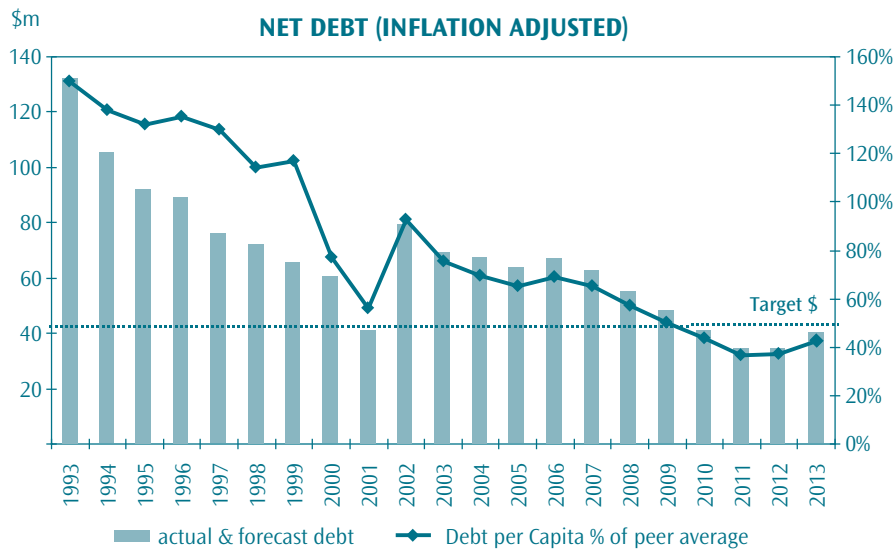
In recent years the performance of the local economy has not been strong and has not compared favourably with New Zealand as a whole. In response, Council has adopted an economic development strategy. The strategy aims to build the city's economy, particularly in the area of business numbers, jobs events and tourism.

STRATEGIC MEASURES – ORGANISATION



This graph shows historical and forecast rate levels. It highlights the reductions achieved from 1999 onwards, offset slightly by modest increases in recent years to cover the cost of wastewater treatment facilities. From 2005 rate levels are forecast to gradually reduce, prior to allowing for the impact of inflation on input costs.

The graph also measures rates per capita in comparison with our peers (other similar local authorities). Historically Hutt City rates have been higher than peer average. This is partially due to many peer authorities owning major profitable businesses such as ports, airports, forestry and electricity companies, that help to keep rates down. Nevertheless, Council is projecting rates will reduce to less than peer average by 2011.



This graph shows historical and forecast net debt levels. It highlights the considerable success Council has had in reducing debt levels since 1993. The increase in 2002 was due to the unavoidable requirements to fund the construction of the wastewater treatment facilities at Seaview. Debt levels are now well below the average of peer local authorities and forecast to fall further.



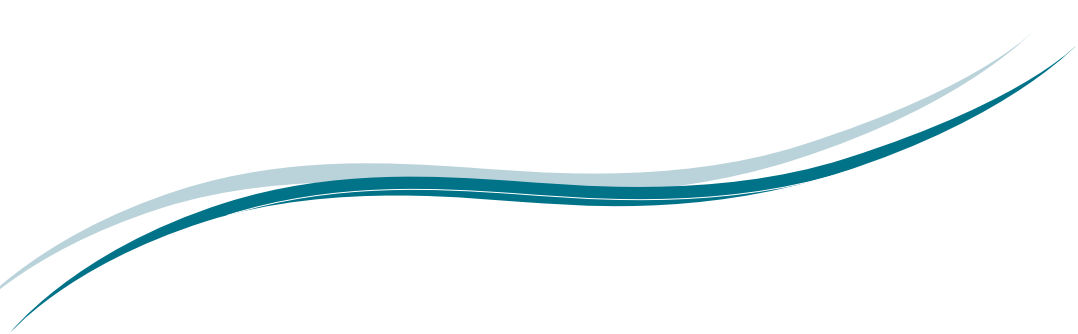
Council monitors customer satisfaction levels with Council services annually by way of an independently conducted survey. The graph shows that there were significant improvements until 2002 and that satisfaction ratings have maintained a high level since then.

Council budgets to maintain satisfaction levels of at least 80%, but targets achieving results regarded as best practice, 87.5%.



Council has been measuring overall satisfaction levels of staff for the last two years through an independent survey. A significant improvement was noted in the 2003 survey.

Council budgets to maintain staff satisfaction levels at at least 80%, but targets achieving results above those achieved last year (88%).



Group Economy

ECONOMIC COMMUNITY OUTCOME

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

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

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

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

'A thriving economy is important to my business'

Andrea Mitchell, Urban Joinery Company

HUTT CITY COUNCIL STRATEGIC GOAL

- A strong, enterprising and diverse economy.

SIGNIFICANT ACTIVITIES

	PAGE
Activity 14: Local Urban Design	90
Activity 15: Economic Development	92

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

OPERATING PROJECTS

- Heritage Fund
- Earthquake risk and building fund
- Rapid response to graffiti
- Events funding
- Implementation of economic development strategies
- Visitor Information funding
- Funding to Positively Wellington Business, CBD+ and Jackson Street Programme.

CAPITAL PROJECTS

- Improvements to suburban shopping centres
- The revitalisation and marketing of Hutt City's CBD
- Seaview/Gracefield developments
- Development of Wingate industrial area.

SIGNIFICANT NEGATIVE EFFECTS

At this stage there are no known significant negative effects surrounding Council's planned Key Programmes and Activities. See page 128 for Council's Policy on Significance.

Local Urban Design

WHAT WE DO

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

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Develop an urban environment that helps to retain and attract businesses, people and investment.
- Retain heritage buildings and features for future generations.
- Facilitate the requirements and development of business areas.
- Identify business and community needs, and plan and develop these.

HOW WE CHECK PROGRESS

Ensure that:

- Urban design and enhancement projects are completed on time, to the required standard and within budget.
- Earthquake Risk and Heritage Building Fund projects are completed on time, to the required standard and within budget.
- Suburban shopping centre programmes to improve services (asset upgrades and new assets) are completed on time, to the required standard and within budget.
- Business area development projects are completed on time, to the satisfaction of businesses and within budget.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating Revenue	–	–	–	–
Total operating expenditure	455	326	290	349
Operating Expenditure	–	–	–	–
Employee costs	169	46	46	46
Supplier costs	102	60	59	59
Support costs	163	144	100	140
Depreciation	21	76	85	104
Total operating expenditure	455	326	290	349
NET DEFICIT BEFORE TAX	(455)	(326)	(290)	(349)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Net deficit before tax	(455)	(326)	(290)	(349)
Total rates funding requirement	(455)	(326)	(290)	(349)
Loan funding requirement				
Capital expenditure – improving services	(374)	(521)	(500)	(400)
Less depreciation	21	76	85	104
Total loan funding requirement	(353)	(445)	(415)	(296)
TOTAL FUNDING REQUIREMENT	(808)	(771)	(705)	(645)

2003/2004

OPERATING PROJECTS**Anti Graffiti**

Rapid response to graffiti. \$60,000

Heritage Fund

Funding for heritage projects. \$20,000

Earthquake Risk

Earthquake risk and building fund. \$20,000

CARRY OVERS 2002/2003

Earthquake Risk Fund \$17,000

Safer City Strategy \$27,000

Total **\$144,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Eastbourne Village Christmas Lights**

Installation of Christmas lights in Eastbourne Village \$3,000

Naenae Shopping Centre

The revitalisation of the Naenae Shopping Centre \$50,000

Stokes Valley Community Trust

Contribution toward improvements to Stokes Valley Shopping Centre \$20,000

Wainuiomata Signage

To install signage in Wainuiomata providing directions to various facilities \$9,000

Suburban Shopping Centres

Improvements to suburban shopping centres \$100,000

CBD development

Assist CBD revitalisation \$200,000

CARRY OVERS 2002/2003

Suburban Shopping Centres \$124,000

SCAN environmental improvements \$15,000

Total **\$521,000**

2004/2005

OPERATING PROJECTS**Anti Graffiti**

Rapid response to graffiti. \$60,000

Heritage Fund

Funding for heritage projects. \$20,000

Earthquake Risk

Earthquake risk and building fund. \$20,000

Total **\$100,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Naenae Shopping Centre**

The revitalisation of the Naenae Shopping Centre. \$100,000

Suburban Shopping Centres

Improvements to suburban shopping centres. \$100,000

CBD development

Assist CBD revitalisation. \$300,000

Total **\$500,000**

2005/2006

OPERATING PROJECTS**Anti Graffiti**

Rapid response to graffiti. \$60,000

Heritage Fund

Funding for heritage projects. \$20,000

Earthquake Risk

Earthquake risk and building fund. \$60,000

Total **\$140,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Suburban Shopping Centres**

Improvements to suburban shopping centres. \$100,000

CBD development

Assist CBD revitalisation. \$300,000

Total **\$400,000**

Economic Development

WHAT WE DO

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

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Facilitate the expansion of existing businesses and create new businesses by making Hutt City the preferred choice of business location within the region.
- Ensure doing business in Hutt City is easy and cost-effective through good business practices, efficient infrastructure and the use of innovative partnerships including Council and other organisations.
- Improve awareness and use of e-commerce and knowledge economy solutions as a way to communicate and do business locally, nationally and internationally.
- Create business communities with a sense of vibrancy and life and generate a sense of identity. This will be assisted by a wider range of recreation, retail and entertainment options within or closer to business areas.
- Assist with the development of a skilled workforce.
- Encourage development and undertake events.

HOW WE CHECK PROGRESS

Ensure that:

- Economic development strategy implementation programmes are completed on time, to the required standard and within budget.
- Achieve a job growth rate in Hutt City of equivalent to 0.7%pa over the period 2002–2007.
- CBD+ business plan milestones are met.

- Jackson Street Programme business plan milestones are met.
- At least 80% of Hutt City residents are satisfied with the Visitor Information services and special events.
- Regional Economic Development Agency business plan milestones are met.
- Economic impact of events is satisfactory.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
Total operating revenue	-	-	-	-
Operating Expenditure				
Employee costs	207	195	195	195
Supplier costs	-	10	10	10
Support costs	94	155	153	153
Operating projects	1,309	1,568	1,418	1,408
Total operating expenditure	1,610	1,928	1,776	1,766
NET DEFICIT BEFORE TAX	(1,610)	(1,928)	(1,776)	(1,766)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Net deficit before tax	(1,610)	(1,928)	(1,776)	(1,766)
Total rates funding requirement	(1,610)	(1,928)	(1,776)	(1,766)
Loan Funding Requirement				
Capital expenditure –maintaining services	-	(30)	(30)	(30)
Capital expenditure –improving services	(173)	(150)	(250)	(150)
Total loan funding requirement	(173)	(180)	(280)	(180)
TOTAL FUNDING REQUIREMENT	(1,783)	(2,108)	(2,056)	(1,946)

2003/2004

OPERATING PROJECTS**Development Wainuiomata**

For the development of a strategy to promote growth in Wainuiomata \$50,000

Events funding

Events funding for Hutt City. \$245,000

CBD +

Marketing of CBD. \$240,000

Jackson Street Programme

Jackson Street Programme funding. \$80,000

Visitor Information

Provision and promotion of information. \$120,000

Positively Wellington Business

Hutt contribution to Positively Wellington Business. \$410,000

International Cities

International cooperation with sister cities. \$43,000

Economic Development Strategy

Implementation of Economic Development Strategy. \$180,000

Small Business

Assistance to small businesses. \$50,000

CARRY OVERS 2002/2003

Events Funding \$30,000

Economic Development Strategy implementation \$120,000

Total \$1,568,000

MAINTAINING SERVICES (ASSET RENEWALS)**Seaview**

Banner replacement. \$30,000

Total \$30,000

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

Development of Wingate industrial area. \$100,000

CARRY OVERS 2002/2003

Seaview/Gracefield development \$50,000

Total \$150,000

2004/2005

OPERATING PROJECTS**Development Wainuiomata**

For the development of a strategy to promote growth in Wainuiomata. \$50,000

CBD +

Marketing of CBD. \$240,000

Jackson Street Programme

Jackson Street Programme funding. \$80,000

Visitor Information

Provision and promotion of information. \$120,000

Positively Wellington Business

Hutt contribution to Positively Wellington Business. \$410,000

International Cities

International cooperation with sister cities. \$43,000

Economic Development Strategy

Implementation of Economic Development Strategy. \$180,000

Events Funding

Funding of events in Hutt City. \$245,000

Small Business

Assistance to small businesses. \$50,000

Total \$1,408,000

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
Seaview	
Seaview/Gracefield developments.	\$100,000
Wingate	
Development of Wingate industrial area.	\$150,000
Total	\$250,000

2005/2006

OPERATING PROJECTS	
Development Wainuiomata	
For the development of a strategy to promote growth in Wainuiomata	\$40,000
Events Funding	
Funding for promotional events.	\$245,000
CBD +	
Marketing of CBD.	\$240,000
Jackson Street Programme	
Jackson Street Programme funding.	\$80,000
Visitor Information	
Provision and promotion of information.	\$120,000
Positively Wellington Business	
Hutt contribution to Positively Wellington Business.	\$410,000
International Cities	
International cooperation with sister cities.	\$43,000
Economic Development Strategy	
Implementation of Economic Development Strategy.	\$180,000
Small Business	
Assistance to small businesses.	\$50,000
Total	\$1,408,000

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
Wingate	
Development of Wingate industrial area.	\$150,000
Total	\$150,000



Group Environment

COMMUNITY OUTCOMES

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

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

*'I think protecting
our environment
is important'*

Kori Allen, student at WelTec

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

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

HUTT CITY COUNCIL STRATEGIC GOAL

- A clean healthy, attractive and sustainable environment

SIGNIFICANT ACTIVITIES

- Activity 12: Environmental Management
- Activity 13: Emergency Management

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SIGNIFICANT NEGATIVE EFFECTS

At this stage there are no known significant negative effects surrounding Council's planned Key Programmes and Activities. See page 128 for Council's Policy on Significance.

Environmental Management

WHAT WE DO

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

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Develop and implement sound environmental policies and rules which encourage sustainable development and reflect community views.
- Maintain a safe and healthy city and maximise appropriate development.
- Control dogs so that residents are safe, annoyance factors are minimised and the welfare of animals is protected.
- Provide service from Council that is timely, efficient and customer friendly.

HOW WE CHECK PROGRESS

Ensure that:

- All notified applications not requiring a hearing are submitted for decision within 10 working days.
- 80% of non-notified land use consents are issued within five working days.
- 90% of premises are registered or licensed within 30 days of the date of application.
- 80% of Hutt City users are satisfied with the service in processing non-notified land use resource consents.
- 80% of hearing participants are satisfied they have received a fair hearing.

- At least 80% of hearing decisions are issued within 10 working days of the hearing.
- Fewer than 1% of Council's notified resource consent decisions are successfully appealed in the Environment Court.
- 90% of applications for building consents are determined:
 - Within nine working days for consents under \$500,000 in value;
 - Within 20 working days for consents over \$500,000.
- At least 80% of Hutt City users are satisfied with the inspection service and requests for service.
- All sites subject to resource consent conditions are inspected for compliance within nine months of approval.
- Animal control customer satisfaction levels exceed those achieved by peer local authorities.
- Environmental Monitoring Report is completed by the end of June 2004.
- District Plan changes are prepared and processed as agreed by Council.
- The Keep Hutt City Beautiful Programme is implemented in conjunction with community group representatives.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
User charges	2,105	2,249	2,249	2,249
Other revenue	39	25	25	25
Total operating revenue	2,144	2,274	2,274	2,274
Operating Expenditure				
Employee costs	2,433	2,657	2,657	2,657
Supplier costs	840	999	999	999
Support costs	822	702	693	695
Maintenance costs	11	13	13	13
Operating projects	50	-	50	-
Interest expense	1	1	1	1
Depreciation	15	10	8	6
Total operating expenditure	4,172	4,382	4,421	4,371
NET DEFICIT BEFORE TAX	(2,028)	(2,108)	(2,147)	(2,097)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Net deficit before tax	(2,028)	(2,108)	(2,147)	(2,097)
Total rates funding requirement	(2,028)	(2,108)	(2,147)	(2,097)
Loan Funding Requirement				
Capital expenditure – improving services	(5)	(5)	-	-
Less depreciation	15	10	8	6
Total loan funding surplus	10	5	8	6
TOTAL FUNDING REQUIREMENT	(2,018)	(2,103)	(2,139)	(2,091)

2003/2004**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**

Animal Waste Project	
Promotion of need for removal of animal waste from public places.	\$5,000
Total	\$5,000

2004/2005**OPERATING PROJECTS**

Pencarrow Coast Study	\$50,000
Total	\$50,000

Emergency Management

WHAT WE DO

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

WHY WE DO IT

This activity is fundamental to achieving citywide preparedness for emergencies. There is also a legal requirement for this activity under the Forest and Rural Fires Act and the Civil Defence Emergency Management Act.

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Prepare residents for an emergency so that the impact on the community is minimised and people are safe.

HOW WE CHECK PROGRESS

Ensure that:

- At least 65% of Hutt City residents are prepared for an emergency.
- Emergencies are responded to in accordance with the corporate Emergency Plan, Civil Defence Plan and related procedures.
- Rural fire emergencies are responded to in accordance with the Rural Fire Plan and related procedures.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
Operating subsidies	40	40	40	40
Total operating revenue	40	40	40	40
Operating expenditure				
Employee costs	206	224	224	224
Supplier costs	97	109	109	109
Support costs	163	168	166	166
Maintenance costs	6	17	17	17
Depreciation	16	33	28	25
Total operating expenditure	488	551	544	541
NET DEFICIT BEFORE TAX	(448)	(511)	(504)	(501)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Net deficit before tax	(448)	(511)	(504)	(501)
Total rates funding requirement	(448)	(511)	(504)	(501)
Loan funding requirement				
Capital expenditure – maintaining services	(110)	-	-	-
Less depreciation	16	33	28	25
Total loan funding (requirement)/surplus	(94)	33	28	25
TOTAL FUNDING REQUIREMENT	(542)	(478)	(476)	(476)

Group Organisation

COMMUNITY OUTCOMES

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

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

HUTT CITY COUNCIL STRATEGIC GOALS

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

SIGNIFICANT ACTIVITIES

- Activity 16: Elected Members
Activity 17: Advice and Support
Activity 18: Managing Services

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*‘Winner
– 2002 New Zealand
Performance Excellence Awards’*

Elected Members

WHAT WE DO

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 Council and provide local input into governance issues.

WHY WE DO IT

This is a legal requirement.

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- The long-term goals are to provide superior governance, in order to achieve Community Outcomes in the most efficient and timely manner.

HOW WE CHECK PROGRESS

Ensure that:

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

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
Total operating revenue	-	-	-	-
Operating Expenditure				
Employee costs	706	813	813	813
Supplier costs	63	57	57	57
Support costs	460	492	486	487
Maintenance costs	5	5	5	5
Total operating expenditure	1,234	1,367	1,361	1,362
NET DEFICIT BEFORE TAX	(1,234)	(1,367)	(1,361)	(1,362)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement

Net deficit before tax	(1,234)	(1,367)	(1,361)	(1,362)
Total rates funding requirement	(1,234)	(1,367)	(1,361)	(1,362)
TOTAL FUNDING REQUIREMENT	(1,234)	(1,367)	(1,361)	(1,362)

Advice & Support

WHAT WE DO

This activity involves the process of policy formation, consultation and public accountability on behalf of Council.

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Council provides advice and support to elected members and community representatives, which enables them to function effectively.

HOW WE CHECK PROGRESS

Ensure that:

- The majority of Councillors report that they are satisfied, or more than satisfied, with formal advice received from officers.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
Other revenue	-	-	85	-
Total operating revenue	-	-	85	-
Operating Expenditure				
Supplier costs	30	30	215	30
Support costs	2,426	2,788	2,752	2,759
Operating projects	242	100	100	100
Total operating expenditure	2,698	2,918	3,067	2,889
NET DEFICIT BEFORE TAX	(2,698)	(2,918)	(2,982)	(2,889)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Rates funding requirement				
Net deficit before tax	(2,698)	(2,918)	(2,982)	(2,889)
Transfer (to)/from operating reserve	(50)	(50)	100	(50)
Total rates funding requirement	(2,748)	(2,968)	(2,882)	(2,939)
TOTAL FUNDING REQUIREMENT	(2,748)	(2,968)	(2,882)	(2,939)

Managing Services

WHAT WE DO

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

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

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Prioritise and manage operating and capital expenditure.
- Establish prudent risk management policies and monitor compliance.
- Implement the Baldrige Business Excellence Framework and obtain annual evaluation from the Business Excellence Foundation.
- Participate in peer benchmarking exercises and pursue identified best practice.
- Operate a continuous improvement programme.
- Elicit regular feedback from customers and staff, and address identified concerns.

HOW WE CHECK PROGRESS

Ensure that:

- Increases in rates are kept below the level of inflation, excluding funding for new wastewater treatment costs.
- Net debt is below \$45 million by 2010.
- Capital and operating expenditure are kept within budget.
- There is 100% compliance with Treasury Policy financial limits.
- Achieve a progress award on first application for assessment by the Business Excellence Foundation.

- Results exceed peer organisation averages in at least 80% of measures.
- Achieve more than 600 organisation improvements, as reported by staff.
- Satisfaction ratings in surveys of customer satisfaction exceed 80%.
- Satisfaction ratings in surveys of staff satisfaction exceed 80%.
- Staff turnover is kept to less than 15%.
- Less than 10 working days are lost due to work accidents.
- 100% compliance with Corporate Planning requirements as set out in the Local Government Act 2002, on time and within budget.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE**For the year ending 30 June 2004**

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
User charges	843	850	850	850
Other revenue	1,229	665	665	665
Total operating revenue	2,072	1,515	1,515	1,515
Operating Expenditure				
Employee costs	4,242	4,641	4,641	4,641
Supplier costs	2,030	5,621	5,621	5,621
Maintenance costs	98	101	101	101
Operating projects	40	-	-	-
Net interest expense	(500)	-	-	-
Depreciation	1,104	1,171	1,041	1,067
Total operating expenditure	7,014	11,534	11,404	11,430
Operating Deficit	(4,942)	(10,019)	(9,889)	(9,915)
Less costs allocated to significant activities	8,742	10,019	9,889	9,915
NET SURPLUS BEFORE TAX	3,800	-	-	-

PROSPECTIVE FUNDING REQUIREMENT**For the year ending 30 June 2004****Rates funding requirement**

Net surplus before tax	3,800	-	-	-
Transfer to operating reserve	(110)	(110)	(110)	(110)
Transfer from loan funding	705	2,809	40	(345)
Total rates funding surplus/(requirement)	4,395	2,699	(70)	(455)

Rates funding requirement

Capital expenditure – maintaining services	(826)	(1,288)	(1,053)	(683)
Capital expenditure – improving services	(256)	(119)	(180)	(390)
Less depreciation	1,104	1,171	1,041	1,067
Less asset sales	5,500	2,050	-	-
Transfer to/(from) rate funding	(705)	(2,809)	(40)	345
Total loan funding surplus/(requirement)	4,817	(995)	(232)	339
TOTAL FUNDING SURPLUS/(REQUIREMENT)	9,212	1,704	(302)	(116)

2003/2004

MAINTAINING SERVICES (ASSET RENEWALS)	
• Replacement of Core Software	\$600,000
• PC replacement programme	\$278,000
• Printer replacement programme	\$45,000
• Server replacement programme	\$150,000
• Network replacement	\$20,000
• Archives air conditioning	\$50,000
• Customer call centre furniture and equipment	\$15,000
• Expenditure for health and safety and general office furniture and equipment	\$30,000
CARRY OVERS 2002/2003	
Aerial Photographs	\$100,000
Total	\$1,288,000
IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
Software Enhancements	\$50,000
Online Service Development	\$20,000
Customer Call Centre PBX Technology Upgrade	\$10,000
CARRY OVERS 2002/2003	
Archives Fire Protection	\$38,900
Total	\$118,900

2004/2005

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
Online Service Development	\$20,000
Core Business Application Enhancement	\$140,000
Electronic Document Management	\$20,000
Total	180,000

2005/2006

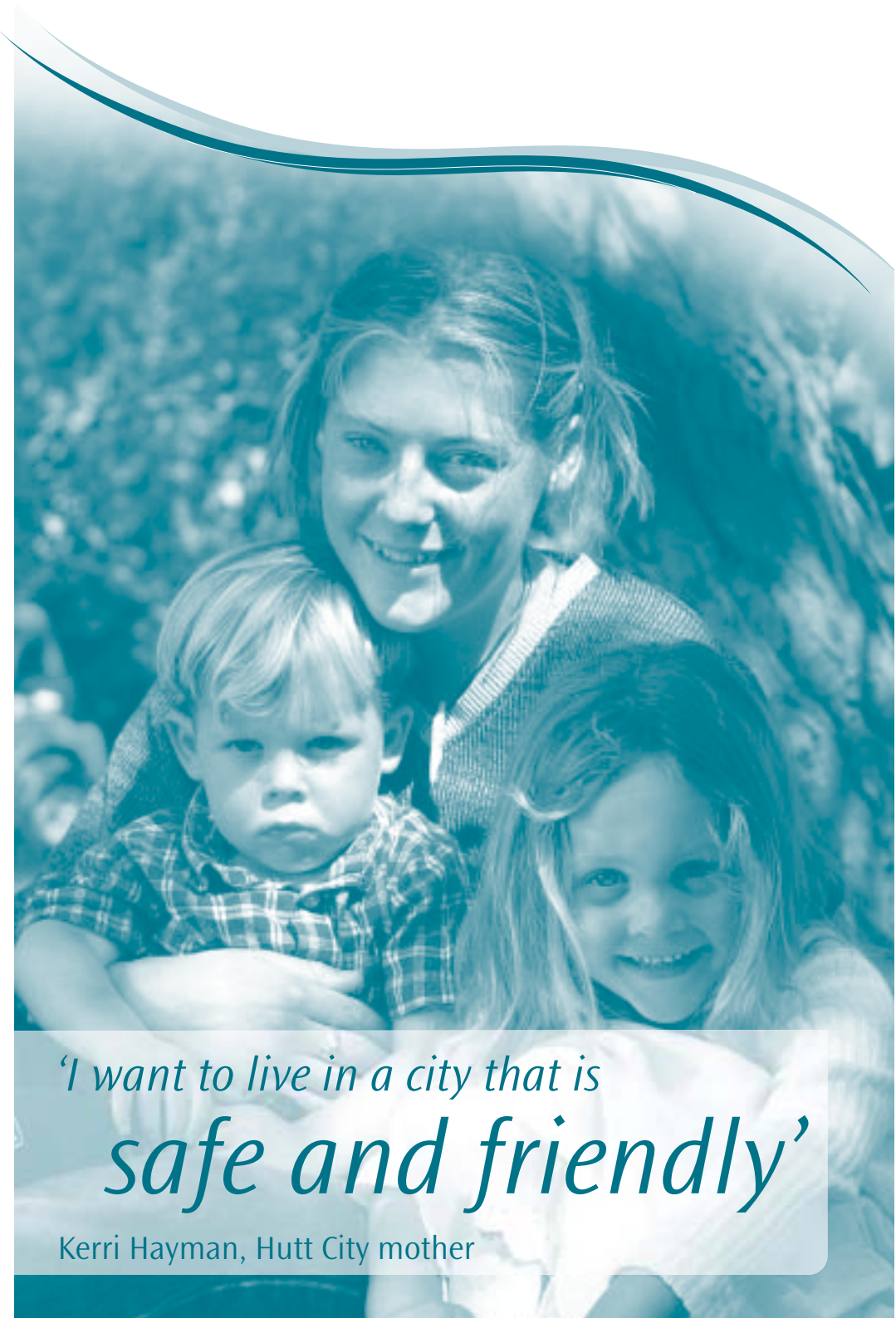
IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
Online Service Development	\$20,000
Core Business Application Enhancement	\$160,000
Customer Call Centre PBX Technology Upgrade	\$10,000
Electronic Data Management	\$200,000
Total	\$390,000

Group People

COMMUNITY OUTCOMES

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

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



*'I want to live in a city that is
safe and friendly'*

Kerri Hayman, Hutt City mother

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

Organisation	Advocate	Funder	Service Provider	Regulator	Facilitator	Monitor
Hutt City Council	√	√	√	√	√	√
Police			√			√
Accident Compensation Corporation		√	√		√	
Child, Youth and Family	√	√	√			√
Hutt Valley Health	√				√	√
Te Puni Kokiri	√				√	
Lower Hutt Safer Community Council (SCAN)	√		√		√	√
Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui	√		√		√	
Work and Income New Zealand		√			√	
Te Taura Here o te Te Awakairangi	√		√		√	
Wellington Tenth Trust	√				√	
Wellington Regional Council/ Greater Wellington	√	√	√	√	√	√
Department of Conservation	√	√	√	√	√	√

HUTT CITY COUNCIL STRATEGIC GOALS

- Cultural** – A vibrant and diverse city
- Leisure** – Accessible and high quality leisure activities and facilities
- Community** – A connected, safe and healthy community

SIGNIFICANT ACTIVITIES

Activity 1: Libraries	40
Activity 2: Museums	42
Activity 3: Aquatics and Recreation	44
Activity 4: Parks and Reserves	48
Activity 5: Community Support	52
Activity 6: Community Property	56

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

OPERATING PROJECTS

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

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

- Upgrades to Central Library
- Upgrades to the Dowse Art Museum
- Redevelopment of Hutt Park
- Upgrades to Petone Foreshore

SIGNIFICANT NEGATIVE EFFECTS

At this stage there are no known significant negative effects surrounding Council's planned Key Programmes and Activities. See page 128 for Council's Policy on Significance.

GROUP OF ASSETS REQUIRED BY THE GROUP OF ACTIVITIES

Council manages the community's cultural, social and recreational assets in the form of libraries, pools, parks and museums. These assets are maintained to agreed levels of services set out in Asset Management Plans (see page 103).

Libraries

WHAT WE DO

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

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Advocate and facilitate public access to information, knowledge and information technology.
- Provide equality of access and opportunity to information services throughout Hutt City.
- Provide exemplary service, at all times, that is recognised by the community.
- Maximise opportunities to innovatively deliver information.

HOW WE CHECK PROGRESS

Ensure that:

- At least 80% of Hutt City residents are satisfied with the library service.
- At least 80% of Hutt City residents use the library service during the year.
- Programmes to maintain and improve current services are completed on time, to required standard and within overall budget.
- Achieve the benchmark of 1,500,000 library visits or virtual visits.
- Achieve the benchmark of 1,700,000 transactions at a net direct cost of \$2.82 per transaction (based on budget).

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
User charges	301	342	342	342
Other revenue	3	7	7	7
Total operating revenue	304	349	349	349
Operating expenditure				
Employee costs	2,179	2,280	2,280	2,280
Supplier costs	1,090	542	542	542
Support costs	1,415	1,476	1,456	1,462
Maintenance costs	15	17	17	17
Interest expense	68	58	54	52
Depreciation	97	1,026	949	920
Total operating expenditure	4,864	5,399	5,298	5,273
NET DEFICIT BEFORE TAX	(4,560)	(5,050)	(4,949)	(4,924)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Net deficit before tax	(4,560)	(5,050)	(4,949)	(4,924)
Total rates funding requirement	(4,560)	(5,050)	(4,949)	(4,924)
Loan Funding Requirement				
Capital expenditure – maintaining services	(40)	(682)	(682)	(682)
Capital expenditure – improving services	(21)	(3,083)	(28)	-
Less depreciation	97	1,026	949	920
Total loan funding surplus/(requirement)	36	(2,739)	239	238
TOTAL FUNDING REQUIREMENT	(4,524)	(7,789)	(4,710)	(4,686)

2003/2004

MAINTAINING SERVICES (ASSET RENEWALS)**Furniture and Equipment Renewals**

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

Library Stock Replacement

Previously funded from the operating budget, accounting practices require this item to be funded as capital. \$642,000

Total **\$682,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**PCs for Internet Access**

Additional PCs for internet access to meet increasing demand for electronic services. \$21,000

Listening Facilities

Listening and viewing facilities for three libraries. \$7,000

Central Library Upgrade

Upgrade of Central Library as proposed in the space and access review undertaken in 2000. \$3,055,000

Total **\$3,083,000**

2004/2005

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**PCs for Internet Access**

Additional PCs for internet access to meet increasing demand for electronic services. \$21,000

Listening Facilities

Listening and viewing facilities for three libraries. \$7,000

Total **\$28,000**

Museums

WHAT WE DO

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

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Provide facilities and programmes that meet the expectations of user groups and customers.
- Be recognised by the community for providing exemplary service at all times.
- Maintain the museums as safe, friendly and stimulating public spaces for all citizens and visitors to Hutt City.

HOW WE CHECK PROGRESS

Dowse Art Museum

Ensure that:

- At least 80% of Hutt City residents are satisfied with the Dowse.
- Achieve the benchmark of 90,000 visitors per year at a net direct cost of \$14.13 per visitor.
- Programmes to maintain and improve current services are completed on time, to the required standard and within the overall budget.

Petone Settlers' Museum

Ensure that:

- At least 80% of Hutt City residents are satisfied with the Settlers' Museum.
- Achieve the benchmark of 23,000 visitors per year at a net direct cost of \$17.87 per visitor.
- Programmes to maintain and improve current services are completed on time, to the required standard and within the overall budget.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
User charges	89	122	122	122
Other revenue	229	197	640	640
Total operating revenue	318	319	762	762
Operating Expenditure				
Employee costs	792	786	866	866
Supplier costs	591	632	872	872
Support costs	390	419	414	415
Maintenance costs	87	49	79	79
Operating projects	-	20	-	-
Interest expense	71	60	55	54
Depreciation	52	140	168	208
Total operating expenditure	1,983	2,106	2,454	2,494
Operating deficit	(1,665)	(1,787)	(1,692)	(1,732)
Capital subsidies	-	300	2,200	300
NET (DEFICIT)/SURPLUS BEFORE TAX	(1,665)	(1,487)	508	(1,432)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Rates funding requirement				
Operating deficit	(1,665)	(1,787)	(1,692)	(1,732)
Total rates funding requirement	(1,665)	(1,787)	(1,692)	(1,732)
Loan Funding Requirement				
Capital expenditure – maintaining services	-	(51)	-	(60)
Capital expenditure – improving services	(16)	(511)	(3,011)	(1,211)

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Less capital subsidies	-	300	2,200	300
Less depreciation	52	140	168	208
Total loan funding surplus/(requirement)	36	(122)	(643)	(763)
TOTAL FUNDING REQUIREMENT	(1,629)	(1,909)	(2,335)	(2,495)

2003/2004

OPERATING PROJECTS

Settlers' Museum

The preparation of a business plan for extensions to the Settlers' Museum \$20,000

Total **\$20,000**

MAINTAINING SERVICES (ASSET RENEWALS)

Security Surveillance System

The existing security camera system is inadequate to deal with security requirements for two international exhibitions for 2003/2004 \$12,000

New Scissor Lift

Replacement of existing 21 year old lift with new scissor lift for use in the installation of exhibitions and lighting. \$29,000

CARRY OVERS 2002/2003

Dowse Museum

Relocate and reconstruct grease trap \$10,000

Total **\$51,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

Dowse Upgrade

This proposal is for an extension and improvements to existing exhibition and public space. \$500,000

New Artworks

Ongoing acquisition programme of artworks for the Dowse collection. \$11,000

Total **\$511,000**

2004/2005

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

Dowse Upgrade

This proposal is for an extension and improvements to existing exhibition and public space. \$3,000,000

New Artworks

Ongoing acquisition programme of artworks for the Dowse collection. \$11,000

Total **\$3,011,000**

2005/2006

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

New Artworks

Ongoing acquisition programme of artworks for the Dowse collection. \$11,000

Settlers' Museum Extension

To provide a social history of wider city and provide a seaside café \$1,200,000

Total **\$1,211,000**

Aquatics & Recreation

WHAT WE DO

Council provides and maintains six swimming pools in Hutt City as part of its portfolio of recreational facilities. Recreational programmes are community-based and designed to encourage residents to engage in a range of recreational activities.

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Provide quality experiences in safe environments.
- Meet the community's need for active recreational opportunities through the development and maintenance of pools and recreation programmes.
- Promote participation in recreation amongst a broad range of people in Hutt City.

HOW WE CHECK PROGRESS

Ensure that:

- At least 80% of Hutt City users are satisfied with recreation programmes.
- At least 80% of Hutt City residents are satisfied with pools.
- At least 750,000 people access the pools, at an average net cost per user of \$3.50 per visit.
- At least 65% of Hutt City residents use a pool during the year.
- All pools achieve and maintain ACC Poolsafe certification.
- Council maintains its Out of School Care and Recreation (OSCAR) accreditation for its school holiday programme.
- At least 300 programmes and events are carried out with an increasing participation trend across all programmes.
- Programmes to maintain and improve current services are completed on time, to the required standard and within the overall budget.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
User charges	1,265	1,310	1,310	1,310
Other revenue	182	132	132	132
Total operating revenue	1,447	1,442	1,442	1,442
Operating Expenditure				
Employee costs	1,785	1,823	1,823	1,823
Supplier costs	1,201	1,254	1,254	1,254
Support costs	497	504	497	499
Maintenance costs	425	411	411	411
Operating projects	446	56	45	45
Interest expense	176	149	138	135
Depreciation	485	509	512	523
Total operating expenditure	5,015	4,706	4,680	4,690
NET DEFICIT BEFORE TAX	(3,568)	(3,264)	(3,238)	(3,248)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Net deficit before tax	(3,568)	(3,264)	(3,238)	(3,248)
Total rates funding requirement	(3,568)	(3,264)	(3,238)	(3,248)
Loan funding requirement				
Capital expenditure – maintaining services	(98)	(264)	(715)	(593)
Capital expenditure – improving services	(37)	(40)	(500)	-
Less depreciation	485	509	512	523
Total loan funding surplus/(requirement)	350	205	(703)	(70)
TOTAL FUNDING REQUIREMENT	(3,218)	(3,059)	(3,941)	(3,318)

2003/2004

OPERATING PROJECTS**Walter Nash Stadium Grant**

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

Walter Nash Stadium

To prepare architectural plans for the final stage of the Walter Nash Stadium upgrade \$11,000

Total **\$56,000**

MAINTAINING SERVICES (ASSET RENEWALS)**Huia Pool – Replace PA System**

The public address system must be replaced to continue its daily use. \$10,000

Huia Pool – Replace Aquarun

Replace aquarun – inflatable toy for use by teenagers and those young at heart. \$12,000

Huia Pool – Refibreglass Overflow Channel

Refibreglass overflow channel as it is no longer economic to patch. \$27,000

Naenae Pool – Upgrade PA System

The public address system must be replaced to continue its daily use. \$10,000

Naenae Pool – Replace Double Glazed Units

Replace 42 double glazed units at the south end of the building. \$35,000

Naenae Pool – Replace Ventilation Inlet

Replace inlet louvre to make internal structure watertight and stop further deterioration. \$5,000

Naenae Pool – Boiler modifications

Make use of spare boiler capacity to generate energy savings. \$10,000

Naenae Pool – Modify Bulkhead

Design modifications and drawings prior to bulkhead replacement in 2004/2005. \$7,000

Stokes Valley Pool – Replace Boiler

Replace original pool boiler. \$40,000

Wainuiomata Pool – Replace Hot Water Cylinders

Install instant gas burners in mens' and ladies' change rooms. \$8,000

Wainuiomata Pool – Upgrade Filter

Replace pumps, strainers, valves and pipework as part of programmed work to upgrade filter, as identified in engineer's report. \$100,000

Total **\$264,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**McKenzie Pool – Provide Shade Sails**

Install shade sails for patrons' comfort and health. \$10,000

Stokes Valley Pool – Provide Shade/Seating

Install shade and seats for patrons' comfort and health. \$10,000

Wainuiomata Pool Attraction

Install a mini golf area as an additional attraction for patrons using this pool. \$20,000

Total **\$40,000**

2004/2005

OPERATING PROJECTS**Walter Nash Stadium Grant**

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

Total **\$45,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Walter Nash Stadium Upgrade**

Final stage of upgrade to Walter Nash Stadium to increase seating capacity and provide new toilet facilities subject to the Trust obtaining the balance. \$500,000

Total **\$500,000**

2005/2006**OPERATING PROJECTS****Walter Nash Stadium Grant**

Annual grant for operating costs of the Stadium, which meets a wide range of community needs.

\$45,000

Total**\$45,000**

Parks & Reserves

WHAT WE DO

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

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Provide quality experiences in safe environments.
- Meet the community's need for active recreational opportunities through the development and maintenance of sports areas.
- Maintain cemetery facilities and environments to the satisfaction of customers.
- Foster the physical and social health of residents through recreation and sports participation.

HOW WE CHECK PROGRESS

Ensure that:

- At least 80% of Hutt City users are satisfied with parks and reserves.
- Sports fields are used at 80% of their carrying capacity.
- 95% of sports fields meet the standards agreed with sports codes.
- At least 80% of Hutt City residents are satisfied with cemeteries.
- Programmes to maintain and improve current services are completed on time, to the required standard and within overall budget.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
User charges	776	776	776	776
Other revenue	1	1	1	1
Total operating revenue	777	777	777	777
Operating Expenditure				
Employee costs	420	385	385	385
Supplier costs	4,932	5,009	5,009	5,009
Support costs	353	486	480	481
Maintenance costs	561	506	506	506
Operating projects	173	173	181	251
Interest expense	455	385	355	348
Depreciation	651	217	218	219
Total operating expenditure	7,545	7,161	7,134	7,199
NET DEFICIT BEFORE TAX	(6,768)	(6,384)	(6,357)	(6,422)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Net deficit before tax	(6,768)	(6,384)	(6,357)	(6,422)
Total rates funding requirement	(6,768)	(6,384)	(6,357)	(6,422)
Loan Funding Requirement				
Capital expenditure – maintaining services	(488)	(290)	(325)	(265)
Capital expenditure – improving services	(1,377)	(2,090)	(350)	(325)
Less depreciation	651	217	218	219
Transfer from capital reserve	475	110	110	110
Total loan funding requirement	(739)	(2,053)	(347)	(261)
TOTAL FUNDING REQUIREMENT	(7,507)	(8,437)	(6,704)	(6,683)

2003/2004

OPERATING PROJECTS**North Island Brown Kiwi**

A grant to Rimutaka Forest Park Trust to eradicate mustelids in preparation for the release of North Island Brown Kiwi into the park \$5,000

Problem Tree Removal

To bring forward the programme to remove problem pine trees within Council reserves. \$35,000

Avalon Park Development Plan

Preparation of development plan for Avalon Park. \$10,000

Green Army Coordinator

Provision of coordinator to provide service to volunteers working on reserve land. \$30,000

Volunteer Ranger Programme

Setting up of a volunteer ranger service in Stokes Valley and Wainuiomata. \$8,000

Hutt River Trail

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

Pest Plant Species Control

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

Waiwhetu Stream Environmental Enhancement

Continued programme of improvements carried out jointly with Wellington Regional Council/Greater Wellington. \$20,000

CARRY OVER 2002/2003

New Cemetery Site investigation \$20,000

Total **\$173,000**

MAINTAINING SERVICES (ASSET RENEWALS)**Wharf Survey**

Five yearly comprehensive condition survey of wharves. \$40,000

Playgrounds

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

Walkways Upgrade Programme

An ongoing programme to implement the recommendations of the walkway review. \$15,000

Parks Roading Maintenance

Ongoing maintenance programme for the internal road network of parks and sports fields \$50,000

Seats and Bins

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

Riddiford Gardens Paving Renewal

Renewal of deteriorating paving throughout Riddiford Gardens. \$65,000

Total **\$290,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Hugh Sinclair Park Walkway**

Street to Street walkway between Rata Street and The Strand with safety lighting \$100,000

Development of Burial Sites

Funding for further development of burial sites at Taita Lawn Cemetery. \$80,000

Hutt Park Redevelopment

Stage Two of works to be carried out to upgrade Hutt Park. \$930,000

Petone Foreshore Upgrade

Continuation of upgrade of the Petone Foreshore including toilets at Korokoro. \$500,000

Jubilee Park Upgrade

Stage Three of renovation project to upgrade Jubilee Park. \$30,000

Cenotaph Plaque

Plaque recording names of all Hutt WWII servicemen who died in action. \$14,000

Bollards

Installation of bollards at various sites to protect parks and gardens from vehicular damage. \$5,000

CARRY OVERS 2002/2003

Wainuiomata Memorial Garden \$40,000

Percy Scenic Reserve/SH2 redevelopment \$150,000

Korohiwa Landscape Development \$200,000

Skateboard Park City Centre \$41,000

Total **\$2,090,000**

2004/2005**OPERATING PROJECTS 2004/2005****North Island Brown Kiwi**

A grant to Rimutaka Forest Park Trust to eradicate mustelids in preparation for the release of North Island Brown Kiwi into the park \$5,000

Problem Tree Removal

To bring forward the programme to remove problem pine trees within Council reserves. \$35,000

Green Army Coordinator

Provision of coordinator to provide service to volunteers working on reserve land. \$60,000

Volunteer Ranger Programme

Setting up of a volunteer ranger service in Stokes Valley and Wainuiomata. \$8,000

Hutt River Trail

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

Pest Plant Species Control

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

Eastern Hills Revegetation

Arising from the Reserves Strategic Directions report, revegetation of specific sites on the Eastern Hills. \$8,000

Waiwhetu Stream Environmental Enhancements \$20,000

Continued programme of improvements carried out jointly with Wellington Regional Council/Greater Wellington.

Total **\$181,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Development of Burial Sites**

Funding for further development of burial sites at Taita Lawn Cemetery. \$80,000

Jubilee Park Upgrade

Stage Four of renovation project to upgrade Jubilee Park. \$30,000

Bollards

Installation of bollards at various sites to protect parks and gardens from vehicular damage. \$5,000

Sister Cities Japanese Garden

\$55,000

Avalon Park Development

Stage One of works to implement the Avalon Park Development Plan. \$50,000

Hugh Sinclair Park Car Parking

Provision of parking at Hugh Sinclair Park as per the development plan. \$80,000

New Cemetery Development

Initial planning for earthworks and development of the new cemetery either at Akatarawa or a new site. \$50,000

Total **\$350,000**

2005/2006

OPERATING PROJECTS**North Island Brown Kiwi**

A grant to Rimutaka Forest Park Trust to eradicate mustelids in preparation for the release of North Island Brown Kiwi into the park \$5,000

Problem Tree Removal

To bring forward the programme to remove problem pine trees within Council reserves. \$35,000

Green Army Coordinator

Provision of coordinator to provide service to volunteers working on reserve land. \$60,000

Volunteer Ranger Programme

Setting up of a volunteer ranger service in Stokes Valley and Wainuiomata. \$8,000

Hutt River Trail

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

Pest Plant Species Control

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

Eastern Hills Revegetation

Arising from the Reserves Strategic Directions report, revegetation of specific sites on the Eastern Hills. \$8,000

Ferry Road Pine Tree Removal

Stage One of removal of mature pine plantation above Ferry Road in Days Bay. \$50,000

Eastbourne: Removal of Old Iron Groynes

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

Waiwhetu Stream Environmental Enhancements

Continued programme of improvements carried out jointly with Wellington Regional Council/Greater Wellington. \$20,000

Total **\$251,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Development of Burial Sites**

Funding for further development of burial sites at Taita Lawn Cemetery. \$85,000

Bollards

Installation of bollards at various sites to protect parks and gardens from vehicular damage. \$5,000

Avalon Park Development

Stage Two of works to implement the Avalon Park Development Plan. \$100,000

Petone Entrance Upgrade

Upgrade of the railway berm between the foreshore and Petone Railway Station. \$100,000

Multi Use Sports Cage

Installation of a multi use sports cage for youth at an appropriate site in Hutt City. (Requests received for one in Stokes Valley and Maungaraki) \$35,000

Total **\$325,000**

Community Support

WHAT WE DO

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

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Support the provision of community, cultural and social services, programmes and activities by other organisations
- Assist with the development of community groups
- Undertake research and consultation to ensure the council is informed of community needs
- Provide advice and advocacy support
- Administer funding and provide grants for community organisations and groups

HOW WE CHECK PROGRESS

Ensure that:

- Contracted services delivering community development outcomes meet the terms and conditions described in their contracts
- Community development programmes and activities are completed on time, to the required standard and within budget
- Community grants programmes are completed on time, to the required standard and within budget.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating Revenue				
User charges	20	20	20	20
Total operating revenue	20	20	20	20
Operating Expenditure				
Employee costs	421	332	332	332
Supplier costs	789	154	154	154
Support costs	364	362	357	358
Maintenance costs	6	6	6	6
Operating projects	703	1,043	965	965
Total operating expenditure	2,283	1,897	1,814	1,815
NET DEFICIT BEFORE TAX	(2,263)	(1,877)	(1,794)	(1,795)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Net deficit before tax	(2,263)	(1,877)	(1,794)	(1,795)
Total rates funding requirement	(2,263)	(1,877)	(1,794)	(1,795)
TOTAL FUNDING REQUIREMENT	(2,263)	(1,877)	(1,794)	(1,795)

2003/2004

OPERATING PROJECTS**Youth Strategy**

To develop a Youth Strategy for Hutt City \$10,000

Life Flight Trust

A contribution toward the completion of the Life Flight Trust Centre \$25,000

New Settlers Centre

A contribution toward the establishment of a new settlers centre \$20,000

Community Needs Analysis

To undertake further needs analysis of communities that make up Hutt City \$28,000

Youth Centre

Contribution to operating Youth Centre. \$105,000

Safe City Programme

City safety measures. \$20,000

Security Patrols

Contribution to security patrols. \$30,000

Youth Infusion

Continuing support for Youth Infusion. \$10,000

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 cultural organisations. \$71,875

Te Ati Awa Social Services Funding

Support for Te Ati Awa Social Services for Maori crime prevention initiatives \$10,000

Citizens' Advice Bureaux

Grants to local Citizens' Advice Bureaux. \$55,400

Scholarships

Grants for scholarships. \$10,000

Rates Remission

\$85,000

Community Development Fund

\$200,000

New Safety Initiatives

The development of safety initiatives for Hutt City. \$150,000

CARRY OVER 2002/2003

Council of Social Services \$5,000

Total**\$1,043,275**

2004/2005

OPERATING PROJECTS**Youth Strategy**

To develop a Youth Strategy for Hutt City \$10,000

Youth Centre

Contribution to operating Youth Centre. \$105,000

Safe City Programme

City safety measures. \$20,000

Security Patrols

Contribution to security patrols. \$30,000

Youth Infusion

Continuing support for Youth Infusion. \$10,000

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 cultural organisations. \$71,875

Te Ati Awa Social Services Funding

Support for Te Ati Awa Social Services for Maori crime prevention initiatives \$10,000

Citizens' Advice Bureaux

Grants to local Citizens' Advice Bureaux.	\$55,400
Scholarships	
Grants for scholarships.	\$10,000
Community Development Fund	\$200,000
Rates Remission	\$85,000
New Safety Initiatives	
The development of safety initiatives for Hutt City.	\$150,000
Total	\$965,275

Grants to local Citizens' Advice Bureaux.	\$55,400
Scholarships	
Grants for scholarships.	\$10,000
Community Development Fund	\$200,000
Rates Remission	\$85,000
New Safety Initiatives	
The development of safety initiatives for Hutt City.	\$150,000
Total	\$965,275

2005/2006

OPERATING PROJECTS

Youth Strategy

To develop a Youth Strategy for Hutt City \$10,000

Youth Centre

Contribution to operating Youth Centre. \$105,000

Safe City Programme

City safety measures. \$20,000

Security Patrols

Contribution to security patrols. \$30,000

Youth Infusion

Continuing support for Youth Infusion. \$10,000

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 cultural organisations. \$71,875

Te Ati Awa Social Services Funding

Support for Te Ati Awa Social Services for Maori crime prevention initiatives \$10,000

Citizens' Advice Bureaux

Community Property

WHAT WE DO

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

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

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

HOW WE CHECK PROGRESS

Ensure that:

- At least 90% occupancy for rental housing.
- At least 90% occupancy for commercial properties.
- At least 80% of Hutt City residents are satisfied with public halls.
- At least 60% of Hutt City residents are satisfied with public toilets.
- Programmes to maintain and improve current services are completed on time, to the required standard and within overall budget.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
User charges	2,549	1,666	1,666	1,666
Other revenue	3	-	-	-
Total operating revenue	2,552	1,666	1,666	1,666
Operating Expenditure				
Employee costs	440	277	277	277
Supplier costs	1,954	1,823	1,823	1,823
Support costs	(1,077)	(1,064)	(1,050)	(1,053)
Maintenance costs	881	935	935	935
Interest expense	462	341	310	299
Depreciation	1,125	1,057	1,021	993
Total operating expenditure	3,785	3,369	3,316	3,274
NET DEFICIT BEFORE TAX	(1,233)	(1,703)	(1,650)	(1,608)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Net deficit before tax	(1,233)	(1,703)	(1,650)	(1,608)
Total rates funding requirement	(1,233)	(1,703)	(1,650)	(1,608)
Loan Funding Requirement				
Capital expenditure - maintaining services	(169)	(543)	(465)	(460)
Capital expenditure - improving services	(119)	(425)	(164)	(51)
Less depreciation	1,125	1,057	1,021	993
Less asset sales	4,750	3,000	1,300	-
Total loan funding surplus	5,587	3,089	1,692	482
TOTAL FUNDING SURPLUS/(REQUIREMENT)	4,354	1,386	42	(1,126)

2003/2004

MAINTAINING SERVICES (ASSET RENEWALS)**Community House: 6 Britannia Street Petone**

Install larger water heater in kitchen. \$2,000

Community Resource Centre

Replace zip heater. \$2,500

Eastbourne Hall

Replace Hall curtains. \$7,000

Epuni Hall

Replace roof covering and apply proprietary roofing system – Stage One. \$25,000

Little Theatre

- Replace damaged stage curtains. \$12,000
- Piano replacement fund. \$50,000

Naenae Community Hall

Replace vanity in ladies' toilets. \$2,100

Taita Hall

- Replace/upgrade supper room curtains. \$2,500
- Replace/upgrade supper room light fittings. \$2,000
- Replace/upgrade supper room wall heaters. \$3,500
- Replace existing window winder gear in main hall. \$12,000

Town Hall

Refurbish supper room toilets, lobbies and foyer. \$16,600

Horticultural Hall

- Replace handbasins in toilets. \$3,500
- Replace floor coverings in foyer, lobbies and toilets. \$15,600

Treadwell Street Hall

- Replace sink bench and water heater. \$4,000
- Replace flat roof covering service room areas. \$20,000

Wainuiomata Community Hall

- Replace heaters in hall and supper room with energy efficient heaters. \$6,500
- Replace windows on east face of hall. \$12,800

Public Toilets

- Cubicle partitioning upgrade in selected toilets, being Stokes Valley, Fitzherbert Street and Buick Street. \$8,500

- Taita: replace urinal. \$2,600

28 Bracken Street Residence

Replace roof covering. \$6,800

Bracken Street Depot Office

Repaint exterior and replace timber windows with aluminium. \$11,000

30 Laings Road Administration Building

Replace carpet in rear glazed covered way. \$6,300

Eastbourne Service Centre/Library

Replace carpet in reception area. \$2,500

Hutt Art Society

Repair and re-roof garage. \$2,100

Hutt Park

Replace fire escape from third floor members' stand. \$55,000

Moera Library

Replace existing light fittings with energy efficient fittings to improve lighting standard. \$6,500

Naenae Library

- Replace two exterior windows with reduced size windows to improve operational activities. \$6,500

- Reconstruct roof over staff work room and service areas. \$28,000

Petone Service Centre/Library

- Replace sink top in common kitchen first floor. \$1,000
- Replace and lower light fittings to functional level. \$9,500

War Memorial Library

- Replace emergency lighting. \$7,000
- Replace heat detector with smoke detectors (Building code requirement). \$32,000
- Replace two boilers and upgrade associated heating pipe work in boiler room. \$60,000

Taita Library

Replace floor coverings in foyer, toilet and lobbies and install vanity unit. \$2,200

The Pavilion

Apply proprietary protective coating over existing roof covering. \$16,000

CARRY OVERS 2002/2003

Replace obsolete emergency lighting \$30,000

Refurbish Asset Management Offices \$50,000

Total **\$543,100**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Wainuiomata Homedale Toilets**

Install public toilet in Homedale Village \$25,000

Civic Entrance Upgrade

To upgrade the Civic Entrance, Council building in Laings Road. \$90,000

Farmers Crescent

- Supply and install safety matting on ramp. \$1,500

- Install sump and storm water drain to yard area. \$1,100

Alicetown 38 Victoria Street

Lay new floor covering in storeroom. \$1,800

Little Theatre

- Construct ladder from auditorium to projection box. \$4,000

Halls' Management

Supply additional chairs and trestles at Taita, Wainuiomata and Belmont Halls. \$21,200

Naenae Community Hall

Upgrade men's toilets. \$12,000

Town Hall

- Upgrade foyer entry. \$10,000

- Upgrade mechanical switch board. \$1,500

- Upgrade men's toilets. \$15,000

Main Administration Building, 30 Laings Road

- Install air conditioning system in ground floor approvals offices. \$34,000

- Install security cameras at rear of administration building car park. \$4,300

- Lighting upgrade on first floor. \$1,500

- Upgrade boiler room switch boards. \$3,500

- Upgrade heating and air conditioning controls. \$30,000

- Electrical mains upgrade. \$50,000

- Upgrade mayoral entry and stairwell. \$95,000

The Pavilion

- Upgrade air conditioning. \$20,000

Minoh House

Extend kitchen facilities. \$3,600

Total **\$425,000**

2004/2005**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**

Toilet Upgrades \$15,000

Epuni Community Hall

Toilet upgrade. \$40,000

Main Administration Building, 30 Laings Road

- Upgrade lift mechanical systems. \$20,500

- Install security cameras at rear of administration building car park. \$14,800

- Security gate and rubbish storage. \$7,200

70 Waiwhetu Road

Convert meeting room into flat. \$28,500

Naenae Library

Upgrade toilet entry. \$5,500

Wainuiomata Service Centre/Library

Air extraction system. \$4,500

Central Library

Install swipe card building access system. \$19,500

20a Bauchop Road

Construct new car park. \$8,500

Total **\$164,000**

2005/2006

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

Housing

Various works. \$30,000

Main Administration Building

Upgrade lift mechanical systems. \$20,550

Total **\$50,550**



Group Utility Services

COMMUNITY OUTCOME

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

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

*'I've chosen
to live in a clean city
that's easy to get around'*

Mr Al-Tamini, new Hutt City resident

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

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

HUTT CITY COUNCIL STRATEGIC GOAL

- Affordable, sustainable, accessible and high quality services

SIGNIFICANT ACTIVITIES

Activity	PAGE
Activity 7: Roading and Traffic	62
Activity 8: Water Supply	68
Activity 9: Wastewater	72
Activity 10: Stormwater	76
Activity 11: Solid Waste	80

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

OPERATING PROJECTS

- Hutt City/Wellington City cooperative management of water services
- Educational funding for community projects in the area of road safety coordination
- Completion of the programme to install auto shut-off valves at key reservoirs
- Work on stormwater and leachate control at decommissioned landfills
- Waste minimisation programme which includes educational activities.

IMPROVING SERVICES – CAPITAL

- Construction of a roundabout to replace traffic lights at the High/Daysh/Fairway intersection
- Additional funding for Seaview roundabout
- Replacement of Jackson Street parking meters
- Installation of water mains to connect Petone and Hutt City water systems
- A new stormwater main for Oriental and Jessie Streets to alleviate the deterioration of The Esplanade, Petone
- Silverstream Landfill Stage Two: design and construction
- Trunk wastewater improvements
- Construction of Opahu Stream Pumping Station
- Upgrades to the Hutt River floodplain

SIGNIFICANT NEGATIVE EFFECTS

At this stage there are no known significant negative effects surrounding Council’s planned Key Programmes and Activities. See page 128 for Council’s Policy on Significance.

GROUP OF ASSETS REQUIRED BY THE GROUP OF ACTIVITIES

Council manages the community’s infrastructural assets in the form of water and wastewater collection and distribution, as well as roading networks. These assets are maintained to agreed levels of service set out in the Asset Management Plan (see page 103).

Roading & Traffic

WHAT WE DO

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

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Provide a safe, reliable and efficient roading and pedestrian network, in harmony with the city's natural environment and representing best value.

HOW WE CHECK PROGRESS

Ensure that:

- At least 80% of Hutt City residents are satisfied with the standard and safety of streets, roads and footpaths.
- At least 80% of Hutt City residents are satisfied with the cleanliness of roads and gutters around Hutt City.
- At least 80% of Hutt City residents are satisfied with the safety and convenience of movement around the City's streets.
- At least 80% of Hutt City residents are satisfied with street lighting around Hutt City.
- The trend in reducing injury accidents through joint efforts of Council, the police and other agencies is maintained.
- Programmes to maintain and improve current services are completed on time, to the required standard and within overall budget.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
User charges	1,902	2,147	2,147	2,147
Operating subsidies	1,453	1,873	1,873	1,873
Other revenue	8	8	8	8
Total operating revenue	3,363	4,028	4,028	4,028
Operating Expenditure				
Employee costs	883	884	884	884
Supplier costs	3,578	3,810	3,810	3,810
Support costs	1,403	1,731	1,709	1,713
Maintenance costs	1,908	2,150	2,150	2,150
Operating projects	130	157	85	85
Interest expense	1,929	1,630	1,505	1,473
Depreciation	5,582	5,985	5,930	5,932
Total operating expenditure	15,413	16,347	16,073	16,047
Operating Deficit				
	(12,050)	(12,319)	(12,045)	(12,019)
Capital subsidies	1,732	2,514	2,581	2,048
NET DEFICIT BEFORE TAX	(10,318)	(9,805)	(9,464)	(9,971)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Operating deficit	(12,050)	(12,319)	(12,045)	(12,019)
Total rates funding requirement	(12,050)	(12,319)	(12,045)	(12,019)
Loan Funding Requirement				
Capital expenditure – maintaining services	(4,011)	(5,077)	(4,290)	(4,332)
Capital expenditure – improving services	(1,641)	(2,218)	(2,124)	(1,390)

Less capital subsidies	1,732	2,514	2,581	2,048
Less depreciation	5,582	5,985	5,930	5,932
Total loan funding surplus	1,662	1,204	2,097	2,258
TOTAL FUNDING REQUIREMENT	(10,388)	(11,115)	(9,948)	(9,761)

2003/2004

OPERATING PROJECTS

Hutt River Stokes Valley Access Bridge Feasibility Study

To undertake a study to assess the feasibility of a Stokes Valley Access Bridge to SH2 \$10,000

Road Safety Coordination

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 (Council pays \$38,450, the Land Transport Safety Authority pays \$46,300). \$84,750

Valley Floor Connector Study

Extending studies to develop a traffic management plan for the lower valley roading network. \$40,000

Suburban Signage

The provision of a new Western Hills entrance sign and maintenance of existing signs. \$12,500

CARRY OVER 2002/2003

Valley Floor Connector Feasibility Study \$10,000

Total **\$157,250**

MAINTAINING SERVICES (ASSET RENEWALS)

Road Smoothing

Work identified by Council's Road Asset Maintenance Management System (RAMM) to maintain the 'quality of ride' set in the Road Network Asset Management Plan. \$400,000

Area Wide Pavement Treatment

Work identified by RAMM for the repair of failing road pavements. \$500,000

Maintenance Chip Sealing

Pavement resurfacing work identified by RAMM to maintain waterproof and skid resistant roads. \$1,905,000

Thin Asphaltic Surfacing

Laying asphaltic surfacings where conventional chip seals are not suitable. \$700,000

Road and Footpath Reconstruction

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. \$40,000

Footpath Resurfacing and Replacement

Work identified by RAMM for the resurfacing of asphalt footpaths and the replacement of concrete footpaths. \$125,000

Minor Road and Footpath Construction

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

Forward Planning

The investigation and design of road reconstruction projects to be included in the 2004/05 Annual Plan. \$25,000

Streetlight Standard Replacement

Minor allowance to provide for the replacement of streetlights at the end of their useful lives. \$5,000

Streetlight Upgrading

Replacing streetlighting to meet the current standard. \$25,000

Minor Works

The construction of minor traffic safety improvements identified throughout the year. \$50,000

Pedestrian Crossing Replacements

Replacement and modification of pedestrian crossings to enhance safety. \$30,000

Street Name Sign Replacement

A cyclic programme to replace and improve the standard of street name signage citywide. \$20,000

Traffic Signal Replacement

A cyclic programme for the replacement of traffic signal components. \$57,000

Awamutu Footbridge Upgrade

Major maintenance work to ensure the safety of pedestrians. \$27,000

Seaview Roundabout

Pavement strengthening of the roundabout and associated link roads. \$1,010,000

Carpark Resurfacing

Resurfacing to maintain pavement durability. \$82,000

Parking Meter Replacement

Continuation of the replacement programme that will also improve meter security. \$20,000

Total **\$5,077,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Parkway/Mohaka Roundabout and Pedestrian Barrier**

To install a roundabout and pedestrian barrier at the intersection of Parkway and Mohaka Street \$50,000

New Bus Shelters

Provision of new bus shelters fully funded by Wellington Regional Council/Greater Wellington. \$30,000

Wainuiomata Hill Barrier Extension

Extension of the median barrier northwards toward Rishworth Street to improve safety (Council pays \$18,900, Transfund pays \$16,100). \$35,000

Main Road Streetlighting

Part of the programme to upgrade streetlighting to the current standard. \$25,000

Kea Crossings

Provision of upgraded school crossings to the new Land Transport Safety Authority standard. \$100,000

Cycleways

Continued development of a cycle network to improve safety and encourage the use of cycles. \$100,000

Pedestrian Accessway Lighting

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

Residential Road Lighting

Continuation of an ongoing programme to bring all residential streets up to the minimum standard for lighting. \$160,000

Land Purchase for Roading

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

Jackson Street Improvements

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

Local Area Traffic Management

Consultation, design and implementation of traffic calming measures agreed by residents and approved by Community Boards and Ward Committees under Council's policy. Currently there is one area that meets Council's criteria for treatment. The proposed budget will treat this area (Godley Street, Atiawa Crescent and Hamua Grove). \$40,000

Wainuiomata Coast Road Legalisation

Costs associated with the legalisation of a length of approximately 2.4 km of the Wainuiomata Coast Road. \$13,000

Queen Street Improvements

Stage Two of traffic safety and environmental enhancements in Queen Street, Wainuiomata. \$150,000

Sub-standard Road Upgrading

Stage One of upgrade work in Poto Road, Normandale. \$150,000

Marine Parade

The legalisation of a portion of Marine Parade to the south of Makaro Street and associated traffic calming measures. \$125,000

Seaview Roundabout

Traffic improvements including two laning of the roundabout. \$640,000

Jackson Street Parking Meters

Provision for installation of meters and part of works associated with Petone roading review. \$250,000

CARRY OVER 2002/2003

Event Notification Boards \$20,000

Total **\$2,218,000**

2004/2005

OPERATING PROJECTS**Road Safety Coordination**

Continuation of local road safety promotion activity. \$85,000

Total **\$85,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**High/Daysh/Fairway Roundabout**

Replacement of traffic signals with a roundabout to address safety and efficiency issues of the intersection and adjoining residential street (includes additional pedestrian facility). \$404,000

New Bus Shelters

Provision of new bus shelters fully funded by Wellington Regional Council/Greater Wellington. \$30,000

Traffic Safety Improvements

Provision of funding to continue implementing traffic safety and efficiency improvements at high-risk sites throughout Hutt City. \$500,000

Waterloo Bridge Strengthening

Strengthening of the Waterloo overbridge to reduce the risk of failure in earthquakes. \$80,000

Silverstream Bridge Upgrading

Hutt City Council's 50% share of Upper Hutt City Council's project to upgrade the bridge. \$455,000

Residential Road Lighting

Continuation of an ongoing programme to bring all residential streets up to the minimum standard for lighting. \$160,000

Reconstruction Improvements

Environmental enhancement and traffic calming measures associated with the planned reconstruction of Aurora Street. \$80,000

New Pedestrian Crossings

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

Kea Crossings

Completion of upgraded school crossings to the new Land Transport Safety Authority standard. \$25,000

Cycleways

Continued development of a cycle network to improve safety and encourage the use of cycles. \$100,000

Pedestrian Accessway Lighting

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

Land Purchase for Roads

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

Local Area Traffic Management

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

Sub-standard Road Upgrading

Completion of upgrading works in Poto Road, Normandale. \$160,000

Total **\$2,124,000**

2005/2006

OPERATING PROJECTS**Road Safety Coordination**

Continuation of local road safety promotion activity. \$85,000

Total **\$85,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**New Bus Shelters**

Provision of four new bus shelters fully funded by Wellington Regional Council/Greater Wellington. \$30,000

Traffic Safety Improvements

Provision of funding to continue implementing traffic safety and efficiency improvements at high-risk sites throughout Hutt City. \$500,000

Residential Road Lighting

Continuation of an ongoing programme to bring all residential streets up to the minimum standard for lighting. \$160,000

SH2 Upgrade

Improvements to Hutt Road and Railway Avenue to establish the gateway to the Central Area. \$200,000

Reconstruction Improvements

Environmental enhancement and traffic calming measures associated with planned road reconstructions. \$50,000

New Pedestrian Crossings

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

Cycleways

Continued development of a cycle network to improve safety and encourage the use of cycles. \$100,000

Pedestrian Accessway Lighting

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

Eastern Bays Walkway

Continuation of the programme to provide a walkway on the seaward side of Eastern Bays Marine Drive. The next priority is a section near Gill Road in Lowry Bay. \$220,000

Land Purchase for Roads

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

Local Area Traffic Management

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

Total **\$1,390,000**

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 are included in the Roothing and Traffic Activity Statement of Financial Performance.

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

- Operating surplus is applied to fund capital expenditure and the remainder is used to reduce the net funding requirements from rates
- Operating deficit is funded from rates.

PROFESSIONAL SERVICES BUSINESS UNIT – OPERATING STATEMENT

Revenue/sales from:	\$000
In-house professional services for	
Transfund New Zealand financially assisted roading	559
Other activities	1450
Total Revenue	2009
Less:	
Operating costs	2009
Total Operating costs	2009
Net surplus	0

In addition to subsidies from Transfund New Zealand, Council receives about \$0.5 million each year as its allocation of petroleum tax revenue. This revenue partially offsets the \$15 million annual operating costs of the Roothing and Traffic Activity.

Water Supply

WHAT WE DO

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

WHY WE DO IT

The supply of high quality, affordable water contributes to:

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Contribute to the health of the community through a continuous high quality drinking water supply at low cost.
- Contribute to community safety through the fire fighting capability of the water supply system.
- Provide a high quality, cost-effective water supply which supports development in Hutt City.

HOW WE CHECK PROGRESS

Ensure that:

- At least 80% of Hutt City residents are satisfied with the water supply service.
- Compliance with New Zealand Drinking Water Standards for New Zealand 2002.
- Fewer than eight unplanned supply interruptions per 100 connections.
- Fire Service reports identify fewer than 1% of Hutt City fire hydrants as not complying with New Zealand Fire Service Codes of Practice for fire-fighting water supply.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
User charges	2,294	2,162	2,162	2,162
Total operating revenue	2,294	2,162	2,162	2,162
Operating Expenditure				
Employee costs	250	279	279	279
Supplier costs	7,295	7,514	7,514	7,428
Support costs	372	451	445	446
Maintenance costs	1,290	1,320	1,320	1,320
Operating projects	-	40	-	-
Interest expense	794	672	620	607
Depreciation	2,417	2,393	2,339	2,305
Total operating expenditure	12,418	12,669	12,517	12,385
NET DEFICIT BEFORE TAX	(10,124)	(10,507)	(10,355)	(10,223)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement

	(10,124)	(10,507)	(10,355)	(10,223)
Net deficit before tax				
Total rates funding requirement	(10,124)	(10,507)	(10,355)	(10,223)

Loan funding requirement

Capital expenditure – maintaining services	(900)	(916)	(920)	(930)
Capital expenditure – improving services	(285)	(210)	(250)	(300)
Less depreciation	2,417	2,393	2,339	2,305

Total loan funding surplus	1,232	1,267	1,169	1,075
TOTAL FUNDING REQUIREMENT	(8,892)	(9,240)	(9,186)	(9,148)

2003/2004

OPERATING PROJECTS**Water Integration**

Hutt City/Wellington City cooperative management of water services. \$40,000
 Hutt City Council share of establishment costs. (Total budget is \$110,000.
 This is split between the water supply, wastewater and stormwater activities.)

Total **\$40,000**

MAINTAINING SERVICES (ASSET RENEWALS)**Minor Works**

This budget allows for minor works identified during the year that require immediate attention. This work cannot be anticipated or programmed in advance: \$130,000

- Pipelines – \$90,000
- Reservoirs and Pump Stations – \$40,000.

Mains Renewal Programme

This programme allows for the renewal of water assets (firemains/ ridermains/services) that have reached the end of their working lives. Assets are prioritised for renewal on the basis of frequency of asset failure, interruptions to service, quality of service provision and fire-fighting capability. For the 2003/2004 year it is proposed to continue with the renewal of deteriorating asbestos cement, unlined steel and cast iron pipelines, and renewal of assets prior to street reconstruction.

Heretaunga Street – Renew Ridermain/Services	\$52,000
High Street (Petone) – Renew Ridermain/Services	\$56,000
Maungaraki Road – Renew Main/Services	\$57,000
Korokoro Road – Renew Main/Services	\$73,000
Bull Avenue – Renew Main/Services	\$82,000
Ngaio Street (Wainuiomata) – Renew Main/Services	\$32,000
Hine Road – Renew Main/Services	\$122,000
Nelson Crescent – Renew Main/Services	\$25,000
Harbourview Road – Renew Ridermain/Services	\$51,000

Reservoir Access Replacements

Replace old reservoir access ladders/safety cages to meet Health and Safety/New Zealand Standards requirements and strengthen site security. \$176,000

Reservoir Hatch Security

Continuation of programme to replace old reservoir hatches/vents to reduce risk of water supply contamination and strengthen site security. \$20,000

Reservoir Seismic Study

Completion of programme to determine structural integrity of reservoirs in a seismic event. \$25,000

SCADA Hardware Replacement

Replace SCADA hardware that has reached the end of its working life. \$15,000

Total **\$916,000**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Reservoir Auto Shut-Off Valves**

Continuation of the programme to install auto shut-off valves at key reservoirs to prevent water loss after a major earthquake. \$50,000

Reservoir Emergency Hydrants

Installation of hydrants at reservoirs to access stored water in an emergency. \$30,000

SCADA Reservoir Control

Install SCADA (radio) reservoir control at reservoirs to replace ageing cable control system. \$35,000

Hutt Road / Western Hutt Road Link Main

Installation of a 200mm 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. \$95,000

Total **\$210,000**

2004/2005**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Reservoir Auto Shut-Off Valves**

Completion of the programme to install auto shut-off valves at key reservoirs to prevent water loss after a major earthquake. \$200,000

Pipeline Materials

Purchase essential pipeline materials for an emergency. \$50,000

Total **\$250,000**

2005/2006**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Petone /Hutt Link Mains**

Installation of a 300 mm diameter bulk water main (Tama Street/North Street) and a 200mm diameter bulk water main (Hutt Road/Wakefield Street) to connect the Petone and Hutt City water systems for emergency and operational use. \$300,000

Total **\$300,000**

Wastewater

WHAT WE DO

Council provides a wastewater system to collect and treat household and commercial effluent in a way that meets public health and environmental standards. The Seaview treatment plant has been operating since November 2001, and has resulted in a significant improvement to the environment.

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Contribute to the health of the community through the efficient collection, treatment and disposal of wastewater in an environmentally sustainable manner.
- Provide a high quality, cost-effective wastewater system which supports development in Hutt City.

HOW WE CHECK PROGRESS

Ensure that:

- At least 80% of Hutt City residents are satisfied with wastewater service.
- Fewer than 1.8 wastewater reticulation incidents per kilometre of pipeline are reported to Council.
- Seaview wastewater treatment facilities achieve 100% compliance with relevant resource consent requirements.
- Programmes to maintain and improve current services are completed on time, to required standard and within overall budget.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
User charges	262	422	589	589
Upper Hutt City Council operating contribution	1,600	1,938	1,938	1,938
Total operating revenue	1,862	2,360	2,527	2,527
Operating revenue Expenditure				
Employee costs	327	355	355	355
Supplier costs	5,992	6,889	6,889	6,812
Support costs	382	669	660	662
Maintenance costs	823	838	838	838
Operating projects	-	35	-	-
Interest expense	1,450	1,226	1,136	1,117
Depreciation	4,656	4,433	4,438	4,514
Total operating expenditure	13,630	14,445	14,316	14,298
NET DEFICIT BEFORE TAX	(11,768)	(12,085)	(11,789)	(11,771)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement

Net deficit before tax	(11,768)	(12,085)	(11,789)	(11,771)
Total rates funding requirement	(11,768)	(12,085)	(11,789)	(11,771)

Loan funding requirement

Capital expenditure – maintaining services	(1,342)	(2,053)	(1,543)	(2,435)
Capital expenditure – improving services	(1,952)	(2,256)	(3,462)	(7,857)
Less UHCC capital contribution	515	584	1,026	2,584

Less depreciation	4,656	4,433	4,438	4,514
Total loan funding surplus/(requirement)	1,877	708	459	(3,194)
TOTAL FUNDING REQUIREMENT	(9,891)	(11,377)	(11,330)	(14,965)

2003/2004

OPERATING PROJECTS

WATER INTEGRATION

Hutt City/Wellington City Council cooperative management of water services. \$35,000
 Hutt City Council share of establishment costs. (Total budget is \$110,000.
 This is split between the water supply, wastewater and stormwater activities.)

Total **\$35,000**

MAINTAINING SERVICES (ASSET RENEWALS)

Minor works

This budget allows for minor works identified during the year, which \$142,000
 require immediate attention. This work cannot be anticipated or
 programmed in advance

- Pipes \$130,000
- Pumping Stations \$12,000

Replacement and Rehabilitation of Sewers and Manholes in Malone Road Catchment

Replacement and rehabilitation of sewers and manholes in the \$821,000
 Malone Road catchment for the reduction of infiltration. Closed Circuit
 Television, pressure testing and physical inspection of the network
 have revealed root intrusion and leaky joints in the pipes.

Collingwood Street	\$50,000
Trafalgar Street	\$45,000
Freyberg Street	\$160,000
Grenville Street	\$115,000

Brook Street	\$70,000
Bell Road	\$36,000
Fergusson Street	\$62,000
Waiwhetu Road	\$62,000
Haig Street	\$81,000
Manholes Repair	\$48,000
Bauchop Road	\$46,000
St Ronans Avenue	\$46,000

Replacement and Rehabilitation of Sewers and Manholes in Stokes Valley

Replacement and rehabilitation of sewers and manholes in Stokes \$170,000
 Valley for the reduction of infiltration.

Replacement of Sewers Requiring High Maintenance

These sewers are in poor condition and have required a high level \$447,000
 of maintenance.

Tawa Street	\$130,000
Hill Grove	\$100,000
Western Hutt Road	\$148,000
London Road/Singers Road	\$69,000

Replacement of Sewers in Naenae

Replacement and rehabilitation of sewers and manholes in Naenae for \$78,000
 the reduction of infiltration.

Victoria Street and Totara Crescent Pumping Stations

Renewal of delivery mains and reflux valves. \$20,000

Trunk Wastewater Non DBO

Minor works. \$2,000

Trunk Wastewater DBO

Asset replacement fund. \$230,580

Total **\$2,052,580**

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Te Marua Pump Station**

Installation of SCADA.	\$10,000
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Trunk Wastewater

Project management and administration.	\$262,352
Consultation, monitoring and RMA processes.	\$60,000
Excess flow management.	\$530,000
Waiwhetu Stream overflow.	\$10,000
Network development.	\$561,000
Type A asset development.	\$318,000
Asset monitoring and development planning.	\$75,000

CARRY OVERS 2002/2003

Project Pencarrow – main outfall sewer works	\$280,000
Project Pencarrow – technical investigation storage tanks	\$150,000

Total	\$2,256,352
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2004/2005**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****Howard Road Pump Station**

Installation of second pump and associated electrical and mechanical work.	\$60,000
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Sorrento Bay, Williams Park and Wood Street Pump Stations

Installation of flow meters for flow measurement.	\$50,000
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Malone Road Capacity Improvement

Capacity improvement in Malone Road catchment.	\$470,000
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Trunk Wastewater

Minor works in Wainuiomata.	\$10,000
Project management and administration.	\$262,352
Consultation, monitoring and RMA processes.	\$60,000
Excess flow management.	\$2,130,000
Waiwhetu Stream overflow.	\$10,000
Network development.	\$135,000

Type A asset development.	\$230,000
Asset monitoring and development planning.	\$45,000

Total	\$3,462,352
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2005/2006**IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)****New Sewer at Te Whiti Grove, Korokoro**

Laying a new sewer to service residents in Te Whiti Grove who are on septic tanks.	\$170,000
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George Gee, Kereru and Titiro Moana Pump Stations

Installation of flowmeters for flow measurement.	\$50,000
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Trunk Wastewater

Project management and administration.	\$262,352
Consultation, monitoring and RMA processes.	\$60,000
Excess flow management.	\$6,190,000
Waiwhetu Stream overflow.	\$10,000
Network development.	\$620,000
Type A asset development.	\$430,000
Asset monitoring and development.	\$65,000

Total	\$7,857,352
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Stormwater

WHAT WE DO

Council provides a stormwater drainage system to manage surface water run-off from urbanised catchments in a way that achieves an optimum balance between the level of protection and the cost to the community.

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Contribute to the safety of the community by minimising the incidence of flooding.
- Minimise property damage from flooding and thus support the economy of Hutt City.
- Provide a cost-effective stormwater system which supports development in Hutt City.

HOW WE CHECK PROGRESS

Ensure that:

- At least 75% of Hutt City residents are satisfied with the stormwater service.
- Fewer than two stormwater reticulation incidents per five kilometres of public stormwater drain are reported to Council.
- Programmes to maintain and improve current services are completed on time, to required standard and within overall budget.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
Operating subsidies	14	14	14	14
Total operating revenue	14	14	14	14
Operating Expenditure				
Employee costs	224	254	254	254
Supplier costs	800	1,087	1,087	1,010
Support costs	304	365	360	361
Maintenance costs	652	668	668	668
Operating projects	-	35	-	-
Interest expense	742	628	580	567
Depreciation	1,625	1,660	1,635	1,633
Total operating expenditure	4,347	4,697	4,584	4,493
NET DEFICIT BEFORE TAX	(4,333)	(4,683)	(4,570)	(4,479)

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Net deficit before tax	(4,333)	(4,683)	(4,570)	(4,479)
Total rates funding requirement	(4,333)	(4,683)	(4,570)	(4,479)
Loan funding requirement				
Capital expenditure – maintaining services	(270)	(360)	(280)	(370)
Capital expenditure – improving services	(938)	(445)	(570)	(1,850)
Less depreciation	1,625	1,660	1,635	1,633
Total loan funding surplus/(requirement)	417	855	785	(587)
TOTAL FUNDING REQUIREMENT	(3,916)	(3,828)	(3,785)	(5,066)

2003/2004

OPERATING PROJECTS**Water Integration**

Hutt City/Wellington City cooperative management of water services.	\$35,000
Hutt City Council share of establishment costs. (Total budget is \$110,000. This is split between the water supply, wastewater and stormwater activities.)	

Total	\$35,000
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MAINTAINING SERVICES (ASSET RENEWALS)**Minor Asset Renewals**

This budget allows for minor works identified during the year, which require immediate attention. This work cannot be anticipated or programmed in advance.	\$90,000
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Stormwater Renewals

This is part of the mains renewal programme involving the replacement of existing services that have reached the end of their useful life.

Corrondella Grove, Lower Hutt	\$96,000
Jackson Street, Petone	\$58,000
Buller Grove, Naenae	\$36,000

Pumping Station Renewal Programme

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
Te Mome Pumping Station (Petone)	\$25,000
Tama Street Pumping Station (Petone)	\$22,000
Williams Street Pumping Station (Petone)	\$28,000

Total	\$360,000
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IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Hutt River Floodplain Upgrade**

This work involves the upgrading of existing stormwater outlets that discharge to the Hutt River from the Alicetown area, as part of Hutt River Channel Realignment work between the Ava Rail Bridge and the Ewen Bridge. Wellington Regional Council/Greater Wellington will undertake this work in conjunction with the channel realignment work, which forms part of the overall Hutt River Flood Protection Upgrade Project. (Note: This project is dependent on land issues associated with the Hutt River channel realignment being resolved and the channel realignment works commencing by early 2004. If this does not occur this project will need to be deferred until 2004/2005.)	\$165,000
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The Esplanade (Petone)

A new stormwater main is required between Oriental Street and Jessie Street to alleviate the deterioration of the Esplanade caused by stormwater discharge problems.	\$280,000
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Total	\$445,000
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2004/2005

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)**Hutt River Floodplain Upgrade**

This work involves the upgrading of existing stormwater outlets that discharge to the Hutt River from the Alicetown area, between the Ava Rail Bridge and the Ewen Bridge. Wellington Regional Council/Greater Wellington will undertake this work in conjunction with the Alicetown Stopbank upgrading work, which forms part of the overall Hutt River Flood Protection Upgrade Project. (The costs are indicative only as detailed evaluation work is not complete.) (Note: This project is dependent on the Hutt River channel realignment proceeding in the 2003/2004 year. If this does not occur this project will need to be deferred until 2005/2006.)	\$485,000
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Opahu Stream Pumping Station Design and Resource Consent	
This work involves the design of a pumping station for the Opahu Stream. The pump station will reduce flooding that occurs on private property adjacent to the Opahu Stream during heavy rain when the Hutt River is flowing at a high level, thereby restricting stream discharge.	\$85,000
The construction of the pump station will be undertaken in conjunction with the work being carried out on the Hutt River Flood Protection Upgrade Project. Wellington Regional Council/Greater Wellington will contribute towards the cost of the pump station. Details of the cost sharing arrangement are yet to be finalised. (The cost of the pump station is indicative only as detailed evaluation work is not complete.)	
Total	\$570,000

2005/2006

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)	
Opahu Stream Pumping Station	
This work, which involves the construction of a pumping station for the Opahu Stream, will be undertaken in conjunction with the work being carried out on the Hutt River Flood Protection Upgrade Project. The pump station will reduce flooding that occurs on private property adjacent to the Opahu Stream during heavy rain when the Hutt River is flowing at a high level thereby restricting stream discharge. Wellington Regional Council/Greater Wellington will contribute towards the cost of the pump station. Details of the cost sharing arrangement are yet to be finalised. (The cost of the pump station is indicative only as detailed evaluation work is not complete.)	\$1,500,000
Hutt River Floodplain Upgrade	
This work involves the upgrading of existing stormwater outlets that discharge to the Hutt River from the Strand Park area, between the Ava Rail Bridge and the Ewen Bridge.	\$350,000

Wellington Regional Council/Greater Wellington will undertake this work in conjunction with the Strand Park Stopbank upgrading work. The Strand Park Stopbank upgrading work forms part of the overall Hutt River Flood Protection Upgrade Project. (The costs are indicative only as detailed evaluation work is not complete.)	
Total	\$1,850,000

Solid Waste

WHAT WE DO

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

WHY WE DO IT

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

HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

- Encourage waste minimisation and environmentally friendly practices.
- Ensure refuse is managed and disposed of in a safe, efficient and sustainable manner that maintains the city's natural and aesthetic values.

HOW WE CHECK PROGRESS

Ensure that:

- At least 80% of Hutt City residents are satisfied with the city's refuse collection services.
- At least 80% of Hutt City residents are satisfied with the city's refuse disposal facilities.
- At least 80% of Hutt City residents are satisfied with the city's recycling collection services.
- Compliance with landfill management plans and discharge consents.
- Programmes to maintain and improve current services are completed on time, to required standard and within overall budget.

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
User charges	5,614	6,113	6,113	6,113
Total operating revenue	5,614	6,113	6,113	6,113
Operating Expenditure				
Employee costs	77	77	77	77
Supplier costs	3,340	3,707	3,707	3,707
Support costs	63	84	83	83
Maintenance costs	100	100	100	100
Operating projects	185	185	185	185
Interest expense	134	-	-	-
Depreciation	630	833	687	695
Total operating expenditure	4,529	4,986	4,839	4,847
NET SURPLUS BEFORE TAX	1,085	1,127	1,274	1,266

PROSPECTIVE FUNDING REQUIREMENT

For the year ending 30 June 2004

Rates funding requirement				
Net surplus before tax	1,085	1,127	1,274	1,266
Transfer to capital reserve	(335)	-	-	-
Total rates funding surplus	750	1,127	1,274	1,266
Loan Funding Requirement				
Capital expenditure – maintaining services	(85)	-	-	-
Capital expenditure – improving services	(640)	(800)	(575)	(3,250)
Less depreciation	630	833	687	695
Transfer from capital reserve	195	-	-	-
Total loan funding surplus/(requirement)	100	33	112	(2,555)
TOTAL FUNDING SURPLUS	850	1,160	1,386	(1,289)

2003/2004

OPERATING PROJECTS

Stormwater and Leachate Control Works for Decommissioned Landfills	\$50,000
Waste Minimisation Programme	
Ongoing annual programme of educational activities promoting 'reduce, reuse, and recycle'.	\$135,000
Total	\$185,000

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

Silverstream Landfill	
Silverstream Landfill capital works Stage One: Minor works for resource consent.	\$200,000
Silverstream Landfill	
Streamstream Landfill Stage Two: Resource consent application.	\$200,000
Silverstream Landfill	
Silverstream Landfill Stage Two: Design and construction.	\$300,000
Wainuiomata Landfill	
Wainuiomata Landfill minor works for resource consent.	\$100,000
Total	\$800,000

2004/2005

OPERATING PROJECTS

Stormwater and Leachate Control Works for Decommissioned Landfills	\$50,000
Waste Minimisation Programme	
Ongoing programme of educational activities promoting 'reduce, reuse and recycle'.	\$135,000
Total	\$185,000

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

Silverstream Landfill	
Silverstream Landfill Stage One: Capital Works for resource consent.	\$200,000
Silverstream Landfill	
Silverstream Landfill Stage One: Closure costs.	\$100,000
Silverstream Landfill	
Silverstream Landfill Stage Two: Design and construction.	\$175,000
Wainuiomata Landfill	
Wainuiomata Landfill Capital Works for resource consent.	\$100,000
Total	\$575,000

2005/2006

OPERATING PROJECTS

Stormwater and Leachate Control Works for Decommissioned Landfills	\$50,000
Waste Minimisation Programme	
Ongoing annual programme of educational activities promoting 'reduce, reuse, and recycle'.	\$135,000
Total	\$185,000

IMPROVING SERVICES (ASSET UPGRADES AND NEW ASSETS)

Silverstream Landfill	
Silverstream Landfill Stage One: Minor works for resource consent	\$100,000
Silverstream Landfill	
Silverstream Landfill Stage One: Minor works closure costs	\$100,000
Silverstream Landfill	
Silverstream Landfill Stage Two: Design and construction.	\$3,000,000
Wainuiomata Landfill	
Wainuiomata Landfill Capital Works for resource consent.	\$50,000
Total	\$3,250,000



*What Council is Planning for
Hutt City*

What is Council Planning for Hutt City?

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

The indicative costs and sources of funds are shown for the Whole of Council on page 36 and for each significant activity on pages 38 to 102. The borrowing needs and borrowing programmes for Council are indicated within the Statement of Prospective Net Debt Position on page 125 of the Forecast Financial Statements section of this Plan.

CHANGES IN REPORTING OF ACTIVITIES

There have been a number of changes to the reporting of significant activities from those detailed in Council's 2002/2003 Annual Plan. Significant activities have been reduced from 22 to 18 and a new grouping of activities has been created under the title Organisation. It is important to realise we have not stopped undertaking these activities but have incorporated them into other groupings. Infrastructure has been renamed Utility Services.

CHANGES TO PERFORMANCE MEASURES

Performance measures have been reviewed as a result of the development of the Community Plan. Performance measures are now more clearly defined, easier to determine, and linked directly to each group's strategic goals, which in turn are linked to Community Outcomes.

WHOLE OF COUNCIL

STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Operating revenue				
Rates funding	60,069	62,400	63,554	63,783
User charges	17,840	18,007	18,174	18,174
Operating subsidies	1,507	1,927	1,927	1,927
Upper Hutt City Council operating contribution	1,600	1,938	1,938	1,938
Interest on investments	300	250	169	184
Other revenue	1,694	1,035	1,563	1,478
Total operating revenue	83,010	85,557	87,325	87,484
Operating expenditure				
Employee costs	15,761	16,308	16,388	16,388
Supplier costs	32,676	36,263	36,690	36,265
Maintenance costs	6,868	7,136	7,166	7,166
Operating projects	3,357	3,556	3,129	3,179
Interest expense	6,082	5,400	4,923	4,837
Depreciation	18,476	19,543	19,059	19,144
Total operating expenditure	83,220	88,206	87,355	86,979
Operating Surplus/(Deficit)	(210)	(2,649)	(30)	505
Capital subsidies	1,732	2,814	4,781	2,348
Net Surplus before tax	1,522	165	4,751	2,853
Taxation	-	-	-	-
NET SURPLUS AFTER TAX	1,522	165	4,751	2,853

PROSPECTIVE APPLICATION OF SURPLUS

For the year ending 30 June 2004

	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 30/6/2006 \$000s
Transfer from/(to) loan funding	(705)	(2,809)	(40)	345
Transfer to reserves	495	160	10	160
Subsidised capital expenditure	1,732	2,814	4,781	2,348
NET SURPLUS AFTER TAX	1,522	165	4,751	2,853



Asset
Management Planning

Asset Management Plan

Asset Management Plan

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

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

The Asset Management Plan comprises four key elements:

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

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

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

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

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

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

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

Four strategies maintain the service capability of existing assets:

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

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

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

Operating expenditure is funded by revenue from rates and user charges. Development expenditure is funded through loans.

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

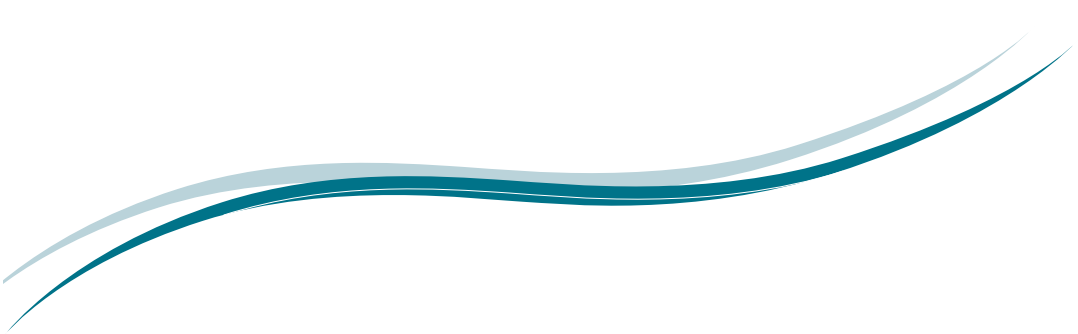
GROUP OF ASSETS MANAGED BY COUNCIL

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

Swimming Pools

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

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



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

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

Levels of Service

Intended levels of service are set out under the section entitled 'How we check progress' (see page 44):

- At least 80% of Hutt City users are satisfied with recreation programmes.
- At least 80% of Hutt City residents are satisfied with pools.
- At least 750,000 people access the pools, at an average net cost per user of \$3.50 per visit.
- At least 65% of Hutt City residents use the pool during the year.
- All pools achieve and maintain ACC Poolsafe certification.
- Council maintains its 'Out of School Care and Recreation' (OSCAR) accreditations for its school holiday programme.
- At least 300 programmes and events are carried out with an increasing participation trend across all programmes.
- Programmes to maintain and improve current services are completed on time, to the required standard and within the overall budget.

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

Assessment of Swimming Pool Services

An assessment of swimming pool services will be included in Community Plans in the future.

Property

The property activities contribute to the following Community Outcomes:

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

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

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

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

The portfolio comprises the following:

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

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

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

Condition Assessment Surveys are undertaken annually to:

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

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

Levels of Service

Intended levels of service are set out under the section entitled 'How we check progress' (see page 56):

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

Parks and Reserves

The provision and management of parks and reserves helps to contribute to a number of Community Outcomes. These include:

- Clean air, water and land.
- A city that is safe, friendly and welcoming.
- Affordable access to community facilities.
- A diverse natural environment, that is accessible, enjoyable and safe.
- A healthy balance between natural and built environments.

Parks and reserves provide open space, which contributes to the amenity values of the urban and suburban areas within the city. They help preserve the natural beauty of the hills, harbour edges, rivers and streams and provide opportunities for recreational activity, such as walking, mountain biking and fishing.

The Asset Management Plan aims to maintain and develop Hutt City's open space assets to meet the needs of the community.

Levels of Service

Intended levels of service are set out under the section entitled 'How we check progress' (see page 48):

- At least 80% of Hutt City users are satisfied with parks and reserves
- Sports fields are used at 80% of their carrying capacity
- 95% of sports fields meet the standards agreed with sports codes
- At least 80% of Hutt City residents are satisfied with cemeteries
- Programmes to maintain and improve current services are completed on time, to the required standard and within overall budget.

Assessment of Parks and Reserves Services

An assessment of parks and reserves services will be included in Community Plans in the future.

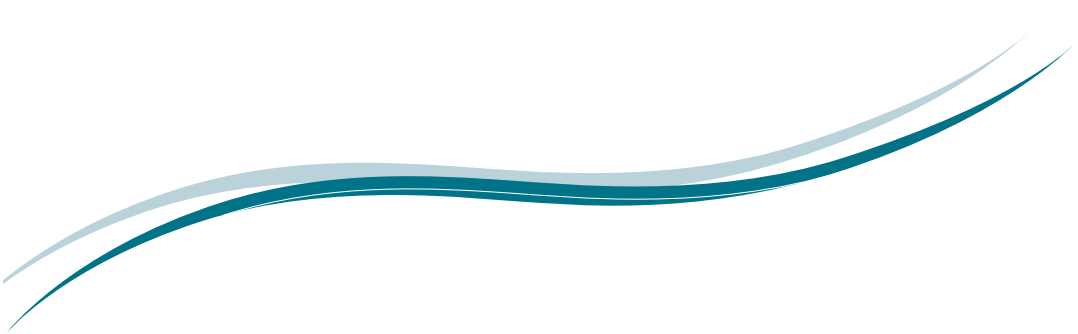
INFRASTRUCTURAL ASSETS MANAGED BY COUNCIL

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

Roading and Traffic

The roading and traffic activity primarily contributes to Community Outcomes:

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



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

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

Extensions and improvements to the network are achieved through:

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

By targeting minor improvement works for accident black-spots and taking skid resistance into consideration with seal designs, the number of reported accidents citywide has been reduced markedly over the last 12 years from 333 in 1990 to 148 in 2002.

A seismic review has been undertaken on the city's bridges to determine which bridges would be damaged in the Wellington Lifelines Group's one in 250 year regional earthquake. With the completion of seismic strengthening work on the Estuary and Melling bridges, all four bridges across the Hutt River now meet the required standard. Attention has shifted to the remaining smaller bridges that have been identified as being 'at risk' along with a contribution, programmed for 2004/05, for the strengthening of the Silverstream Bridge that is managed by the Upper Hutt City Council. It is hoped that this work will significantly reduce the disruption to movement around the city in the event of a major earthquake.

Level of Service

Intended levels of service are set out under the section entitled 'How we check progress' (see page 62):

- At least 80% of Hutt City residents are satisfied with the standard and safety of streets, roads and footpaths.
- At least 80% of Hutt City residents are satisfied with the safety and convenience of movement around the City's streets.
- At least 80% of Hutt City residents are satisfied with street lighting around Hutt City.
- The trend in reducing injury accidents through joint efforts of Council, the Police and other agencies is maintained.
- Programmes to maintain and improve current services are completed on time, to the required standard and within overall budget.

Assessment of Roading and Traffic

An assessment of roading and traffic will be included in Community Plans in the future.

Water Supply

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

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

Through the supply of drinkable water to residents and businesses, Council contributes to the health of the community, and to community safety through the fire-fighting capability of the water supply system. It also supports development in the city.

Council purchases bulk water from Wellington Regional Council/Greater Wellington and distributes it to the community through the water supply system, which comprises 23 reservoirs, 11 pumping stations and 671 km of underground pipelines. The water supply network throughout the city is in satisfactory condition and performs well under peak demand.

The areas that require improvement are as follows:

- **Additional capacity for subdivision or development of land.**

Additional capacity in the network is required for subdivision or development of land throughout the city. The recent upgrading works in Upper Belmont/Sweetacres will provide water to the new subdivision, improve supply to existing customers and encourage further development. Council will continue to collaborate with developers in accordance with Council's Policy on Development and Financial Contribution.

- **Improving emergency response and contingency planning.**

This comprises:

- *Provision of water*

New hydrants will be installed in 2003/04 at a cost of \$30,000 to provide water in an emergency.

- *Maintaining storage in reservoirs*

There is an ongoing programme to install auto shut-off valves at key reservoirs. This will cost \$50,000 in 2003/04 and a further \$200,000 will be considered in 2004/05.

- *Emergency repairs*

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

- **Improving reliability of the water supply**

There is an ongoing programme to install bulk link mains in the city to improve the reliability of water supply to customers. A link main will be installed in Petone, connecting the Hutt Road and Western Hutt Road water supply systems at a cost of \$95,000 in 2003/04. Link mains in Tama Street/North Street and Hutt Road/Wakefield Street to connect Petone and Hutt City water supply systems at a cost of \$300,000 will be considered in 2005/06.

Levels of Service

Intended levels of service are set out under the section entitled 'How we check progress?' (see page 68):

- At least 80% of Hutt City residents are satisfied with the water supply service.
- Compliance with New Zealand Drinking Water Standards for New Zealand 2002.

- Fewer than eight unplanned supply interruptions per 100 connections.
- Fire Service reports identify less than 1% of Hutt City fire hydrants as not complying with New Zealand Fire Service Codes of Practice for fire-fighting water supply.

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

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

Assumptions, Uncertainties and Risk for Financial Estimates

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

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

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

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

Assessment of Water Supply Services

An assessment of water supply services will be included in Community Plans in the future.

Stormwater

The stormwater activity primarily contributes to Community Outcomes:

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

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

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

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

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

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

- **Renewal of pipes:** The renewal of piping assets, while ensuring that the stormwater infrastructure is being maintained at an acceptable level, also enables Council to provide increased piping capacity in line with current urban design standards. Traditionally stormwater piping standards, within Hutt City and throughout the country, have been designed with sufficient capacity for a five-yearly rainfall storm. Current design standards, however, are aimed at providing stormwater piping to have sufficient capacity for a 10-year rainfall storm. Therefore, as the pipe renewal work progresses the standard of stormwater protection will gradually increase across the city.

- Upgrading of assets and new assets
 - The Wellington Regional Council/Greater Wellington is undertaking major Hutt River upgrading work between the Ava Rail Bridge and the Ewen Bridge. Hutt City will be upgrading stormwater outlets to the Hutt River alongside this project at a cost of \$165,000 in 2003/04. Further upgrading works of \$570,000 and \$350,000 will be considered in 2004/05 and 2005/06.
 - A new pump station at the mouth of the Opahu Stream will also be considered. The Opahu Stream Pumping Station, scheduled for 2005/06 at a cost of \$1.5 million, will reduce the flooding that occurs when high Hutt River water levels restrict the Opahu Stream's ability to discharge into the Hutt River.

Levels of Service

Intended levels of service are set out under the section entitled 'How we check progress' (see page 76):

- At least 75% of Hutt City residents are satisfied with stormwater service.
- Fewer than two stormwater reticulation incidents per five kilometres of public stormwater drain are reported to Council.
- Programmes to maintain and improve current services are completed on time, to the required standard and within overall budget.

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

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

Assumptions, Uncertainties and Risk for Financial Estimates

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

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

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

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

Assessment of Stormwater Services

Assessment of stormwater services will be included in Community Plans in the future.

Wastewater

The wastewater activity primarily contributes to Community Outcomes:

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

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

Wastewater is collected by the local wastewater system (which consists of 562 km of pipes and 24 pump stations) and delivered to the Trunk Wastewater System. This comprises 95 km of trunk pipes, 19 pump stations, two peak flow storage tanks, the wastewater plant at Seaview and the outfall at Pencarrow. The wastewater treatment plant at Seaview, commissioned in 2001, has produced significant improvements for the city environment.

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

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

- **Reducing wet weather flows** by reducing:
 - Infiltration in Council drains. There are ongoing programmes to replace every pipe in the city over the life cycle of the pipe.
 - Inflow and infiltration from private drains. Private drains are a significant contributor to wet weather overloading and community cooperation is required to resolve the issue.
- **Providing additional capacity to convey higher flows.** Additional pipes and pump capacity are to be considered for the Malone Road catchment in 2004/05 at a cost of \$470,000. These additional assets will help to minimise overflows from the Malone Road and Hinemoa Street catchments into the Waiwhetu Stream.
- **Providing storage to accommodate wet weather loading.** Storage tanks will be built in Silverstream by 2005/06 at a cost of approximately \$10 million. The storage tanks will eliminate the Welcon Scour overflows into the Hutt River and minimise and improve the quality of any overflows from the River Crossing into the Hutt River.

Levels of Service

Intended levels of service are set out under the section entitled 'How we check progress' (see page 72):

- At least 80% of Hutt City residents are satisfied with wastewater service.
- Fewer than 1.8 wastewater reticulation incidents per kilometre of pipeline are reported to Council.
- Seaview wastewater treatment facilities achieve 100% compliance with relevant resource consent requirements.
- Programmes to maintain and improve current services are completed on time, to required standards and within overall budget.

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

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



Assumptions, Uncertainties and Risk for Financial Estimates

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

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

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

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

Assessment of Wastewater Services

An assessment of wastewater services will be included in Community Plans in the future.

MAJOR PROJECTS

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Activity 1. Libraries										
Central Library upgrade	\$3,055,000									
Book renewals	\$642,000	\$642,000	\$642,000	\$642,000	\$642,000	\$642,000	\$642,000	\$642,000	\$642,000	\$642,000
Activity 2. Museums										
Dowse upgrade	\$500,000	\$3,000,000								
Settlers' extensions			\$1,200,000							
Activity 3. Aquatics and Recreation										
Huia – movable floor		\$500,000								
Huia – replace sand filter			\$200,000							
Huia – roof membranes							\$200,000			
Naenae – bulkhead replacement		\$100,000								
Naenae – replace filters										\$500,000
McKenzie – replace pump and filter			\$115,000							
McKenzie – refurbish pool and plant				\$350,000						
Activity 4. Parks and Reserves										
Carparks at Hugh Sinclair Park		\$80,000								
Hugh Sinclair Park paths			\$100,000							
Development of burial sites at Taita lawn cemetery	\$80,000	\$80,000	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000
Akatarawa cemetery		\$50,000								
Hutt Park redevelopment	\$930,000			\$1,000,000			\$1,000,000			
Petone foreshore upgrade	\$500,000									
Petone entrance upgrade			\$100,000							
Avalon Park development		\$50,000	\$100,000	\$100,000						
Sister Cities Japanese garden		\$55,000								
New Cemetery development					\$1,000,000	\$1,000,000				
Playgrounds upgrade	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000
Lowry Bay reclamation				\$200,000						
Percy Scenic Reserve upgrade		\$150,000								
Walter Mildenhall Park upgrade						\$300,000				
Memorial Park Stand upgrade					\$500,000					
Korohiwa Bay development	\$200,000			\$250,000				\$250,000		
Destination park improvements				\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000

MAJOR PROJECTS continued

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Activity 6. Community Property										
Main Administration Building – electrical mains upgrade	\$50,000									
Main Administration Building – upgrade mayoral entry and stairwell	\$95,000									
Activity 7. Roading and Traffic										
SH2 upgrade			\$200,000							
Kea crossings	\$100,000									
High/Daysh/Fairway roundabout		\$404,000								
Traffic safety improvements		\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Jackson Street improvements	\$300,000									
Queen Street Wainuiomata – Stage 2 improvements	\$150,000									
Marine Parade legalisation and traffic calming	\$125,000									
Eastern Bays walkway			\$220,000							
Waterloo bridge strengthening		\$80,000								
Silverstream Bridge upgrading		\$455,000								
Seaview roundabout additional funding	\$640,000									
Jackson Street parking meters	\$250,000									
Activity 8. Water Supply										
Petone/Hutt link mains			\$300,000							
Reservoir auto shut-off valves	\$50,000	\$200,000								
Reservoir emergency hydrants	\$30,000									
SCADA reservoir control	\$35,000									
Hutt Road / Western Hutt Road link main upgrade	\$95,000									
Purchase essential pipeline materials for an emergency		\$50,000								
Kelson/Fairway Link Main Sweetacres Reservoir				\$170,000						
Eastern Bays / Seaview Link Main					\$600,000					
Gawler Reservoir Main						\$200,000				
Normandale Reservoir							\$150,000	\$170,000		

MAJOR PROJECTS continued

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Activity 9. Wastewater										
Malone Road & Whites Line East pumping stations and mains		\$470,000								
Sorrento Bay, Williams Park, Wood Street flow meters		\$50,000								
Howard Road pump station – second pump		\$60,000								
George Gee, Kereru, Titiro Moana flow meters			\$170,000							
Trunk Wastewater Non DBO – SCADA at Te Marua			\$50,000							
Trunk wastewater – project management and administration	\$262,352	\$262,352	\$262,352							
Trunk Wastewater – consultation, monitoring & RMA processes	\$60,000	\$60,000	\$60,000							
Trunk wastewater – excess flow management	\$530,000	\$2,130,000	\$6,190,000							
Trunk wastewater – network development	\$561,000	\$135,000	\$620,000							
Trunk wastewater – Type A asset development	\$318,000	\$230,000	\$430,000	\$300,000	\$200,000	\$200,000	\$150,000	\$150,000	\$150,000	\$150,000
Trunk wastewater – asset monitoring and development planning	\$75,000									
Main Outfall sewer boost pump station										
Activity 10. Stormwater										
Opahu Stream pumping station		\$85,000	\$1,500,000							
Hutt River floodplain upgrade	\$165,000	\$485,000	\$350,000	\$335,000	\$250,000	\$250,000	\$200,000			
The Esplanade new main between Oriental and Jessie Streets	\$280,000									
Activity 11. Solid Waste										
Silverstream Landfill – Stage 1 minor works for resource consent	\$200,000	\$200,000	\$100,000							
Silverstream Landfill – Stage 1 minor works closure costs		\$100,000	\$100,000							
Silverstream Landfill – Stage 2 resource consent application	\$200,000									
Silverstream Landfill – Stage 2 design and construction	\$300,000	\$175,000	\$3,000,000	\$1,000,000	\$500,000	\$1,400,000	\$600,000	\$1,000,000	\$500,000	\$500,000

**MAJOR PROJECTS continued**

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Activity 14. Local Urban Design										
Suburban shopping centres	\$100,000	\$100,000	\$100,000							
CBD development	\$200,000	\$300,000	\$300,000							
Activity 15. Economic Development										
Development of Wingate industrial area	\$100,000	\$150,000	\$150,000							
Seaview/Gracefield developments		\$100,000								
Activity 18. Managing Services										
Core business application enhancement		\$140,000	\$160,000							
Electronic document management			\$200,000							



Forecast
Financial Statements

Forecast Financial Statements 2003–2013

FORECAST FINANCIAL STATEMENTS 2003 – 2013

These are the Forecast Financial Statements which Council has adopted to meet the requirements of clause 8 of schedule 10 of the Local Government Act 2002.

It is a requirement of the Local Government Act 2002 to present Forecast Financial Statements that span 10 years. This provides an opportunity for taxpayers and residents to assess the appropriateness of the financial actions planned by Council.

The Forecast Financial Statements outline how Council will be funded for the next 10 years and how that money will be spent. It is intended to ensure proper and prudent financial management and asset management in the long term.

Council has Asset Management Plans for its assets. These plans have provided the basis for the development of the Forecast Financial Statements.

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

SIGNIFICANT ASSUMPTIONS

The following assumptions have been made in preparing the Forecast Financial Statements:

- service levels are generally assumed to remain the same for the period covered by the Forecast Financial Statements
- population is assumed to remain static, or change only marginally
- provision has been made for inflation of 2.0% for the 2003/2004 financial year, but no further inflation has been provided for in subsequent financial years
- the average interest rate on debt is assumed to be 7.0%. This is based on the pattern of existing commitments and judgements about future trends
- asset sales are included in accordance with Council's resolutions, and proceeds will be used to repay debt or fund asset purchases
- net debt will be below \$45 million in June 2010
- depreciation and interest costs will be fully funded from rates and other operating revenue
- capital expenditure will be funded by loans, capital subsidies, transfers from reserves, rate funded depreciation charges and asset sales

- the establishment of a joint entity to manage water related activities together with Wellington City Council will proceed as planned and generate the predicted cost reductions
- possible alternative structures for financing wastewater treatment currently being evaluated are not reflected in the Forecast Financial Statements.

COMPARISON WITH COUNCIL'S FORECAST FINANCIAL STRATEGY 2002 – 2012

Council has previously published a Long Term Financial Strategy (LTFS). These Forecast Financial Statements are similar to the 2002-2012 Long Term Financial Strategy with the following exceptions:

- Council sold the Centre City Plaza property in 2002. The Long Term Financial Strategy had forecast that this sale would take place in 2006. The Forecast Financial Statements have been amended accordingly
- the Long Term Financial Strategy did not reflect the predicted savings resulting from establishing a joint entity to manage water related activities
- the Forecast Financial Statements include Statements of Prospective Operating Costs of Activities and Capital Costs of Activities. These two statements replace the Statement of Prospective Funding Requirements by Activity and Statement of Prospective Cost of Services contained in the Long Term Financial Strategy. The revised presentation better meets the reporting requirements of the Local Government Act 2002
- projections of future operating revenues and costs, and capital expenditure have been revised to reflect current estimates and recent Council decisions.

RISK

There are several significant risks that could have a material impact on whether Council is able to achieve the financial results indicated in the Forecast Financial Statements.

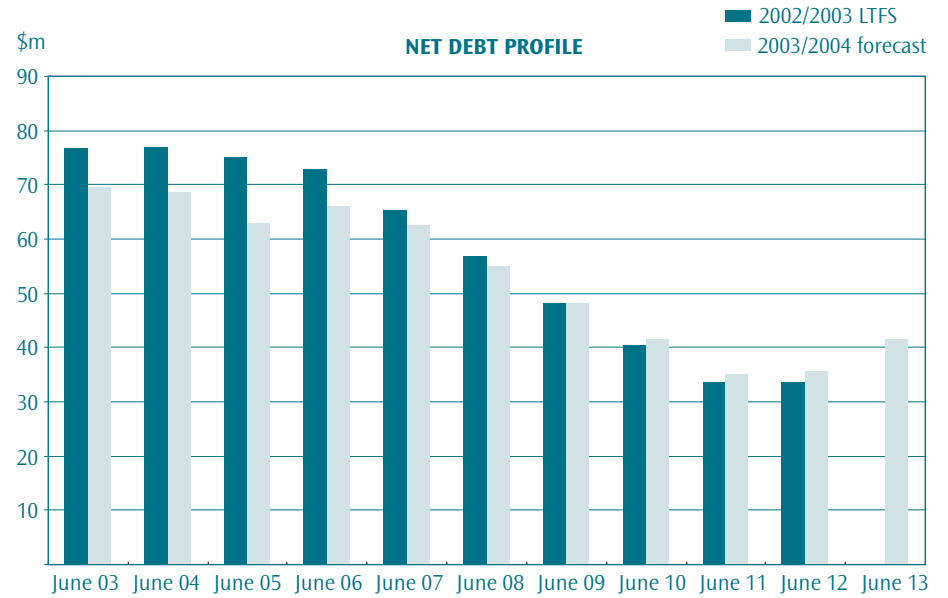
- Council has used conservative estimates for the likely proceeds from the sales of assets. However, there is a risk that the values indicated in the Statement of Prospective Movements in Net Debt will not be realised
- expenditure items relating to major projects have been estimated. These include the timing and amounts for capital expenditure and operating costs. The outcome of tender evaluation and negotiation processes on these projects may materially impact on the Forecast Financial Statements

COMMITMENTS AND CONTINGENCIES

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

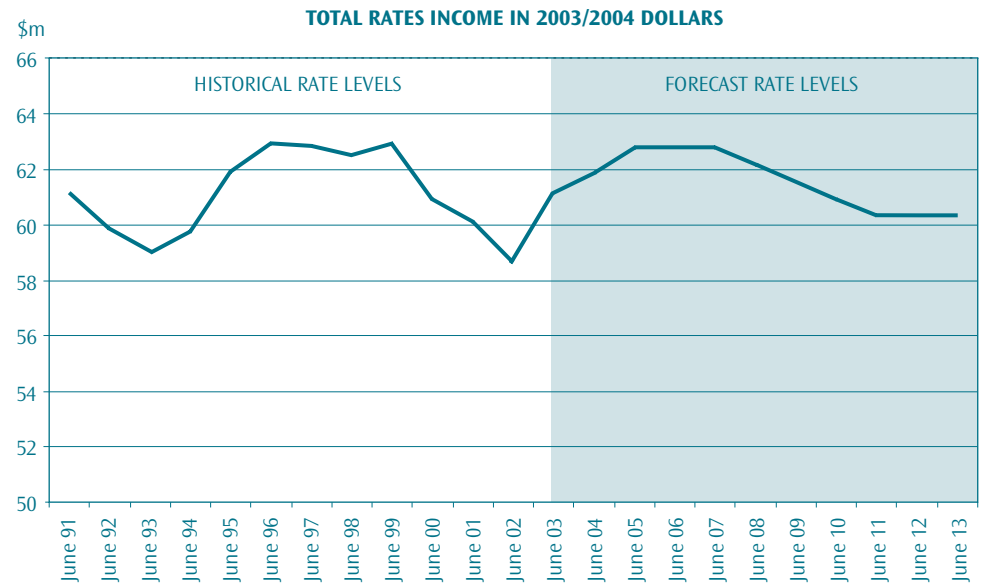
Net Debt Profile in 2003/2004 Dollars

This graph shows the comparative levels of net debt based upon the 2002/2003 LTFS and the revised levels of net debt based upon the latest revisions to the 2003/2004 Forecast Financial Statements.



Total Rates Income in 2003/2004 Dollars

This graph shows the inflation adjusted rate income levels for the financial years ending June 1991 through to June 2003. It also shows the forecast rate levels based upon the Forecast Financial Statements.



FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE OPERATING COST OF ACTIVITIES

For the year ending 30 June 2004

	Actual 30/6/2002 \$000s	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 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	Projection 30/6/2013 \$000s
People												
Libraries	4,753	4,864	5,399	5,298	5,273	5,305	5,323	5,284	5,246	5,222	5,206	5,193
Museums	1,864	1,983	2,106	2,454	2,494	2,502	2,493	2,482	2,470	2,463	2,458	2,457
Aquatics and Recreation	4,732	5,015	4,706	4,680	4,690	4,691	4,679	4,651	4,628	4,608	4,596	4,594
Parks and Reserves	6,964	7,545	7,161	7,134	7,199	7,194	7,165	7,125	7,089	7,060	7,047	7,062
Community Support	2,119	2,283	1,897	1,814	1,815	1,815	1,816	1,814	1,812	1,815	1,817	1,817
Community Property	3,364	3,785	3,369	3,316	3,274	3,260	3,228	3,188	3,146	3,096	3,063	3,065
Total operating cost of people activities	23,796	25,475	24,638	24,696	24,745	24,767	24,704	24,544	24,391	24,264	24,187	24,188
Utility												
Roading and Traffic	14,909	15,413	16,347	16,073	16,047	16,017	15,880	15,692	15,517	15,363	15,285	15,331
Water Supply	11,153	12,418	12,669	12,517	12,385	12,293	12,156	12,015	11,921	11,828	11,770	11,767
Wastewater	9,347	13,630	14,445	14,316	14,298	14,297	14,135	13,938	13,782	13,631	13,678	14,037
Stormwater	3,499	4,347	4,697	4,584	4,493	4,434	4,322	4,197	4,115	4,039	3,993	3,997
Solid Waste	4,539	4,529	4,986	4,839	4,847	4,823	4,829	4,851	4,874	4,881	4,883	4,864
Total operating cost of utility services activities	43,447	50,337	53,144	52,329	52,070	51,864	51,322	50,693	50,209	49,742	49,609	49,996
Environment												
Environmental Management	4,172	4,172	4,382	4,421	4,371	4,370	4,369	4,364	4,361	4,365	4,367	4,368
Emergency Management	518	488	551	544	541	537	534	531	528	528	527	525
Total operating cost of environment activities	4,690	4,660	4,933	4,965	4,912	4,907	4,903	4,895	4,889	4,893	4,894	4,893
Economy												
Local Urban Design	308	455	326	290	349	359	364	363	357	351	346	341
Economic Development	1,340	1,610	1,928	1,776	1,766	1,756	1,752	1,751	1,750	1,751	1,752	1,752
Total operating cost of economy activities	1,648	2,065	2,254	2,066	2,115	2,115	2,116	2,114	2,107	2,102	2,098	2,093
Organisation												
Elected Members	1,222	1,234	1,367	1,361	1,362	1,362	1,362	1,360	1,358	1,361	1,364	1,364
Advice and Support	2,612	2,698	2,918	3,067	2,889	2,891	3,077	2,876	2,868	3,069	2,900	2,901
Managing Services	1,520	(1,428)	1,765	1,684	1,699	1,702	1,701	1,699	1,702	1,701	1,699	1,702
Consolidated cost adjustments	(6)	(1,821)	(2,813)	(2,813)	(2,813)	(2,813)	(2,813)	(2,813)	(2,813)	(2,813)	(2,813)	(2,813)
Total operating cost of organisation activities	5,348	683	3,237	3,299	3,137	3,142	3,327	3,122	3,115	3,318	3,150	3,154
Total operating cost of activities	78,929	83,220	88,206	87,355	86,979	86,795	86,372	85,368	84,711	84,319	83,938	84,324

FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE CAPITAL COST OF ACTIVITIES

For the year ending 30 June 2004

	Actual 30/6/2002 \$000s	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 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	Projection 30/6/2013 \$000s
People												
Libraries	87	61	3,765	710	682	1,710	710	710	710	710	710	710
Museums	79	16	562	3,011	1,271	11	41	11	11	11	11	11
Aquatics and Recreation	179	135	304	1,215	593	775	225	225	225	225	225	225
Parks and Reserves	844	1,865	2,380	675	590	665	645	665	1,315	1,315	645	645
Community Support	-	-	-	-	-	-	-	-	-	-	-	-
Community Property	786	288	968	629	511	1,320	500	455	500	430	530	625
Total capital cost of people activities	1,975	2,365	7,979	6,240	3,647	4,481	2,121	2,066	2,761	2,691	2,121	2,216
Utility services												
Roading and Traffic	4,976	5,652	7,295	6,414	5,722	5,942	5,364	5,467	5,582	5,548	5,210	5,585
Water Supply	1,158	1,185	1,126	1,170	1,230	1,370	1,130	1,560	1,160	1,120	1,300	1,260
Wastewater	63,503	3,294	4,309	5,005	10,292	3,884	3,433	3,483	3,082	2,981	14,496	21,392
Stormwater	1,147	1,208	805	850	2,220	725	720	650	690	650	650	650
Solid Waste	523	725	800	575	3,250	1,000	500	1,400	600	1,000	500	500
Total capital cost of utility services activities	71,307	12,064	14,335	14,014	22,714	12,921	11,147	12,560	11,114	11,299	22,156	29,387
Environment												
Environmental Management	2	5	5	-	-	-	-	-	-	-	-	-
Emergency Management	-	110	-	-	-	-	-	-	-	-	-	-
Total capital cost of environment activities	2	115	5	-	-	-	-	-	-	-	-	-
Economy												
Local Urban Design	444	374	521	500	400	200	200	-	-	-	-	-
Economic Development	144	173	180	280	180	130	130	30	30	30	30	30
Total capital cost of economy activities	588	547	701	780	580	330	330	30	30	30	30	30
Organisation												
Elected Members	-	-	-	-	-	-	-	-	-	-	-	-
Advice and Support	2	-	-	-	-	-	-	-	-	-	-	-
Managing Services	1,415	1,082	1,407	1,233	1,073	1,123	1,043	623	1,173	1,303	1,273	973
Total capital cost of organisation activities	1,417	1,082	1,407	1,233	1,073	1,123	1,043	623	1,173	1,303	1,273	973
Total capital cost of activities	75,289	16,173	24,427	22,267	28,014	18,855	14,641	15,279	15,078	15,323	25,580	32,606

FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

For the year ending 30 June 2004

	Actual 30/6/2002 \$000s	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 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	Projection 30/6/2013 \$000s
Operating Revenue												
Rates funding	56,374	60,069	62,400	63,554	63,783	63,783	63,145	62,514	61,889	61,270	61,270	61,270
User charges	16,838	17,840	18,007	18,174	18,174	18,174	18,174	18,174	18,174	18,174	18,174	18,174
Operating subsidies	2,115	1,507	1,927	1,927	1,927	1,927	1,927	1,927	1,927	1,927	1,927	1,927
Upper Hutt City Council operating contribution	697	1,600	1,938	1,938	1,938	1,938	1,938	1,938	1,938	1,938	1,938	1,938
Interest earned	740	300	250	169	184	187	186	184	187	186	184	187
Dividends	14	-	-	-	-	-	-	-	-	-	-	-
Gain on disposal of assets	620	-	-	-	-	-	-	-	-	-	-	-
Other revenue	2,049	1,694	1,035	1,563	1,478	1,580	1,670	1,591	1,597	1,688	1,603	1,603
Total operating revenue	79,447	83,010	85,557	87,325	87,484	87,589	87,040	86,328	85,712	85,183	85,096	85,099
Operating Expenditure												
Employee costs	15,068	15,761	16,308	16,388	16,388	16,388	16,388	16,388	16,388	16,388	16,388	16,388
Supplier costs	32,741	32,676	36,263	36,690	36,265	36,123	36,165	35,867	35,865	36,050	35,864	35,866
Maintenance costs	6,767	6,868	7,136	7,166	7,166	7,166	7,166	7,166	7,166	7,166	7,166	7,166
Operating projects	2,591	3,357	3,556	3,129	3,179	3,169	3,164	3,164	3,164	3,164	3,164	3,164
Interest expenditure	4,856	6,082	5,400	4,923	4,837	4,748	4,327	3,795	3,286	2,788	2,541	2,721
Depreciation	16,906	18,476	19,543	19,059	19,144	19,201	19,162	18,988	18,842	18,763	18,815	19,019
Total operating expenditure	78,929	83,220	88,206	87,355	86,979	86,795	86,372	85,368	84,711	84,319	83,938	84,324
Operating surplus/(deficit)	518	(210)	(2,649)	(30)	505	794	668	960	1,001	864	1,158	775
Capital subsidies	1,659	1,732	2,814	4,781	2,348	2,383	2,155	2,175	2,222	2,227	2,188	2,176
Upper Hutt City Council capital contribution	15,700	-	-	-	-	-	-	-	-	-	-	-
Less investment property revaluation	(1,050)	-	-	-	-	-	-	-	-	-	-	-
Net surplus before tax	16,827	1,522	165	4,751	2,853	3,177	2,823	3,135	3,223	3,091	3,346	2,951
Tax benefit	(21)	-	-	-	-	-	-	-	-	-	-	-
Net surplus after tax	16,806	1,522	165	4,751	2,853	3,177	2,823	3,135	3,223	3,091	3,346	2,951

FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE MOVEMENTS IN EQUITY

For the year ending 30 June 2004

	Actual 30/6/2002 \$000s	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 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	Projection 30/6/2013 \$000s
Total equity at the beginning of the year	651,040	665,895	725,276	726,731	731,482	734,335	737,512	740,335	743,470	746,693	749,784	753,130
Net surplus after tax	16,806	1,522	165	4,751	2,853	3,177	2,823	3,135	3,223	3,091	3,346	2,951
Change in asset revaluation reserves and other movements	(1,951)	57,859	1,290	-	-	-	-	-	-	-	-	-
Total recognised revenue and expenses for the year	14,855	59,381	1,455	4,751	2,853	3,177	2,823	3,135	3,223	3,091	3,346	2,951
Total equity at the end of the year	665,895	725,276	726,731	731,482	734,335	737,512	740,335	743,470	746,693	749,784	753,130	756,081

FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE FINANCIAL POSITION

For the year ending 30 June 2004

	Actual 30/6/2002 \$000s	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 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	Projection 30/6/2013 \$000s
Equity												
Accumulated funds	436,681	447,244	448,593	453,444	456,247	459,374	462,297	465,382	468,555	471,746	475,042	477,943
Restricted reserves	56	56	56	56	56	56	56	56	56	56	56	56
Council created reserves	3,285	3,110	3,216	3,116	3,166	3,216	3,116	3,166	3,216	3,116	3,166	3,216
Revaluation reserves	225,873	274,866	274,866	274,866	274,866	274,866	274,866	274,866	274,866	274,866	274,866	274,866
Total equity	665,895	725,276	726,731	731,482	734,335	737,512	740,335	743,470	746,693	749,784	753,130	756,081
Represented by:												
Current assets												
Cash and short term deposits	7,141	6,227	3,277	3,177	3,227	3,277	3,177	3,227	3,277	3,177	3,227	3,277
Sinking funds - current	12,385	1,057	-	-	-	-	-	-	-	-	-	-
Property intended for sale	4,254	3,000	1,300	-	-	-	-	-	-	-	-	-
Other current assets	6,469	6,469	6,469	6,469	6,469	6,469	6,469	6,469	6,469	6,469	6,469	6,469
Total current assets	30,249	16,753	11,046	9,646	9,696	9,746	9,646	9,696	9,746	9,646	9,696	9,746
Non-current assets												
Property, plant and equipment	750,053	799,729	802,729	804,911	811,197	810,223	805,229	801,044	796,928	793,167	796,392	804,509
Assets under construction	879	413	413	413	413	413	413	413	413	413	413	413
Sinking funds - non-current	65	-	-	-	-	-	-	-	-	-	-	-
Investments in subsidiaries	6,360	3,195	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435
Other non-current assets	334	334	334	334	334	334	334	334	334	334	334	334
Total non-current assets	757,691	803,671	805,911	808,093	814,379	813,405	808,411	804,226	800,110	796,349	799,574	807,691
Total assets	787,940	820,424	816,957	817,739	824,075	823,151	818,057	813,922	809,856	805,995	809,270	817,437

FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE FINANCIAL POSITION continued

For the year ending 30 June 2004

	Actual 30/6/2002 \$000s	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 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	Projection 30/6/2013 \$000s
Current liabilities												
Bank overdraft (unsecured)	1,372	-	-	-	-	-	-	-	-	-	-	-
Public debt - current	88,948	60,284	55,362	36,393	39,876	35,775	27,858	20,588	28,299	21,347	21,276	26,492
Other current liabilities	23,826	17,459	17,459	17,459	17,459	17,459	17,459	17,459	17,459	17,459	17,459	17,459
Total current liabilities	114,146	77,743	72,821	53,852	57,335	53,234	45,317	38,047	45,758	38,806	38,735	43,951
Non-current liabilities												
Public debt - non-current	5,494	15,000	15,000	30,000	30,000	30,000	30,000	30,000	15,000	15,000	15,000	15,000
Other non-current liabilities	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405
Total non-current liabilities	7,899	17,405	17,405	32,405	32,405	32,405	32,405	32,405	17,405	17,405	17,405	17,405
Total liabilities	122,045	95,148	90,226	86,257	89,740	85,639	77,722	70,452	63,163	56,211	56,140	61,356
Net assets	665,895	725,276	726,731	731,482	734,335	737,512	740,335	743,470	746,693	749,784	753,130	756,081

FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE CASH FLOWS

For the year ending 30 June 2004

	Actual 30/6/2002 \$000s	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 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	Projection 30/6/2013 \$000s
Cash flows from operating activities												
Cash was provided from:												
Rates	56,390	60,069	62,400	63,554	63,783	63,783	63,145	62,514	61,889	61,270	61,270	61,270
User charges and other income	24,154	21,373	25,721	28,383	25,865	26,002	25,864	25,805	25,858	25,954	25,830	25,818
Interest received	710	300	250	169	184	187	186	184	187	186	184	187
Tax received	520	-	-	-	-	-	-	-	-	-	-	-
Regional Council rates	12,355	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	94,129	91,742	98,371	102,106	99,832	99,972	99,195	98,503	97,934	97,410	97,284	97,275
Cash was applied to:												
Payments to suppliers and employees	56,868	59,779	63,263	63,373	62,998	62,846	62,883	62,585	62,583	62,768	62,582	62,584
Interest paid	4,733	6,082	5,400	4,923	4,837	4,748	4,327	3,795	3,286	2,788	2,541	2,721
Regional Council rates	10,474	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Net GST paid to IRD	785	-	-	-	-	-	-	-	-	-	-	-
	72,860	75,861	78,663	78,296	77,835	77,594	77,210	76,380	75,869	75,556	75,123	75,305
Net cash flows from operating activities	21,269	15,881	19,708	23,810	21,997	22,378	21,985	22,123	22,065	21,854	22,161	21,970
Cash flows from investing activities												
Cash was provided from:												
Sale of property, plant and equipment	982	10,250	5,050	1,300	-	-	-	-	-	-	-	-
UHCC capital contribution	15,700	515	584	1,026	2,584	628	473	476	352	321	3,540	5,470
Withdrawals from sinking funds	29,083	12,990	1,585	-	-	-	-	-	-	-	-	-
Other receipts and investments	316	-	-	-	-	-	-	-	-	-	-	-
Dividends received	14	-	-	-	-	-	-	-	-	-	-	-
	46,095	23,755	7,219	2,326	2,584	628	473	476	352	321	3,540	5,470
Cash was applied to:												
Purchase/construction of fixed assets	76,115	18,423	24,427	22,267	28,014	18,855	14,641	15,279	15,078	15,323	25,580	32,606
Contributions to sinking funds	30,537	1,597	528	-	-	-	-	-	-	-	-	-
Other investments and payments	70	-	-	-	-	-	-	-	-	-	-	-
	106,722	20,020	24,955	22,267	28,014	18,855	14,641	15,279	15,078	15,323	25,580	32,606
Net cash flows from investing activities	(60,627)	3,735	(17,736)	(19,941)	(25,430)	(18,227)	(14,168)	(14,803)	(14,726)	(15,002)	(22,040)	(27,136)

FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE CASH FLOWS Continued

	Actual 30/6/2002 \$000s	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 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	Projection 30/6/2013 \$000s
Cash flows from financing activities												
Cash was provided from:												
Funds raised from public debt	182,864	69,790	55,362	51,393	39,876	35,775	27,858	20,588	13,299	21,347	21,276	26,492
	182,864	69,790	55,362	51,393	39,876	35,775	27,858	20,588	13,299	21,347	21,276	26,492
Cash was applied to:												
Repayment of public debt	145,668	88,948	60,284	55,362	36,393	39,876	35,775	27,858	20,588	28,299	21,347	21,276
	145,668	88,948	60,284	55,362	36,393	39,876	35,775	27,858	20,588	28,299	21,347	21,276
Net cash flows from financing activities	37,196	(19,158)	(4,922)	(3,969)	3,483	(4,101)	(7,917)	(7,270)	(7,289)	(6,952)	(71)	5,216
Net (decrease)/increase in cash	(2,162)	458	(2,950)	(100)	50	50	(100)	50	50	(100)	50	50
Plus cash balance at beginning of the year	7,931	5,769	6,227	3,277	3,177	3,227	3,277	3,177	3,227	3,277	3,177	3,227
Cash balance at end of the year	5,769	6,227	3,277	3,177	3,227	3,277	3,177	3,227	3,277	3,177	3,227	3,277
Cash balance at end of the year comprises:												
Cash and on call deposits	7,141	6,227	3,277	3,177	3,227	3,277	3,177	3,227	3,277	3,177	3,227	3,277
Bank overdraft (unsecured)	(1,372)	-	-	-	-	-	-	-	-	-	-	-
Cash balance at end of the year	5,769	6,227	3,277	3,177	3,227	3,277	3,177	3,227	3,277	3,177	3,227	3,277

FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE NET DEBT POSITION

For the year ending 30 June 2004

	Actual 30/6/2002 \$000s	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 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	Projection 30/6/2013 \$000s
Net debt at beginning of the year												
Current debt	36,684	88,948	60,284	55,362	36,393	39,876	35,775	27,858	20,588	28,299	21,347	21,276
Non-current debt	20,562	5,494	15,000	15,000	30,000	30,000	30,000	30,000	30,000	15,000	15,000	15,000
Less: Sinking funds	(10,941)	(12,450)	(1,057)	-	-	-	-	-	-	-	-	-
Less: Cash and short term deposits	(7,931)	(5,769)	(6,227)	(3,277)	(3,177)	(3,227)	(3,277)	(3,177)	(3,227)	(3,277)	(3,177)	(3,227)
Net debt at beginning of the year	38,374	76,223	68,000	67,085	63,216	66,649	62,498	54,681	47,361	40,022	33,170	33,049
Plus capital expenditure												
Capped expenditure improving services	4,393	4,431	8,998	8,367	6,147	4,935	2,694	2,669	2,994	2,909	2,314	2,639
Carry-over of capped expenditure	608	692	679	-	-	-	-	-	-	-	-	-
Non-capped expenditure improving services	62,658	2,711	3,196	3,597	11,027	2,340	1,340	2,250	1,050	1,350	965	7,865
Expenditure maintaining services	7,632	8,339	11,554	10,303	10,840	11,580	10,607	10,360	11,034	11,064	22,301	22,102
Total capital expenditure	75,291	16,173	24,427	22,267	28,014	18,855	14,641	15,279	15,078	15,323	25,580	32,606
Less non-debt funding for capital expenditure												
Reserve funding	445	670	110	110	110	110	110	110	110	110	110	110
UHCC capital contribution	15,700	515	584	1,026	2,584	628	473	476	352	321	3,540	5,470
Capital subsidies	1,659	1,732	2,814	4,781	2,348	2,383	2,155	2,175	2,222	2,227	2,188	2,176
Depreciation	16,906	18,476	19,543	19,059	19,144	19,201	19,162	18,988	18,842	18,763	18,815	19,019
Total non-debt funding for capital expenditure	34,710	21,393	23,051	24,976	24,186	22,322	21,900	21,749	21,526	21,421	24,653	26,775
Less asset sale proceeds												
Asset sales - CCOs	-	5,500	2,050	-	-	-	-	-	-	-	-	-
Asset sales - other	978	4,750	3,000	1,300	-	-	-	-	-	-	-	-
Total asset sale proceeds	978	10,250	5,050	1,300	-	-	-	-	-	-	-	-

FORECAST FINANCIAL STATEMENTS – STATEMENT OF PROSPECTIVE NET DEBT POSITION Continued

For the year ending 30 June 2004

	Actual 30/6/2002 \$000s	Estimate 30/6/2003 \$000s	Budget 30/6/2004 \$000s	Forecast 30/6/2005 \$000s	Forecast 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	Projection 30/6/2013 \$000s
Less other items												
Rate funding	(443)	(705)	(2,809)	(40)	345	634	658	800	841	854	998	615
Cashflow movements	(2,162)	458	(2,950)	(100)	50	50	(100)	50	50	(100)	50	50
Other adjustments	4,359	(7,000)	3,000	-	-	-	-	-	-	-	-	-
Total other items	1,754	(7,247)	(2,759)	(140)	395	684	558	850	891	754	1,048	665
Net debt at end of the year												
Current debt	88,948	60,284	55,362	36,393	39,876	35,775	27,858	20,588	28,299	21,347	21,276	26,492
Non-current debt	5,494	15,000	15,000	30,000	30,000	30,000	30,000	30,000	15,000	15,000	15,000	15,000
Less: Sinking funds	(12,450)	(1,057)	-	-	-	-	-	-	-	-	-	-
Less: Cash and short term deposits	(5,769)	(6,227)	(3,277)	(3,177)	(3,227)	(3,277)	(3,177)	(3,227)	(3,277)	(3,177)	(3,227)	(3,277)
Net debt at end of the year	76,223	68,000	67,085	63,216	66,649	62,498	54,681	47,361	40,022	33,170	33,049	38,215



Policies

Policies

INTRODUCTION TO FINANCIAL AND OTHER POLICIES

This section contains policies required by the Local Government Act 2002, which was passed into law on 24 December 2002. The policies are:

Policy on Significance

This is a new policy intended to guide Council when making decisions of varying importance to the community. It also lets the community know what to expect in terms of consultation.

Policy on Partnerships with the Private Sector

This is a new policy that outlines under what circumstances Council will enter into partnership arrangements with private businesses, what conditions will be imposed and what consultation will take place.

Policy on Development and Financial Contributions

This policy describes what financial contributions Council will require from developers when their property developments impose increased demand on Council services.

Liability Management Policy

This policy replaces the previous Borrowing Management Policy. It explains Council's approach to managing its liabilities and the ways in which associated risks are controlled.

Investment Policy

This policy explains Council's approach to managing investments.

Statement of Accounting Policies

These policies form part of the Forecast Financial Statements included in the Community Plan.

Page	Revenue and Financing Policy	146
128	This policy replaces the Funding Policy that Council adopted under the Local Government Act 1974. The Revenue and Financing Policy utilises much of the analysis contained in the previous policy, although in a revised context. The policy identifies how Council allocates the costs of its activities against available sources of funds, including rates and user charges.	
131	Funding Impact Statement	180
	The Funding Impact Statement replaces the former special order procedure to make or alter a system of differential rating, as well as showing all other funding mechanisms and the level of funds produced by each. The system of differential rating is now defined in the Funding Impact Statement.	
133	Policy for Remission and Postponement of Rates on Maori Freehold Land	186
	This policy closely reflects Council's current practice for remission and postponement of rates on Maori freehold land. There is very little land of this type in Hutt City.	
135	Rates Postponement Policy	187
	This policy closely reflects Council's current practice for the treatment of rates postponement applications.	
139	Rates Remissions Policy	188
140	There are a number of parts to this policy. Each part deals with an area where Council may consider it appropriate to assist by providing rates relief. These specific areas include economic development, community, sporting and other organisations, penalties on unpaid rates and land protected for natural, historic or cultural conservation purposes.	

Policy on Significance

BACKGROUND

Hutt City Council is required by section 90 of the Local Government Act 2002 to, by 30 June 2003, adopt a policy on significance as follows:

- The policy must set out the general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters, and any thresholds, criteria, or procedures that are to be used in assessing the extent to which issues, proposals, decisions, or other matters are significant.
- The policy must list the assets considered by Council to be strategic assets.
- The policy may be amended from time to time.
- Council must use the special consultative procedure both in relation to:
 - the adoption of the policy
 - the amendment of the policy.

PURPOSE

All decisions Hutt City Council makes must be made in accordance with the decision-making requirements of the Local Government Act 2002 (set out in sections 76-81). Council must make judgements about the appropriate level of compliance with those requirements, largely in proportion to the 'significance' of the matters affected by the decision (section 79 of the Act).

The level of compliance with the decision-making requirements in the Act includes (section 79(1)(b)):

- the extent to which different options are to be identified and assessed
- the degree to which benefits and costs are to be quantified
- the extent and detail of the information to be considered
- the extent and nature of any written records kept as to compliance.

If a decision is determined to be 'significant' in accordance with the general approach, thresholds, criteria and procedures set out in this policy, a higher standard of compliance is required.

The significance of any issue, proposal, or other matter requiring a decision will also assist in determining whether a special round of consultation is required, and how much information Council needs to provide.

DEFINITIONS

Section 5 of the Local Government Act 2002 defines ‘significance’, ‘significant’ and ‘strategic asset’ as follows:

significance, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for:

- a) the current and future social, economic, environmental, or cultural well-being of the district or region
- (b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter
- (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

significant, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.

strategic asset, in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes:

- a) any asset or group of assets listed in accordance with section 90(2) by the local authority; and
- (b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
- (c) any equity securities held by the local authority in-
 - (i) a port company within the meaning of the Port Companies Act 1988;
 - (ii) an airport company within the meaning of the Airport Authorities Act 1966.

GENERAL APPROACH

In accordance with the definitions set out above, Council, in determining whether an issue, proposal, or other matter requiring a decision is of significance, will consider the likely impact of that decision on:

- the social, cultural, economic and environmental well-being of the city, now and in the future
- the ability of Council to achieve its strategic objectives as set out in the Community Plan
- the capacity of Council to perform its role and carry out its services or activities, and the cost of doing so, now and in the future
- any persons who are likely to be affected or particularly interested in the issue, proposal, or matter.

In determining whether any issue, proposal, or other matter requiring decision is of significance, Council will also consider the thresholds and apply the criteria and procedures set out below.

THRESHOLDS

When undertaking a process to determine whether an issue, proposal, or other matter is significant Council will apply the following thresholds:

- any transfer of ownership or control, or the disposal or abandonment of a strategic asset in its entirety
- the loss of Council control of any Council-Controlled Trading Organisation
- a decision that will, directly or indirectly, severely affect the capacity (including financial capacity) of Council to carry out any activity identified in the Community Plan
- entry into any partnership with the private sector to carry out a significant activity.

Where any issue, proposal, or other matter requiring a decision triggers one or more of the above thresholds, it will be considered against the criteria set out in the following section in determining whether or not it is significant.



CRITERIA

In considering whether any issue, proposal, or other matter requiring decision is significant the following criteria will be used:

- the issue, proposal, or other matter affects all or a large portion of the community in a way that Council considers is not inconsequential
- the impact or consequences of the issue, proposal, or other matter on the affected persons will, in Council's view, be substantial
- the financial implications of the issue, proposal, or other matter for Council's overall resources are, in Council's view, substantial
- the issue, proposal, or other matter has the potential to, in the view of Council, generate considerable public controversy.

PROCEDURE

In achieving this policy the following procedure will be applied:

- Where any issue, proposal or other matter triggers one or more of the thresholds set out in this policy the Chief Executive will report the matter to Council.
- Each report will include a statement indicating that the issue, proposal or other matter has been considered in regard to Council's Policy on Significance. The report will include an assessment of the degree of significance of the issue, proposal, or other matter based on the criteria outlined in this policy, and make a recommendation to Council.
- If the issue, proposal, or other matter is considered to be significant, the report to Council will also include a statement addressing how appropriate compliance with sections 77 – 82 of the Local Government Act 2002 will be achieved.
- Council will report annually in its Annual Report on all issues, proposals, or other matters determined to be significant, and subject to the procedure outlined in sections 76, 77, 78, 80, & 81 of the Local Government Act 2002 as appropriate.

STRATEGIC ASSETS

In accordance with section 90(2) of the Local Government Act 2002 Hutt City Council considers the following assets to be strategic:

- Wastewater Network and Treatment facilities in their entirety
- Roading Network in its entirety
- Stormwater Network in its entirety
- Water Supply Network in its entirety
- Silverstream Landfill
- Parks and reserves and open space network managed as reserves of citywide importance
- The land and buildings owned by Council and required to maintain Council's capacity to provide affordable housing as part of its social policy
- Dowse and Settlers' collections in their entirety
- The library collections in their entirety.

Council considers each group of assets listed above to be, in its entirety, a strategic asset. An issue, proposal, or other matter relating to a group of assets will not be considered significant unless it concerns the whole group of assets and not an individual component, unless the issue, proposal, or other matter regarding an individual component is considered significant in terms of this policy.

QUALIFICATION

Council may elect not to consult on an issue, proposal, or other matter requiring a decision considered significant in terms of this policy if that issue, proposal, or other matter is still subject, at a future date, to statutory processes such as those set out in the Resource Management Act or Reserves Act and after taking into account the financial implications of consulting on the matter.

Policy on Partnerships with the Private Sector

BACKGROUND

Hutt City Council is required by sections 102(4)(e) and 107 of the Local Government Act 2002 to, by 30 June 2003, adopt a policy on partnerships between Council and the private sector. Section 107 states –

(1) A policy adopted under section 102(4)(e) –

(a) must state the local authority's policies in respect of the commitment of local authority resources to partnerships between the local authority and the private sector; and

(b) must include –

(i) the circumstances (if any) in which the local authority will provide funding or other resources to any form of partnership with the private sector, whether by way of grant, loan, or investment, or by way of acting as a guarantor for any such partnership; and

(ii) what consultation the local authority will undertake in respect of any proposal to provide funding or other resources to any form of partnership with the private sector; and what conditions, if any, the local authority will impose before providing funding or other resources to any form of partnership with the private sector; and

(iii) an outline of how risks associated with any such provision of funding or other resources are assessed and managed; and

(iv) an outline of the procedures by which any such provision of funding or other resources will be monitored and reported on to the local authority; and

(v) an outline of how the local authority will assess, monitor, and report on the extent to which Community Outcomes are furthered by any provision of funding or other resources or a partnership with the private sector.

(2) In this section, partnership with the private sector means any arrangement or agreement that is entered into between one or more local authorities and one or more persons engaged in business; but does not include:

(a) any such arrangement or agreement to which the only parties are:

(i) local authorities; or

(ii) one or more local authorities and one or more council organisations; or

(b) a contract for the supply of any goods or services to, or on behalf of, a local authority.

The policy can only be amended as an amendment to the Community Plan.

PURPOSE

The policy is linked to the statutory principle that a local authority should collaborate and cooperate with other local authorities and bodies as it considers appropriate to promote or achieve its priorities and desired outcomes, and make efficient use of its resources (section 14(e) of the Local Government Act refers).

This policy only applies to partnerships with the private sector. 'Partnership with the private sector' is defined in the Local Government Act to mean any arrangement or agreement that is entered into between one or more local authorities and one or more persons engaged in business, but does not include:

- arrangements or agreements to which the only parties are local authorities or one or more local authorities and one or more council organisations, or
- a contract for the supply of goods or services to, or on behalf of, a local authority.

To clarify, Council has considered this definition with regard to the apparent overall intent of the legislation and the nature of Council's business. Council has determined that specifically this policy shall apply to:

- arrangements or agreements for provision of grants, loans, guarantees, or investments between Council and persons engaged in business
- agreements for a venture where Council participates with a person engaged in business with some joint objective
- any agreement with a person engaged in business to form a Council organisation, or any agreement to sell shares in a Council or Council-Controlled Organisation to a person engaged in business (this will be in addition to the requirements of section 56 of the Local Government Act if applicable).



But shall NOT apply to:

- contracts between Council and its ordinary suppliers of goods and services (for example, purchase of office supplies or legal services)
- contracts between Council and its customers for the ordinary supply of goods and services (for example, sale of swimming equipment or provision of various consents or licences)
- contracts for the supply of goods and services between Council and its agents for undertaking activities of Council (such as building or maintaining roads)
- borrowing by Council and the investment of Council's funds purely for financial gain as these transactions will be addressed in the Liability Management and Investment policies respectively
- agreements with or grants to community organisations, charitable trusts and other community groups, government departments, not-for-profit organisations, other local authorities and Council-Controlled Organisations where the other organisation is to supply any goods or services to, or on behalf of, Council
- Memoranda of Understanding or Heads of Agreement where Council is not providing any funding or other significant resources to the other party.

CIRCUMSTANCES UNDER WHICH COUNCIL MAY CONSIDER A PARTNERSHIP WITH THE PRIVATE SECTOR

Council may consider a partnership with the private sector where there are benefits to Council of committing resources to a partnership with the private sector such as when:

- a need, that a partnership with the private sector would address, has been defined in measurable terms
- the partnership is the most effective means of realising Council's strategic goals or Community Outcomes as defined in Council's Community Plan
- the partnership will lower the cost of the provision of identified services to the community
- risk allocation is shared equitably
- there is scope for the private sector to contribute particular skills and/or innovative capacity.

CONSULTATION

Council will only undertake consultation in respect of any proposal to provide funding or other resources to any form of partnership with the private sector if that partnership is determined to be significant in terms of Council's approved Significance policy. Council will generally not undertake consultation in respect of a proposal to provide funding or other resources to any partnership with the private sector that is not considered significant.

CONDITIONS

The conditions any Public/Private Sector partnership will be subject to will depend on the nature of the partnership but will include the following where appropriate:

- private sector participation will be subject to approved procurement processes, with an emphasis on transparency and disclosure of processes and outcomes, acknowledging the need to protect commercial confidentiality where appropriate
- any proposed partnership will be assessed against Council's policies, plans, strategic goals and Community Outcomes as specified in the Community Plan
- outputs will be clearly specified including measurable performance standards
- the partnership is compliant with other relevant legislation
- all private sector parties will be fully accountable to Council for the delivery of the specified project and/or services.

RISK MANAGEMENT

Council will assess and manage any risks associated with any Public/Private Sector partnership in the following manner:

- risk will be assessed, monitored and reported in accordance with Council's risk management framework
- risk allocation between the partners will be clear and enforceable, with consequential financial outcomes
- the major principle governing risk will be a risk transfer regime where risk will be transferred to whoever is best able to manage it taking into account public interest considerations
- each party must have the freedom to choose how to handle and minimise any risk
- Where Council is not the only user of an asset, demand (or volume/usage) risk may also be transferred.

Policy on Development and Financial Contributions

MONITORING AND REPORTING

Council will monitor and report on a Public/Private Sector partnership by:

- ensuring transparency and disclosure of key processes and outcomes
- clearly setting out responsibilities for the monitoring of outcomes
- monitoring and reporting progress on partnership contracts in accordance with Council's financial and programme reporting regime
- assessing and monitoring Community Outcomes as required under the Local Government Act 2002 Annual Report requirements.

GENERAL

Section 102(4) of the Local Government Act 2002 states *inter alia* that a local authority must adopt a policy on development contributions or financial contributions. Details relating to the specific matters that must be covered in any policy on development contributions or financial contributions are specified in section 106 and these matters are explained below.

Council considers at this stage that it will rely on the financial contributions specified in its District Plan prepared under the Resource Management Act 1991, as this has been subject to considerable community consultation and is well accepted by the community. Within three years Council will investigate further the need for development contributions under the Local Government Act 2002.

Currently financial contributions obtained under the provisions of the District Plan account for less than 5% of the total amount of capital expenditure. It is considered that this amount is not likely to change in the near future.

FINANCIAL CONTRIBUTIONS IN THE DISTRICT PLAN – A SUMMARY

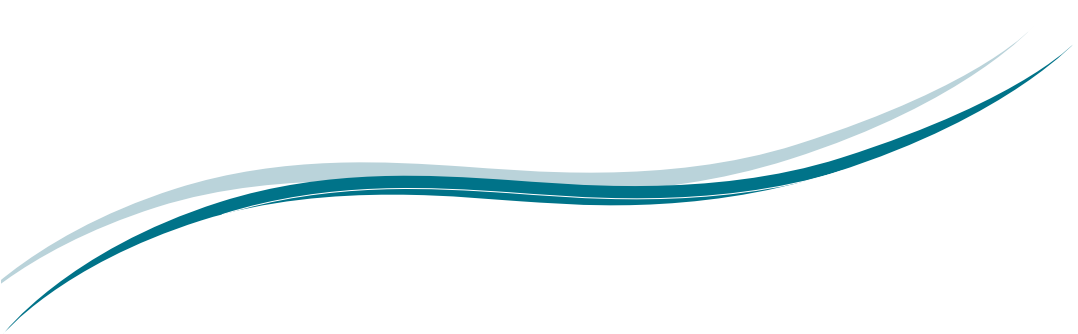
Chapter 12 of the District Plan specifies in detail the issues, objectives, policies and rules relating to financial contributions. The provisions of the District Plan on financial contributions relate mainly to two matters:

- financial contributions relating to the subdivision and development of land,
- traffic impact fees relating to large-scale retail activities and places of assembly in Residential and Rural Activity Areas, which may have adverse effects on the roading network.

Each of these matters is discussed and analysed below.

Reserve Contributions – Subdivision of Land

There is a long history of requiring subdividers of land to provide land or money for the purpose of providing public open space as reserves. Reserves are generally required as part of the subdivision process as they provide the open space and recreation facilities and opportunities necessary to cater for additional demand generated and also to protect or



enhance amenity values. As communities continue to grow in size and population there is a need to provide recreation and open space to meet their needs and requirements.

As part of its section 32 requirements under the Resource Management Act 1991, a number of options were evaluated by Council and after considerable consultation with the public, developers and other special interest groups it was considered that reserve contributions should be set at a maximum of 7.5% of the value of each additional allotment [Rule 12.2.1.7 (a)]. It was recognised that the maximum reserve contribution is not appropriate in all cases and this can be adjusted taking into account criteria specified in Rule 12.2.1.7 (b).

Reserve Contributions – Development of Land

The District Plan also recognises that the development of land for business/commercial purposes can increase the number of people employed at a particular location and consequently there may be an increase in demand for open space and recreation areas.

After considerable consultation with the public, property owners, developers and other special interest groups, and after evaluating various options, it was considered by Council that where commercial or industrial development will result in an increase or intensification of use of land, a reserve contribution in the form of money equivalent to 0.5% of the value of the development in excess of \$200,000 was appropriate [Rule 12.2.2.2(a)]. It was also recognised that the maximum reserve contribution is not appropriate in every case and the maximum could be adjusted based on criteria specified in Rule 12.2.2.2 (b).

Financial Contributions – Services

In the District Plan the developer of a subdivision or development is responsible for funding all work within its boundaries relating to services directly required for the subdivision or development (Rules 12.2.1.1, 12.2.1.2, 12.2.1.3, 12.2.1.4, 12.2.1.5, and 12.2.1.6). This approach has been in practice for a very long period of time.

Two main methods for imposing financial contributions have been adopted in the District Plan, these being the recoupment impact fee (or sometimes called the recognised equity method) and the capital improvements programme fee.

In summary the District Plan requires financial contributions as follows:

- in subdivision or development of land the rules specify that the developer is responsible for all work within its boundaries relating to services directly required
- the rules specify that where, as a result of subdivision or development of land, services in adjoining land which were previously adequate become inadequate, then the subdivider or developer should pay for the full and actual costs of upgrading services
- where subdivision or development takes place and the services in the adjoining land are already inadequate, then the rules specify that the subdivider or developer should pay a proportion of the costs of upgrading services
- in cases where Council has upgraded services in advance of land being subdivided then the subdivider or developer should pay the full and actual costs of upgrading, taking into account the time value of money, when the land is subsequently subdivided or developed.

Financial Contributions – Traffic Impact Fee for Retail Activities and Places of Assembly in all Residential and Rural Activity Areas

The District Plan recognises that large-scale retail activities exceeding 3,000 square metres in floor area and all places of assembly in residential and rural activity areas may have adverse effects on the surrounding roading network and on pedestrian circulation (Rule 12.2.2.1). In such circumstances the District Plan requires that the developer contribute to the upgrading or modification of the surrounding roads, intersections and footpaths.

CONCLUSION

Copies of the District Plan are available for inspection at the main Council Building and at public libraries.

Liability Management Policy

INTRODUCTION

Section 102(4)(b) of the Local Government Act 2002 requires Council to adopt a liability management policy. The requirements of that policy are listed in section 104. The relevant legislation is reproduced below:

Section 104 Liability Management policy

A policy adopted under section 104(4)(b) must state the local authority's policies in respect of the management of both borrowing and other liabilities, including -

- *interest rate exposure; and*
- *liquidity; and*
- *credit exposure; and*
- *debt repayment; and*
- *specific borrowing limits; and*
- *the giving of securities.*

GENERAL POLICY

Council's liabilities comprise borrowings and various other liabilities. Council's Liability Management Policy focuses on borrowing as this is the most significant component and exposes Council to the most significant risks.

Other liabilities are generally non-interest bearing. Cash flows associated with other liabilities are incorporated in cash flow forecasts for liquidity management purposes and determining future borrowing requirements.

Council raises borrowing for the following primary purposes:

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

Council is able to borrow through a variety of market mechanisms including the issue of bonds or commercial paper and direct bank borrowing.

In evaluating new borrowings (in relation to source, term, size and pricing) the General Manager Finance and Treasurer will take into account the following:

- the size and economic life of the related project
- the impact of the new debt on the borrowing limits
- relevant interest rate margins payable under each borrowing source
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time
- prevailing interest rates relative to term for bond and commercial paper issuance and bank borrowing, and management's view of future interest rate movements
- available terms from bond and commercial paper issuance and from banks
- legal documentation and financial covenants
- alternative funding mechanisms such as leasing are evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation takes into consideration ownership, redemption value and effective cost of funds.

Interest expenses arising on the existing debt portfolio and future borrowings will generally be allocated to specific activities of Council in proportion to the assets employed by each activity. Subject to the approval of the Executive Management Team, selected interest costs may be charged directly to Council activities if related borrowings are clearly identifiable as relating to that activity.

OVERALL BORROWING LIMITS

In managing borrowing, Council adheres to the following limits:

Limit

Net debt as a percentage of equity	<20%
Net debt as a percentage of income	<150%
Net interest as a percentage of income	<10%
Net interest as a percentage of annual rates income	<15%
Liquidity (Term debt + committed loan facilities to peak net 12 month debt)	>100%
Net debt	<\$100 million
Net debt per capita	<\$1,000

Net debt is defined as the amount of total debt net of liquid financial assets/investments (including sinking funds).

Income is defined as earnings from rates, government grants and subsidies, user charges, interest and other revenue.

Rates exclude regional levies.

Debt is repaid as it falls due in accordance with the applicable loan agreement. Subject to the debt limits, a loan may be rolled over or renegotiated as and when appropriate.

MANAGING DEBT REFINANCING RISK

Cash flow deficits in various future periods based on long term financial forecasts are reliant on the maturity structure of loans and facilities. Liquidity risk management focuses on the ability to borrow at that future time to fund the gaps. Funding risk management centres on the ability to refinance or raise new debt at a future time at the same or more favourable pricing (fees and borrowing margins) and maturity terms of existing facilities.

Managing Council's funding risks is important as several risk factors can arise to cause an adverse movement in borrowing margins, term availability and general flexibility including:

- local Government risk is priced to a higher fee and margin level
- Council's own credit standing or financial strength as a borrower deteriorates due to financial, regulatory or other reasons
- a large individual lender to Council experiences its own financial/exposure difficulties resulting in Council not being able to manage its debt portfolio as optimally as desired
- the New Zealand investment community experiences a substantial over supply of Council investment assets.

A key factor in funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time so that if any of the above events occur, the overall borrowing cost is not unnecessarily increased, nor is the desired maturity profile compromised due to market conditions.

Liquidity/Funding Risk Control Limits

Council manages liquidity and funding risk through application of the following limits and principles:

- Term debt and committed debt facilities are maintained at an amount that averages 100% of projected peak net debt levels over the next 12 months (per long term cash and debt forecasts)

- An allocated amount of committed credit facilities is designated as cover for special funds as outlined in the Investment Policy and other legislative requirements,
- The maturity profile of total committed funding in respect to all loans and committed facilities is maintained within the following limits:

Period	Minimum	Maximum
0 to 3 years	10%	60%
3 to 5 years	20%	60%
5 years plus	10%	60%

- A maturity profile outside these limits requires specific approval of the Finance and Corporate Review Committee. A 12 month non-compliance period from August 2002 is permitted while this revised Liability Management Policy is being phased in.
- Treasury staff provide comprehensive daily and weekly cash management reporting, together with rolling 12 month forecasts, annual cash/debt forecasting and long-term debt forecasts out to 10 years. This reporting is used to monitor actual and forecast liquidity and funding risk and plan accordingly
- The General Manager Finance has the discretionary authority to refinance existing debt on more favourable terms.

MANAGING INTEREST RATE RISK

Risk Recognition

Interest rate risk is the risk that funding costs (due to adverse movements in market interest rates) will materially exceed adopted annual plans and 10 year interest cost projections, so as to adversely impact cost control, capital investment decisions/returns/and feasibilities.

Given Council's debt level, it has a large exposure to interest rate movements (a 1% interest rate movement on \$50 million of debt over 12 months = \$500,000). Accordingly, the primary objective of interest rate risk management is to reduce the uncertainty of interest rate movements through fixing of funding costs. However, a secondary objective is to minimise the net funding costs for Council within acceptable risk parameters. Both objectives are to be achieved through the active management of underlying interest rate exposures.

Approved Financial Instruments

Dealing in interest rate products must be limited to the following financial instruments:

Category	Instrument
Cash management and borrowing	Bank overdraft Committed cash advance and bank accepted bill facilities (term facilities) Uncommitted money market facilities Bond issuance
Investments	Short term bank deposits Bank bills Bank certificates of deposit (CD's) Treasury bills Local Authority stock or State Owned Enterprise (SOE) bonds Corporate bonds
Interest rate risk management	Promissory notes/commercial paper Forward rate agreements ('FRA's') on: - Bank bills - Government bonds Interest rate swaps including: - Forward start swaps (start date <24 months) - Amortising swaps (whereby notional principal amount reduces) Interest rate options on: - Bank bills (purchased caps and 1:1 collars) - Government bonds Interest rate swaptions (purchased only).

Any other financial instrument must be specifically approved by Council on a case-by-case basis and only be applied to the one transaction being approved.

Credit exposure on these financial instruments is restricted by counterparty credit limits specified in Council's Treasury Policy.

INTEREST RATE RISK CONTROL LIMITS

Borrowings

Council borrowings must be within the following fixed/floating interest rate risk control limits:

Master Fixed/Floating Risk Control Limits

Minimum Fixed Rate	Maximum Fixed Rate
55%	95%

'Fixed Rate' is defined as an interest rate repricing date beyond 12 months forward on a continuous rolling basis.

'Floating Rate' is defined as an interest rate repricing within 12 months.

The percentages are calculated on the rolling 12 month projected net debt level calculated by the Treasury Accountant (signed off by the Treasurer). This allows for pre-hedging in advance of projected physical drawdowns of new debt. When approved forecasts are changed, the amount of fixed rate cover in place may have to be adjusted to comply with the policy minimums and maximums.

The fixed rate amount at any point in time must be within the following maturity bands:

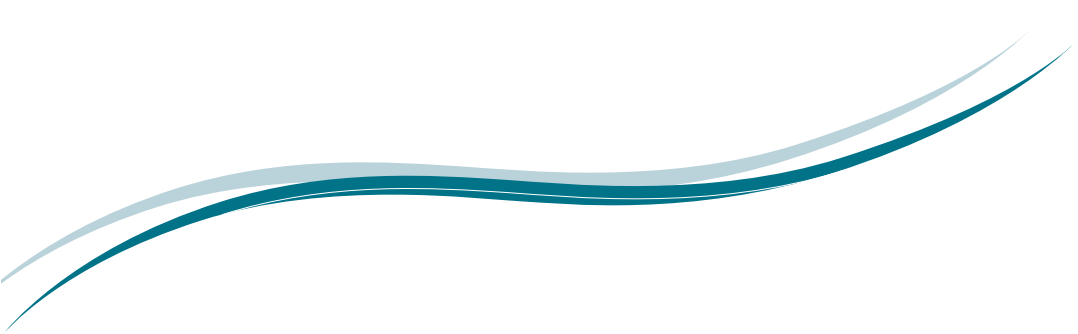
Fixed Rate Maturity Profile Limit

Period	Minimum Cover	Maximum Cover
1 to 3 years	20%	50%
3 to 5 years	20%	50%
5 to 10 years	15%	50%

A fixed rate maturity profile outside the above limits requires specific approval of the Finance and Corporate Review Committee. A 12 month non-compliance period from August 2002 is permitted while this revised Liability Management Policy is being phased in.

The following additional controls are applied to manage interest rate risk:

- Floating rate debt may be spread over any maturity out to 12 months. Bank advances may be for a maximum term of 12 months.
- FRA's outstanding at any one time must not exceed 75% of the total floating rate debt.



FRA's may be 'closed out' before maturity date by entering an equal and opposite FRA to the same maturity date or, alternatively, by purchasing an option on an FRA for the equal and opposite amount to the same date.

- Interest rate options must not be sold outright. However, 1:1 collar option structures are allowable whereby the sold option is matched precisely by amount and maturity to the simultaneously purchased option. During the term of the option, one side of the collar cannot be closed out by itself, both must be closed simultaneously. The sold option leg of the collar structure must not have a strike rate 'in-the-money'.
- Purchased borrower swaptions must mature within 12 months unless specifically approved by the Finance and Corporate Review Committee.
- Interest rate options with a maturity date beyond 12 months, that have a strike rate (exercise rate) higher than 1.00% above the appropriate swap rate, cannot be counted as part of the fixed rate cover percentage calculation.

Security

Council's borrowings and interest-rate risk management instruments will generally be secured by way of a charge over Council's rate revenue. However, if it is considered advantageous, Council's borrowings and other financial arrangements may be on an unsecured basis, or secured by way of a charge over physical assets.

Physical assets will be charged only where:

- there is a direct relationship between the debt and the purchase or construction of the asset that it funds (e.g. an operating lease, or project finance)
- the General Manager Finance considers a charge over physical assets to be appropriate
- the Treasurer ensures that the required register of charges and any associated documents are provided, filed and kept in accordance with the provisions of the Local Government Act 2002 and any other relevant legislation.

Council's utilisation of special funds as detailed in the Investment Policy will be on an unsecured basis.

Debt Repayment

The funds from all asset sales and operating surpluses will be applied to the reduction of debt and/or a reduction in borrowing requirements, unless Council specifically directs that the funds be put to another use.

Council will manage debt on a net portfolio basis at all times with the exception of sinking funds relating to debt raised before 1 July 1998 as provided under legislation. Council will only make the statutory minimum contributions to these sinking funds. This also applies to funds vested to Council for specific purposes as dictated by legislation.

Contingent Liabilities

Council from time to time provides financial guarantees to community, sporting, cultural and similar non-profit organisations. Management ensures that the organisation is financially sound and the project is financially viable on a stand-alone basis.

Council's maximum liability is limited to \$1.2 million and \$300,000 for any single loan. Financial guarantees are given for a period of no more than 10 years.

Financial statements are received annually and Council is notified if the loan falls into arrears. Should any guarantee be called upon, Council will take immediate steps to recover the money.

Investment Policy

INTRODUCTION

Section 102(4)(c) of the Local Government Act 2002 requires Council to adopt an investment policy. The requirements of that policy are listed in section 105. The relevant legislation is reproduced below:

Section 105 Investment Policy

A policy adopted under section 102(4)(c) must state the local authority's policies in respect of investments including –

- *the objectives in terms of which financial and equity investments are to be managed; and*
- *the mix of investments; and*
- *the acquisition of new investments; and*
- *an outline of the procedures by which investments are managed and reported on to the local authority; and*
- *an outline of how risks associated with investments are assessed and managed.*

GENERAL POLICY

As Council is a net borrower of funds and applies surplus funds to debt repayment, investments are only maintained to meet specified business objectives. An example is the holding of minor equity investments in order to participate in selected local authority mutual funds for risk management purposes. The mix of investments held is outlined below. Investments are generally managed by Council's finance group, The finance group monitors investments, assesses associated risks and reports monthly to Council's Executive Management Team and quarterly to Council's Finance and Corporate Review Committee.

LIQUID INVESTMENTS

For the foreseeable future, Council will have a permanent net debt/borrowing position and will use flexible short term working capital money market funding lines. Accordingly, it does not have any requirement to be in a surplus cash situation.

Therefore, any liquid investments must be restricted to a term that meets future cash flow projections. Any liquid investments must be placed within the counterparty credit limits specified in Council's Treasury Policy.

SINKING FUNDS

Council is no longer required to use sinking funds as a mechanism for loan repayments. Where practical, Council will actively pursue the cessation of contributions to existing sinking funds. Accordingly, the existing sinking funds established before 1 July 1998 will run down over their attributable life to zero.

Given that Council will be a net borrower for the remaining life of the existing sinking funds, the sinking funds should be used for internal borrowing purposes. This will negate any interest rate gap risk that occurs when Council borrows at a higher rate compared with the investment rate achieved by sinking funds. Such internal borrowings should be netted from the 'net debt level'.

A statement of sinking funds is prepared annually by the Sinking Fund Commissioners.

SPECIAL FUNDS

Liquid assets will not be required to be held against special funds. Instead, Council will manage these funds using internal borrowing facilities.

Accounting entries representing monthly interest accrual allocations will be made using Council's average weighted cost of funds for that period.

TRUST FUNDS

These represent funds administered by Council in terms of a bequest trust deed, document etc, that has been created by a third party. Such funds are to be separately invested and used for the express purpose for which they are intended.

EQUITY INVESTMENTS

Council's equity investments are restricted to minor strategic holdings in selected organisations and interests in several Council-Controlled Organisations.

The objectives of Council-Controlled Organisations are as defined in section 59 of the Local Government Act 2002, and as set out in their statements of intent approved by Council each year.

Statement of Accounting Policies

Council will consider selling its non-strategic shareholdings where the rate of return from owning the asset is lower than the financial benefit to ratepayers of selling and of using the proceeds of sale to repay debt. In its considerations Council will take into account the risks associated with continuing to own the asset and the risks associated with Council's total debt.

Proceeds from the sale of equity investments will go to repay existing debt, unless Council specifically directs that the funds be put to another use.

INVESTMENT PROPERTIES

Council does not currently hold any investment properties. Investment properties will only be purchased in the future where such acquisition would strategically fit Council's core activities.

Any investment properties held by Council will be managed by the Property Manager.

All buildings and fittings on investment properties will be insured for material damage and skilled property personnel will monitor pricing trends in the area for potential price variations.

Any rental funds received for investment properties held by Council will be used to offset costs incurred within the appropriate property activity.

Any funds received from the sale of investment properties will be used to repay existing debt, unless Council specifically directs that the funds be put to another use.

LOANS AND ADVANCES

Council does not normally give out loans to Community groups and will only consider doing so in exceptional circumstances.

Council occasionally provides financial guarantees to community, sporting, cultural and similar non-profit organisations. The circumstances under which Council will consider providing a financial guarantee are limited. They are contained in a separate policy entitled 'Requirements and Conditions Relating to the Giving of Financial Guarantees'.

INTRODUCTION

Schedule 10(8) of the Local Government Act 2002 requires forecast financial statements to be included in a long term council community plan. Section 111 requires that these forecast financial statements be prepared in accordance with generally accepted accounting practice. The relevant legislation is reproduced below.

Section 111 Information to be prepared in accordance with generally accepted accounting practice

All information that is required by any provision of this part or of Schedule 10 to be included in any plan, report, or other document must be prepared in accordance with generally accepted accounting practice if that information is of a form or nature for which generally accepted accounting practice has developed standards.

The Statement of Accounting Policies is included to meet the requirements of generally accepted accounting practice and support the Forecast Financial Statements and other budgetary information included in the Community Plan.

REPORTING ENTITY AND STATUTORY BASE

Hutt City Council (referred to as 'Council') is a territorial local authority governed by the Local Government Act 2002. Council was first formed as Lower Hutt City Council on 1 November 1989 by the amalgamation of five local authorities. The name was changed to 'Hutt City Council' by a special Act of Parliament on 8 October 1991.

The activities of Council Controlled Organisations ("CCOs") controlled by Council are included in the Forecast Financial Statements only to the extent of any dividends forecast to be paid to Council.

MEASUREMENT BASE

The Forecast Financial Statements have been prepared using a historical cost basis, modified by the revaluation of certain assets.

SPECIFIC ACCOUNTING POLICIES

Revenue

Rates revenue is recognised when levied.

Water billing revenue is recognised on an accrual basis. Unbilled sales, as a result of unread meters at year-end, are accrued on an average usage basis.

Subsidies from Transfund New Zealand and grants from other government agencies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants and bequests, and assets vested in Council - with or without conditions - are recognised as revenue when control over the assets is obtained.

Dividends are recognised on an accrual basis net of imputation credits.

Construction Contracts

Profits on contracts are recognised progressively over the period of each contract. The amount recognised in the Statement of Financial Performance, and the value of contract work in progress, are established by assessment of individual contracts taking into account the proportion of work completed, cost analysis and estimated final results.

Foreseeable losses on a contract are recognised immediately.

Goods and Services Tax 'GST'

These Forecast Financial Statements have been prepared exclusive of GST with the exception of accounts receivable and accounts payable, which are stated inclusive of GST. When GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

Taxation

Income tax expense is recognised in the Statement of Financial Performance in respect of the current year's surplus after allowing for permanent differences.

Deferred tax is determined on a comprehensive basis using the liability method. Deferred tax assets attributable to timing differences or income tax losses are only recognised when there is virtual certainty of realisation.

Equity

Equity is the community's interest in Council as measured by total assets less total liabilities. Equity is classified into a number of reserves to enable clearer identification of the specified uses that Council makes of their accumulated surpluses. The components of equity are:

- accumulated funds
- Council created reserves
- restricted reserves
- asset revaluation reserves.

Reserves represent a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Council created reserves are established by Council. They may be altered without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

Restricted reserves are subject to specific conditions accepted as binding by Council, which may not be revised by Council without reference to the courts or a third party. Transfers from these reserves may be made only for specified purposes or when certain conditions are met.

Accounts Receivable

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

Inventories

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

Property, Plant and Equipment

Expenditure of a capital nature of \$1,000 or more for information technology hardware, and \$2,500 or more for other items, has been capitalised. Expenditure of less than \$1,000 for information technology hardware, or less than \$2,500 for other items, has been charged to operating expenditure.

Property, plant and equipment consists of:

- *infrastructure assets*, ie. the fixed utility systems owned by 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*, ie. parks and reserves owned by Council, which cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community.

Upper Hutt City Council's interest in the bulk wastewater system

The Hutt Valley and Wainuiomata bulk wastewater system is managed by Council. Upper Hutt City Council pays an annual levy to the Hutt City Council based on an apportionment formula equating to between 26% and 31% of the funding requirements. While Upper Hutt City Council does not have any direct ownership or control over the bulk wastewater system, it is entitled to a share of the proceeds from any sale of the Scheme's assets.

Previously Council recognised Upper Hutt City Council's interest in the bulk wastewater system assets by way of a note to the Financial Statements. Funding contributions from Upper Hutt City Council were recognised as revenue in the Statement of Financial Performance.

This policy changed on 1 July 2002. Upper Hutt City Council's interest in the bulk wastewater system assets is now deducted from the value of property, plant and equipment recognised in the Statement of Financial Position. Funding contributions from Upper Hutt City Council are recognised as revenue in the Statement of Financial Performance if the contributions are for the operation of the bulk wastewater system. Funding contributions for capital work are recognised as an increase in Upper Hutt City Council's interest in the bulk wastewater system assets.

Valuation

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

- Land and buildings have been valued at net current value. Revaluations are carried out three-yearly.
- Infrastructure assets have been 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
- Library literary assets are valued at depreciated replacement cost in accordance with draft guidelines released by the New Zealand Library Association and the National Library of New Zealand. Revaluations are carried out 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.

Property, plant and equipment valuation increases and decreases are charged to the appropriate asset revaluation reserves. If the decreases would have resulted in a debit balance in the asset revaluation reserve, then this debit balance would be recognised as an expense in the Statement of Financial Performance.

Any subsequent increase on revaluation that offsets the previous decrease in value in the Statement of Financial Performance will be first recognised in the Statement of Financial Performance up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Costs incurred in obtaining any resource consents are capitalised as part of the asset to which they relate. If a resource consent application is declined then all capitalised costs are written off.

Additions

Additions between valuations are recorded at cost, except for vested assets. Certain infrastructure assets and land have been vested in Council as part of the subdivisional consent process. 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.

Assets under construction

Assets under construction are included at cost. The total cost of a project is transferred to the relevant capital class on its completion and then depreciated.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives, except that art, museum collections and land are not depreciated.

The expected useful economic lives have been estimated as follows:

Estimated economic lives	Years
Operational assets	
Buildings	50 – 80
Parking meters	15
Office equipment	10
Plant	10
Pay and display	10
Recycling depots	5 – 10
Playground equipment	5 – 10
Computer equipment	3 – 5
Infrastructure assets	
Bridges	100
Drainage including manholes and drainpipes	80
Kerbing	80
Footpaths	40
Unsealed pavement (base course and sub base)	25 – 30
Street lights	25
Wharves	15
Pavement seal	10 – 12
Traffic signals and signs	10
Reservoirs	80
Stormwater 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

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 has been expensed in the Statement of Financial Performance. There is no depreciation recognised on investment properties.

Other investments

All other investments are valued at the lower of their cost and net realisable value.

Sinking funds

Funds have been set aside to meet future repayments of loans. These funds are invested with the Sinking Fund Commissioners of the City of Lower Hutt and the National Provident Fund. Interest earned on sinking funds is recognised as revenue in the Statement of Financial Performance.

Employee entitlements

Provision is made in respect of the Group's liability for annual leave, long service leave, and retirement gratuities. Annual leave has been calculated on an actual basis at current rates of pay, while the other provisions have been calculated on an actuarial basis based on the present value of expected future entitlements.

Leases

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are recognised as expenses and income is recognised as revenue in the Statement of Financial Performance in the periods in which they are incurred.

Landfill post-closure costs

As operator of the Silverstream and Wainuiomata landfill sites, Council has an obligation to provide ongoing maintenance and monitoring services at these landfill sites after closure. Council also has an obligation to monitor closed landfill sites previously operated by local authorities subsequently amalgamated to form the Hutt City Council.

A site restoration and aftercare provision has been recognised as a liability in the Statement of Financial Position. Provision is made for the present value of closure and post-closure costs when the obligation for post-closure arises. The calculated cost is based on estimates of future site trade waste charges and monitoring costs. The estimated length of time needed for post-closure care is 30 years for Silverstream, and 28 years for Wainuiomata.

The calculations assume no change in the legislative requirements or technological changes for closure and post-closure treatment. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to Council.

Financial instruments

Council is party to financial instruments as part of its normal operations. These financial instruments include cash and on call deposits, accounts receivable, investments, accounts payable, public debt, deposits held, other liabilities, financial guarantees and interest rate swaps and options.

Revenue and expense arising from these financial instruments are recognised in the Statement of Financial Performance. The financial instruments are recognised in the Statement of Financial Position in accordance with the accounting policies outlined below.

Cash and on call deposits, accounts payable, public debt, deposits held and other liabilities

These financial instruments are recognised in the Statement of Financial Position on a historical cost basis.

Accounts receivable and investments

Related accounting policies are described in the relevant sections above.

Financial guarantees

Financial guarantees are not recognised in the Statement of Financial Performance unless it becomes probable that a financial loss will be incurred as a result of a guarantee. Financial guarantees are disclosed in note 19 of the Financial Statements.

Interest rate swaps and options

Council enters into interest rate swaps and options to hedge interest rate risk associated with public debt. The following accounting treatments are applied:

- the net differential paid or received on interest rate swaps is recognised as a component of interest income or expense over the period of the agreement
- interest rate option premiums paid or received and net settlements on maturity are amortised as a component of interest income or expense over the period of the underlying asset or liability
- as all interest rate swaps and options are hedges of underlying assets or liabilities, they are not stated at market value in the Statement of Financial Position. However, any interest differentials paid or received, option premiums and net settlements that are unamortised at balance date are recognised in the Statement of Financial Position.

Operating statements included in the Statement of Service Performance

The operating statements report the net cost of services for the significant activities of Council. Council has derived the net cost of services for each significant activity using the cost allocation system outlined below:

- direct costs are charged directly to significant activities. Indirect costs are charged to the significant activities based on cost drivers and related activity or usage information

- each significant activity has been charged an internal interest cost. The net interest cost incurred by Council is allocated to each significant activity based on the net book value of property plant and equipment used by the activity.

Statement of cash flows

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

Operating activities include cash received from all income sources within the Parent and Group 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 Parent'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 Parent and the Group.

CHANGES IN ACCOUNTING POLICIES

The accounting policy for recognising Upper Hutt City Council's interest in the bulk wastewater system has changed from 1 July 2002. The changes had the following impact on the Forecast Financial Statements:

- the amount recognised in the Statement of Financial Position for property, plant and equipment reduced by \$36 million
- an equity reduction of \$36 million was recognised in the Statement of Movements in Equity
- the amount recognised in the Statement of Financial Performance for depreciation expense reduced by \$1.2 million
- the amount recognised in the Statement of Financial Performance for capital subsidies reduced by \$0.6 million.

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

Revenue and Financing Policy

INTRODUCTION

Council previously adopted a Funding Policy to meet the requirements of Part VIIA of the Local Government Act 1974. This Act has now been replaced by the Local Government Act 2002 ('the Act'), under which Council is required to adopt a Revenue and Financing Policy using the special consultative procedure outlined in the Act.

This Revenue and Financing Policy contains Council's policies in respect of funding operating and capital expenditure from available sources. It is an important policy, as it determines who pays for Council's activities.

This policy is set out under the following major headings:

- Policy statement
- Legal requirements of the Revenue and Financing Policy
- Council's process for applying these legal requirements
- Overall funding considerations
- Individual activity analysis.

POLICY STATEMENT

Funding of Operating Expenditure

Council funds operating expenditure from the following sources:

- General rates
- Targeted rates on water supply and wastewater
- Fees and charges
- Interest and dividends from investments
- Grants and subsidies towards operating expenses (grants and subsidies towards capital expenditure are applied to the related capital expenditure only)
- Other operating revenue.

Council may choose to not fully fund operating expenditure in any particular year, if the deficit can be funded from operating surpluses in the immediately preceding or subsequent years. An operating deficit will only be budgeted when beneficial to avoid significant fluctuations in rates, fees or charges.

Council may choose to fund from the above sources more than is necessary to meet the operating expenditure in any particular year. Council will only budget for such an operating surplus if necessary to fund an operating deficit in the immediately preceding or following years, or to repay debt. Council will have regard to forecast future debt levels when ascertaining whether it is prudent to budget for an operating surplus for debt repayment.

Council has determined the proportion of operating expenditure to be funded from each of the sources listed above, and the method for apportioning rates and other charges. The process used is as specified by the Act. The next two sections of this Revenue and Financing Policy show the Act's requirements and how Council has interpreted them. The following two sections contain the detailed analysis Council has undertaken to meet these requirements.

The results of this work are that Council has determined that it will seek to fund its operating expenditure as follows:

General rates – residential	26.1%
General rates – business	21.3%
General rates – utilities	1.3%
General rates – rural	0.4%
Targeted rate – water supply	10.6%
Targeted rate – wastewater	13.1%
Fees and charges	21.0%
Interest income	0.2%
Operating subsidies	4.4%
Other sources	1.6%
	100.0%

The Act also requires Council to produce a Funding Impact Statement that provides details on the funding mechanisms to be used for each year covered by the Community Plan. The Funding Impact Statement shows how Council intends to implement the Revenue and Financing Policy each year. It also shows the amounts to be collected from each available source, including how various rates are to be applied.

Funding of Capital Expenditure

Council funds capital expenditure from borrowing and then spreads the repayment of that borrowing over several years. This enables Council to best match charges placed on the community against the period of benefits from capital expenditure.

Borrowing is managed within the framework specified in the Liability Management Policy. While seeking to minimise interest costs and financial risks associated with borrowing is of primary importance, Council seeks to match the term of borrowings with the average life of assets when practical.

Council's overall borrowing requirement is reduced to the extent that other funds are available to finance capital expenditure. Such other funds include:

- Council reserves, including reserves comprising financial contributions under the Resource Management Act 1991
- contributions towards capital expenditure from other parties such as Transfund (in relation to certain roading projects) and Upper Hutt City Council (in relation to joint wastewater activities)
- annual revenue collected to cover depreciation charges
- proceeds from the sale of assets
- operating surpluses.

The Forecast Financial Statements included in the Community Plan contain a Statement of Prospective Net Debt Position. This Statement provides a summary of forecast borrowing levels, identifying the impact of capital expenditure and the various other capital funding sources listed above.

LEGAL REQUIREMENTS OF THE REVENUE AND FINANCING POLICY

Section 102(4)(a) of the Local Government Act 2002 requires Council to adopt a Revenue and Financing Policy. The requirements of that policy are listed in Section 103.

The relevant legislation is reproduced below:

Section 103 Revenue and financing policy

(1) A policy adopted under section 102(4)(a) must state—

- (a) the local authority's policies in respect of the funding of operating expenses from the sources listed in subsection (2)*
- (b) the local authority's policies in respect of the funding of capital expenditure from the sources listed in subsection (2).*

(2) The sources referred to in subsection (1) are as follows:

- (a) general rates, including—*
 - (i) choice of valuation system*
 - (ii) differential rating*
 - (iii) uniform annual general charges;*
- (b) targeted rates;*
- (c) fees and charges;*
- (d) interest and dividends from investments;*
- (e) borrowing;*
- (f) proceeds from asset sales;*
- (g) development contributions;*
- (h) financial contributions under the Resource Management Act 1991;*
- (i) grants and subsidies;*
- (j) any other source.*

(3) A policy adopted under section 102(4)(a) must also show how the local authority has, in relation to the sources of funding identified in the policy, complied with section 101(3).

Section 101(3)

The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of:

(a) in relation to each activity to be funded—

(i) the Community Outcomes to which the activity primarily contributes

(ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals

(iii) the period in or over which those benefits are expected to occur

(iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity

(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

(b) the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

Section 14 Principles relating to local authorities

This section lists a set of general principles applying to all significant decisions, which includes the funding policy. In summary the general principles of section 14 require the conduct of Council business and decision making to be:

- transparent and accountable
- efficient and effective
- focused on meeting Community Outcomes
- responsive to diverse community interests including future generations.
- inclusive of Maori
- collaborative with other local authorities
- based on sound business practices in the case of commercial transactions
- demonstrative of prudent stewardship of resources
- based on a sustainable approach reflecting the social, economic, environmental and cultural well-being of future generations.

Section 77 Decision Making

This section provides further guidance including the need to identify:

- the comprehensive costs and benefits of options
- the impact of decisions on achieving outcomes
- the impact on capacity to meet current and future generations' needs
- Maori issues.

COUNCIL'S PROCESS FOR APPLYING THESE LEGAL REQUIREMENTS

The first step of the process followed by Council when developing the Revenue and Financing Policy has been to analyse the requirements of section 101(3)(a) of the Act. This has involved considering each of the 18 significant activities of Council in terms of this section of the Act. The headings used for this analysis are:

- Community Outcomes
- Distribution of benefits
- Period of benefits
- Exacerbator pays
- Costs and benefits of distinct funding.

The commentary below explains the issues discussed under each heading and how they relate to the Act's requirements. This is the first step used by Council in determining how its activities should be funded.

The next step in Council's process has been to consolidate the results of the individual significant activity analyses. The consolidated results were then considered in terms of section 101(3)(b), whereby the overall impact on the community was assessed. The matters taken into account, and the ability to adjust funding demands across different groups, are discussed under the 'overall considerations' heading below.

Council then used the results of this work to formulate its policy for funding operating and capital expenditure from the available sources. The policy itself is presented under the heading 'Policy Statement' above.

Analysis of Section 101(3)(a) requirements Community Outcomes

Section 101(3)(a)(i) requires Council to identify the Community Outcome to which each activity primarily contributes. The Community Outcomes developed by Council and described in the Community Plan are:

- 1 Clean air, water and land
- 2 Everyone has affordable access to services that improve health
- 3 A city that is safe, friendly and welcoming, where people experience a sense of belonging
- 4 Affordable access to excellent educational services
- 5 A quality standard of affordable housing
- 6 A local economy that is attractive to both business and residents
- 7 Affordable access to community facilities that include arts, cultural and recreational options
- 8 A diverse natural environment that is accessible, enjoyable and safe
- 9 A healthy balance between natural and built environments
- 10 A built environment that is attractive, safe and healthy.

This Revenue and Financing Policy lists, for each activity, the outcome or outcomes to which it primarily contributes, and states why each activity is undertaken.

Distribution of Benefits

Section 101(3)(a)(ii) requires Council to assess the benefits from each activity flowing to the community as a whole, and those flowing to individuals or identifiable parts of the community.

In order to assess the distribution of benefits, it is necessary to first describe and define the different types of benefits that flow from Council activities.

Definition of Terms

This policy uses a number of terms, which are defined below, in the course of the assessment of benefit distribution:

- *Existence benefit* – an existence benefit is one that arises simply from the fact that a facility or service exists. For an activity such as libraries, the fact that the community

protests when library closures are mooted suggests that the community (including non-library users) derives a benefit from the existence of the libraries.

- *Option benefit* – a similar concept to existence benefit. The fact that people are prepared to pay through rates to maintain museums suggests that they value the option of using the museums if they wish to, even if they don't actually visit them.
- *Prestige benefit* – a benefit arising from a facility such as the Dowse which has a high reputation both in and outside Hutt City, and consequently enhances residents' sense of well-being and pride in their city.
- *Non-rival* – the enjoyment of a benefit by a person does not prevent the benefit being enjoyed by other people at the same time. An example is street lighting. *Rival* has the opposite meaning.
- *Non-excludable* – no person or group can be prevented from enjoying the benefit. An example is beaches. *Excludable* has the opposite meaning.
- *Public goods* – goods or services that can often only be supplied by the community, and are usually both non-rival and non-excludable.

Benefits flow to the community as a whole directly where:

- additional people benefiting has little or no impact on costs e.g. democracy
- the person or people benefiting cannot be identified e.g. parks and reserves
- the community in general benefits e.g. Elected Members

The community as a whole can also benefit indirectly from option benefits, existence benefits, and prestige benefits. Generally, benefits that flow to the community as a whole are non-rival and non-excludable.

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

Direct benefits to an individual or groups of people can be identified when it is possible to identify the user and to withhold the service if the user chooses not to pay. An example is refuse disposal. In this case the costs of those benefits should prima facie be funded on a user pays basis.

Period of Benefits

Section 101(3)(a)(iii) requires Council to assess the period over which the benefits from each activity will flow. This in turn indicates the period over which the operating and capital expenditure should be funded.

For all activities, operating costs are directly related to providing benefits in the year of expenditure. As such, they are appropriately funded on an annual basis from annual revenue.

Assets, purchased from capital expenditure, provide benefits for the duration of their useful lives. Useful lives range from a few years in the case of computer equipment through to many decades for infrastructural assets such as pipe networks. This introduces the concept of intergenerational equity. This concept reflects the view that benefits occurring over time should be funded over time. This is particularly relevant for larger capital investments such as the wastewater treatment plant, bridges, landfills etc.

One method used to spread these costs over time is loan funding. This ensures that current ratepayers do not pay for benefits received by future ratepayers. Each year's ratepayers pay the interest (representing the cost of capital) and depreciation charges that are associated with the asset. This results in infrastructural costs being spread more evenly across the life of the asset and the different ratepayers who benefit from it. The costs of reducing existing debt are also relevant in this concept.

These principles of funding operating and capital expenditure are as stated in the Policy Statement section of this policy. They are assumed to apply to each activity, unless otherwise stated in the Individual Activity Analysis section. Accordingly, this heading is only included in the analysis of those activities which are funded other than in accordance with these principles.

Exacerbator Pays

Section 101(3)(a)(iv) requires Council to assess the extent to which each activity exists only because of the actions or inaction of an individual or group. Examples are fixing a chemical spill, dog control, littering and parking fines.

Sometimes known as polluter pays, this principle aims to identify the costs to the community of controlling the negative effects of individual or group actions. The principle suggests that Council should recover any costs directly from those causing the problem.

Most activities do not exhibit exacerbator pays characteristics. This heading is only included in the analysis of those activities which do demonstrate such characteristics.

Costs and Benefits of Distinct Funding

Section 101(3)(a)(v) requires Council to consider the costs and benefits of distinct funding for each activity. This section is interpreted as requiring Council to consider the costs and benefits of funding each activity in a way that relates exclusively to that activity. An example of this would be funding swimming pools entirely from user charges, or water from a targeted rate. The consideration of the costs and benefits of distinct funding must include the consequences of the chosen funding method for transparency and accountability.

Transparency and accountability are most evident when an activity is totally distinctly funded. This allows ratepayers, or payers of user charges as the case may be, to see exactly how much money is being raised for and spent on the activity, and to assess more readily whether or not the cost to them of the activity represents good value.

Funding every activity on such a distinct basis would be extremely administratively complex. For some activities the quantity of rates funding to be collected amounts to only a few cents per ratepayer. The administrative costs and lack of significance lead Council to fund a number of activities by way of a general rate. The Individual Activity Analysis section of this draft policy does not repeat this argument for each activity, but rather assumes that the requirements of transparency and accountability for each activity's funding are adequately met by the publication of the estimates of activity expenditure in the Community Plan, and actual activity costs in Council's Annual Report.

Similarly, the funding method indicated by the distribution of benefits for a particular activity may include user charges. In some activities such as parks and reserves the cost of collection (structures and staff) may well be higher than revenue collected.

In a number of cases, the Distribution of Benefits analysis points to the use of a targeted rate on a sector of the community as the most appropriate method of funding that sector's share

of the activity costs. In other cases the analysis suggests that a sector benefits less than the rest of the community, or not at all. Council believes that it is most efficient to include the costs in the costs to the community as a whole, and recognise different cost and benefit patterns amongst sectors of the community through the use of differentials on the general rate.

The Individual Activity Analysis sets out for each activity the results of Council's consideration of these matters, and any modifications that have been made to the funding shares and sources that are indicated by the distribution of benefits for the activity. It also outlines the distribution of the public funding between different rating groups, and the basis for that distribution.

OVERALL FUNDING CONSIDERATIONS

Once the consideration of the matters referred to in section 101(3)(a) has been completed, a picture emerges of how different parts of the community benefit from Council's services and an overall indicative allocation of costs is compiled. The indicative allocation of costs is then examined in the light of the overall considerations set out in section 101(3)(b). This section of the Act requires Council to consider the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community. Elected member judgement is important at this point, because many of the benefit distribution assessments and resulting adjustments are subjective, and benefit from final assessment by community representatives.

The results of the individual activity analysis are presented on the following page. This indicative allocation of costs suggests that Council's costs should be funded from the following sources:

Private Funding:

Targeted rates	23.7%
Fees and charges	21.0%
Operating subsidies	4.4%
Interest income	0.2%
Other sources	1.6%
Total private funding	50.9%

Public Funding:

General rates – residential	28.8%
General rates – business	18.6%
General rates – utilities	1.3%
General rates – rural	0.4%
Total public funding	49.1%

Council has considered the overall impact of the indicative private funding allocations on the community and determined that no changes are required. The allocations shown above approximate current levels of charging, adjusted upwards in some areas due to rising input costs. The significant exception is the level of charges for landfills, which are increasing. Increases in this area are necessary for reasons relating to regional relativity, as mentioned in the analysis of Council's solid waste activity. The current level of user charges for each of Council's activities is the result of evaluation over a number of years having regard to the Community Outcomes sought by each activity.

Council has considered the overall impact of the indicative public funding allocations on the community and determined that some changes are required. The indicative allocations shown above differ from the current allocations. The table below shows the approximate current allocations, and the level of increase or decrease that would be required to the general rate in each category to align it to the indicative allocation. The comments that follow explain how Council intends to modify this indicative allocation.

	Current	Indicative	Change
General rates – residential	26.1%	28.8%	10%
General rates – business	21.9%	18.6%	(15)%
General rates – utilities	0.7%	1.3%	80%
General rates - rural	0.4%	0.4%	3%

SUMMARY OF INDIVIDUAL ANALYSIS – INDICATIVE ALLOCATION OF COSTS

	Private Funding						Total %	Public Funding				Total %
	Fees & charges %	Operating subsidies %	Interest %	Other revenue %	Reserve funding %	Targeted rates %		Residential & other %	Business %	Utilities %	Rural %	
RATEABLE VALUE PROPORTIONS JULY 2002								78.3%	15.6%	4.6%	1.5%	100.0%
Libraries	4.0%			2.0%			6.0%	73.6%	14.7%	4.3%	1.4%	94.0%
Museums	5.0%			15.0%			20.0%	51.1%	25.0%	3.0%	1.0%	80.0%
Aquatics and Recreation	30.0%			5.0%			35.0%	50.9%	10.1%	3.0%	1.0%	65.0%
Parks and Reserves	10.0%						10.0%	70.5%	15.4%	4.1%		90.0%
Community Support							0.0%	78.3%	15.6%	4.6%	1.5%	100.0%
Community Property	55.0%						55.0%	35.2%	7.0%	2.1%	0.7%	45.0%
Roading and Traffic	14.0%	12.0%					26.0%	18.3%	42.9%	12.6%	0.2%	74.0%
Water Supply	17.0%					73.0%	90.0%	7.8%	1.6%	0.5%	0.2%	10.0%
Wastewater	4.0%	13.0%				78.0%	95.0%	3.9%	0.8%	0.2%	0.1%	5.0%
Stormwater							0.0%	57.3%	39.0%	3.4%	0.4%	100.0%
Solid Waste	124.0%						124.0%	-18.8%	-3.7%	-1.1%	-0.4%	-24.0%
Environmental Management	53.0%						53.0%	6.5%	40.0%	0.4%	0.1%	47.0%
Emergency Management				7.0%			7.0%	72.8%	14.5%	4.3%	1.4%	93.0%
Local Urban Design							0.0%	9.3%	90.0%	0.5%	0.2%	100.0%
Economic Development							0.0%		88.6%	11.4%		100.0%
Elected Members							0.0%	78.3%	15.6%	4.6%	1.5%	100.0%
Advice and Support							0.0%	78.3%	15.6%	4.6%	1.5%	100.0%
Managing Services	50.0%		10.0%	45.0%	-5.0%		100.0%					0.0%
Consolidated cost adjustments	9.0%						9.0%	1.8%	13.7%	75.6%		91.0%
INDICATIVE ALLOCATION OF COSTS	21.0%	4.4%	0.2%	1.7%	-0.1%	23.8%	50.9%	28.8%	18.6%	1.3%	0.4%	49.1%

The increase in residential rates required to achieve the indicative allocation would adversely affect the economic well-being of the community. This is because it would result in residential rates within Hutt City being higher than neighbouring cities in the region, and this could have flow-on effects on the attraction of Hutt City as a place to live.

Council is also concerned to have business rates at a level that makes Hutt City an attractive place to do business. However, it is not possible to lower the business rates to the level suggested by the indicative allocation of costs in the medium term. To do so would require the residential rates to increase as discussed above.

On average, business rates in Hutt City have declined in recent years due to three reasons. Firstly, Council has been endeavouring to rectify a similar indicative funding discrepancy highlighted in Council's previous Funding Policy. Secondly, business rateable values have been declining as a proportion of the total rateable value of the city. And thirdly, Council has been tightly controlling overall rating levels.

With these issues in mind, Council is proposing that the public funding allocation to business reduce only slightly, rather than change to the extent suggested by the indicative allocation of costs. However, Council will reconsider this position and relative differential factors should the proportion that business comprises of the city's total rateable value increase.

It is worth noting that Council has several different levels of rating within the business sector to reflect differences in the costs Council incurs in support of different geographical business areas and other business groupings. The differentials are described in detail in the Funding Impact Statement, but in summary are as follows:

- **Business Central** 4.80
- **Business Queensgate** 4.80
- **Business Suburban** 4.00
- **Business Suburban JSP** 4.00
- **Business Accommodation** 3.00
- **Business Eastbourne** 2.80

The Business Central differential applies to the central business district. It is higher than the average business differential as Council incurs proportionally more expenditure in support of this area.

Business Queensgate is a new differential specifically for that shopping complex. The differential is currently set the same as Business Central. However, the separate differential is to signal Council's intention to reconsider the equitable level of rating for this complex should proposed redevelopments proceed. It is possible that the rateable value per square metre will be much higher than surrounding properties and Council will assess whether the rating burden will be fair on future tenants. Any proposed change to this differential will be subject to public consultation at the time.

Business Suburban applies to all business areas other than those covered by separate differentials.

Business Suburban JSP applies to a specified area in Petone that has agreed to be rated slightly higher than the Business Suburban differential in order to fund a street development programme.

Business Accommodation is a lower business differential for accommodation facilities, reflecting that a significant portion of the costs attributable to this sub-group is reflected in the targeted rates for water and wastewater.

One of these differentials, for businesses in Eastbourne, is lower than other business differentials for historical reasons. Council intends to continue adjusting this particular differential until it equates to Business Suburban.

Council introduced utility network rating in the 2002/2003 financial year. At that time Council's Funding Policy did not refer to utilities, so the differential applied was set at 1.5 times the residential rate. This approximated the equivalent on an undifferentiated rating level. The indicative allocation of costs above suggests that this level is too low. It is proposed that the level of utility rating increase accordingly.

Council is by far the biggest utility network owner in the city. The proposed increase will effectively transfer additional costs to Council's water-related activities, which will be offset by a reduction in the overall general rate requirement. The reversal of Council's rates on its own assets is achieved by a consolidated cost adjustment as shown on the table on the following page.

The indicative allocation suggests a minor increase in the level of costs allocated to the rural sector. Council proposes that this minor increase proceed.

Taking into account all of the above considerations, Council has determined that the indicative allocation of costs to public funding shall be modified as shown below.

	Current	Indicative	Proposed	Change
General rates – residential	26.1%	28.8%	26.1%	0%
General rates – business	21.9%	18.6%	21.3%	(3)%
General rates – utilities	0.7%	1.3%	1.3%	80%
General rates – rural	0.4%	0.4%	0.4%	3%
Total public funding	49.1%	49.1%	49.1%	

INDIVIDUAL ACTIVITY ANALYSIS

1. LIBRARIES

Description

Council provides, maintains and manages eight libraries in the city. These are run as a single citywide service. Their primary role is the provision of written and recorded media, such as books, videos and audiotapes as well as access to information. This material is used for many purposes including entertainment, learning and research.

Community Outcomes

s101(3)(a)(i)

The provision, maintenance and management of libraries contributes primarily to Community Outcome 7 – ‘affordable access to community facilities that include arts, cultural and recreation options’, and to outcome 4 – ‘affordable access to excellent educational services’. Reviews are undertaken from time to time to ensure they meet changing public requirements and remain efficient.

Distribution of Benefits

s101(3)(a)(ii)

Whole Community

There is vigorous debate on the extent to which libraries provide benefits to the community as a whole. The most common argument in favour of the existence of such benefits is that the universal availability of literature and knowledge resources promotes social cohesion and enables individuals, particularly young people, to fulfil their potential in positive ways. This argument may well be true but it is virtually impossible to prove in any objective manner. It is, therefore, a matter for subjective judgements of councillors.

What is quite clear, however, is that the community feels very strongly that Council should provide libraries. A mere hint of closing a library produces strong community protest. This suggests that, even while many people do not use libraries, they value them for either their existence, or as an option should they ever want to use them. The fact that a majority of the community is willing to part with rates money to have a local library implies they receive some form of either existence or option benefits.

Option benefits are a more defensible argument for the presence of community benefits than is social cohesion through literacy. This is clearly an area where the majority of the community is prepared to fund the provision of libraries to a level above their day-to-day personal needs. Such benefits are both non-excludable and non-rival.

The extent of these benefits to the community as a whole is assessed as being equal to the benefits received by individuals.

Identifiable Parts of the Community

There are no identifiable parts of the community that derive benefits distinct from the whole community benefits.

Individuals

Benefits to individuals, on the other hand, are readily apparent. They accrue to users of the libraries' borrowing services and research facilities every time these services are used. On this basis, the assessment of the distribution of benefits between the community as a

whole, identifiable parts of the community, and individuals would be weighted towards individual benefits.

Total benefit to the community as a whole:	50%
Total benefit to individuals:	50%

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

The Distribution of Benefits assessment suggests that 50% of the Libraries activity should be funded from general rates, and 50% from a distinct funding source such as user charges.

Funding 50% of the activity cost from user charges would have benefits in terms of the transparency of cost allocation and charging. It would also increase accountability by relating the service received to the charge imposed.

On the other hand, there are a number of costs associated with this level of distinct funding. There is broad public support for the provision of libraries by Council, and Council views libraries as an important part of the social infrastructure of the city. The library system would simply not exist if it operated on a user pays system based on the recovery of 50% of costs in line with the benefits assessed as flowing directly to users. Even limited charging would impact adversely on the lower income groups in the city. Council views the open and free access to information and books for children as being in the best interests of the city as a whole. Finally, charging for reading material would run contrary to the Community Outcome of 'affordable access to community facilities that include arts, cultural and recreational options'.

Total costs allocated to the community as a whole:	94%
Total costs allocated to individuals:	6%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

User Charges	4.0
Other Revenue	2.0
Total Private Funding	6.0

Public Funding

General Rate	
Residential	73.6
Business	14.7
Utility	4.3
Rural	1.4
Total Public Funding	94.0
TOTAL	100.0

The level of user charges is based on Council's experience of recent years, and reflects the perceived maximum level of user charges consistent with Council's social objectives.

The allocation of public funding across residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

2. MUSEUMS

Description

Council operates two museums. The Dowse Art Museum displays art, craft and other cultural materials. The Petone Settlers' Museum specialises in the social history of the Lower Hutt Valley and Petone. These institutions are open to the public at no charge, other than for special exhibitions.

Community Outcomes

s101(3)(a)(i)

The operation of museums contributes primarily to Community Outcome 7 – ‘affordable access to community facilities that include arts, cultural and recreation options’. There is strong public preference for maintaining the current level of service. Reviews are undertaken from time to time to ensure the museums meet changing public requirements and remain efficient.

Distribution Of Benefits

s101(3)(a)(ii)

Whole Community

Museums provide more obvious benefits to the whole community than is the case with libraries. Museums expenditure is generally independent of the number of people benefiting from the service making it non-rival. The benefits of the historical information database held at the Settlers’ are more non-rival in that the private sector is unlikely to provide such a service.

The presence of existence benefits also appears to be more apparent than is the case with libraries. This is particularly strong with the Settlers’ and the art collections associated with the heritage of the local area. Conversely there are less apparent option benefits in that the public have shown more ambivalence toward the Dowse. It should be noted, however, that prestige benefits are significant with the Dowse. To many outside the city, it is Hutt’s primary attraction and commands considerable respect as an arts institution.

Identifiable Parts of the Community

The Dowse, and to a lesser extent the Settlers’, draw a large number of visitors to the city. Consequent expenditure by those visitors provides considerable benefit to the business community.

Individuals

The direct user benefits as an individual from the enjoyment and knowledge gained from visiting a museum. In addition, a number of people (many from outside the Hutt area) are using the service to obtain specific information relating to their history and as such are receiving a private benefit.

Total benefit to the community as a whole:	20%
Total benefit to identifiable parts of the community:	30%
Total benefit to individuals:	50%

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

The distribution of benefits assessment suggests that 20% of the Museums activity should be funded from general rates, 30% from a targeted museums rate on the business community, and 50% from a source such as user charges.

Funding 50% of the activity cost from user charges would have benefits in terms of the transparency of cost allocation and charging. It would also increase accountability by relating the service received to the charge imposed.

In terms of efficiency, however, funding 50% of this activity by user charges poses difficulties. Charging a small entry fee may dissuade some patrons, and the revenue would be offset by the costs of setting up and operating a door charge system. It is likely that the desired private funding target could not be reached, as the number of visits would decline as the price increases. Council views museums as an important part of the social infrastructure of the city. Council views free or nearly free access to the museums by all residents to be in the best interests of the city as a whole. Free or low cost access to all residents supports the Community Outcome of ‘affordable access to community facilities that include arts, cultural and recreational options’.

Efficiency considerations also argue against a targeted museums rate on the business community. Such a rate would have benefits for transparency of charging, but the fact that Museums is only one of the activities from which the business community as a group benefits would require each of the activities to have a targeted business rate. Council believes that it is more efficient to assess the overall benefit to businesses from Council activities and recover the costs through the use of a business differential within the general rate. As a result of this assessment, costs allocated to the business community become part of the costs allocated to the community as a whole.

Total costs allocated to the community as a whole:	80%
Total costs allocated to individuals:	20%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

User Charges	5.0
Other Revenue	15.0
Total Private Funding	20.0

Public Funding

General Rate	
Residential	51.0
Business	25.0
Utility	3.0
Rural	1.0
Total Public Funding	80.0

TOTAL	100.0
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The business rating group has been allocated double its property value share on the basis of the benefit it receives from the large numbers of visitors attracted to the city by its museums. The balance of the public funding is based on property value proportions of the other rating groups.

3. AQUATICS AND RECREATION

Description

Council provides and maintains six swimming pools in the city as part of its portfolio of recreational facilities. Recreational programmes are community based programmes designed to encourage residents to engage in a range of recreational activities. These services are provided to promote health and enjoyment and stimulate the community's interest in different recreational opportunities.

Community Outcomes

s101(3)(a)(i)

The provision and maintenance of swimming pools and the provision of recreational programmes contributes primarily to Community Outcome 7 – 'affordable access to community facilities that include arts, cultural and recreation options'. The activity is undertaken because there are insufficient incentives for private interests to provide swimming pools and recreation programmes in the number the community desires.

Distribution of Benefits

s101(3)(a)(ii)

Whole Community

Like libraries, swimming pools enjoy widespread and vociferous public support, implying significant option benefits. However, it is noted by the Hillary Commission that pools are largely patronised by middle and upper income groups.

Community benefits from recreational programmes come from meeting the specific recreational and life skill aspirations of Hutt City residents. It is widely accepted that increased recreational activity in a group situation delivers benefits to the community at large in the areas of health and crime prevention.

Identifiable Parts of the Community

There are no identifiable parts of the community that derive benefits distinct from the whole community benefits.

Individuals

Swimming pools provide a perfect environment in which to learn to swim. It should also be noted that many people swim for fitness reasons and that this is in direct competition with private sector gyms and other recreational facilities.

The recreational programmes carried out in this activity have a set of obvious, direct, rival and excludable private benefits that go to those using the programmes. This is particularly true if the participants are not from a disadvantaged section of the community.

Total benefit to the community as a whole:	40%
Total benefit to individuals:	60%

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

The distribution of benefits assessment suggests that 40% of the Aquatics and Recreational Programmes activity should be funded from general rates, and 60% from user charges.

It is estimated that marginal cost of pool use is around 50c. The \$3.50 charge, therefore, covers significant amounts of fixed costs, which make up the bulk of the costs of swimming pools. Council could take a purely revenue maximising approach to pool charges. This, however, needs to be balanced with social objectives such as not preventing low income families from using pools. Affordability for lower income groups is considered to be a sufficient reason to keep pool charges and recreation programmes below the full cost. Experience has shown that raising prices to levels that deter usage results in lower overall income. These detriments are seen as outweighing the benefits to transparency and accountability that would accrue from funding the activity as per the distribution of benefits.

Total costs allocated to the community as a whole: 65%

Total costs allocated to individuals: 35%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

User Charges	30.0
Other Revenue	5.0
Total Private Funding	35.0

Public Funding

General Rate	
Residential	50.9
Business	10.1
Utility	3.0
Rural	1.0
Total Public Funding	65.0
TOTAL	100.0

The allocation of public funding across the residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

4. PARKS AND RESERVES

Description

Council provides and maintains passive recreational facilities in the city for the enjoyment and well-being of the public, free of charge. Sports fields are provided and maintained through charges to sports codes. Recreation areas are both natural and created, with the majority of effort targeted at maintenance and returning areas to their natural state. This activity also includes Council's cemeteries.

Community Outcomes

s101(3)(a)(i)

The provision and maintenance of passive recreational facilities and sports fields contributes primarily to Community Outcome 7 – 'affordable access to community facilities that include arts, cultural and recreation options. The activity is undertaken because the market does not provide such facilities at levels desired by the community.

Distribution of Benefits

s101(3)(a)(ii)

Whole Community

The major public good characteristic of passive recreation facilities such as parks, reserves and beaches is that they are non-rival. It is technically feasible to exclude people from their use, but it is likely that there would be a high cost to this. The costs of maintaining passive recreation facilities are generally the same regardless of the number of users. Accordingly, the benefit to the whole community for passive recreation facilities is assessed at 95%.

There is strong community support for sports fields, which suggests that, even while many people do not use the sports fields, they value the option to use them should they so wish. The community also recognises the public benefits obtained by children and young people through increased health and social skills. The benefit to the whole community for sports fields is assessed at 70%

Cemeteries are not seen as providing any significant benefit to the community as a whole.

Identifiable Parts of the Community

There are no identifiable parts of the community that derive benefits from passive recreation facilities distinct from the whole community benefits.

The majority of the costs of sports fields arise out of having to maintain them to the standard required by whichever sports code is using the field. The codes represent identifiable groups within the community and the fields are both rival and excludable.

Individuals

On occasion a commercial operator will rent a reserve for an event or recreational business (such as the holiday park). In these cases the benefit characteristics of the property switch from whole community to individual benefit for the duration of the rental period. A market rent is charged to reflect this.

Cemetery plots are both rival and excludable. Benefits from the provision of cemeteries are assessed at 100% to individuals.

On the basis of this analysis, the overall distribution of benefits for this activity is:

Total benefit to the community as a whole:	80%
Total benefit to identifiable parts of the community:	15%
Total benefit to individuals:	5%

Period of Benefits

s101(3)(a)(iii)

Capital costs of both passive recreation facilities and sports fields have generally been paid by developers, or the facility has been in public ownership for a long time. There is an ongoing opportunity cost of capital, which should be funded annually in the same way as interest on loans is funded for other asset rich activities. Where land is assessed as surplus to requirements Council should initiate the process to dispose of it.

For cemeteries Council maintains plots in perpetuity. As the benefit assessment is 100% individual benefit, the fees charged for plots should include the maintenance and capital costs of providing the cemetery in perpetuity.

Exacerbator Pays

s101(3)(a)(iv)

The actions of sports codes contribute significantly to the need for Council to undertake the maintenance of sports fields.

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

The distribution of benefits assessment suggests that 80% of the Parks and Reserves activity should be funded from general rates, 18% from charges for the use of sports fields, and 2% from other user charges such as cemetery plot fees.

Council views the active participation of residents in outdoor activities as beneficial to the whole community. Affordability for sporting clubs is now a factor in limiting participation. For these reasons Council has modified the private benefit of the sports fields activity down to approximate the current level of charges.

Total costs allocated to the community as a whole:	90%
Total costs allocated to identifiable parts of the community:	5%
Total costs allocated to individuals:	5%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

User Charges 10.0

Total Private Funding 10.0

Public Funding

General Rate

Residential 70.5

Business 15.4

Utility 4.1

Rural 0.0

Total Public Funding 90.0

TOTAL 100.0

The distribution of public funding between rating groups is based on property valuations reflecting a generally even spread of benefits across all ratepayers. The exception is the rural sector where property owners generally supply their own open space recreation areas. This proportion has been allocated to the business sector to recognise the intense use of gardens in the central area.

5. COMMUNITY SUPPORT

Description

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

Community Outcomes

s101(3)(a)(i)

The Community Support activity contributes primarily to Community Outcome 3 – 'a city that is safe, friendly and welcoming, where people experience a sense of belonging', and Community Outcome 7 – 'affordable access to community facilities that include arts, cultural and recreation options'. Council has a policy of identifying and understanding its communities and their issues. Through greater knowledge of local needs, Council is able to respond suitably to social issues affecting members and groups of communities it represents. The support Council contributes assists groups to achieve their goals when it would not otherwise have been possible due to lack of resources.

Distribution of Benefits

s101(3)(a)(ii)

Whole Community

Council's Social Policy framework is a frame of reference for Council policies in general. On this basis the benefits can be said to accrue to the community in general. In addition the costs are largely independent of the number of persons who benefit. Benefits are also non-rival and non-excludable.

High levels of community support exist for devoting resources to the delivery of social policy, suggesting significant option values. In most cases the grants or community houses funded are acting as the coordinator between Council and the most disadvantaged groups of people. These funds are contestable to a large extent and therefore open to anyone to apply for to help achieve Council's objective to help those least able to help themselves. It is considered, therefore, that the activity is defined as distributing grants on behalf of ratepayers in general. This point and the fact that the service is targeted at parts of the community that are unable to achieve their objectives without Council help, suggest a majority of public funding.

Individuals and Identifiable Parts of the Community

The delivery of Social Policy has a private benefit component reflecting the fact that the service is delivered to identifiable individuals and groups. The direct benefits of the activity are both rival, in that if one group receives it another cannot, and excludable, in that Council can withhold the service from beneficiaries if it chooses. Grants to community houses largely benefit the part of the city in which they are located. Community grants involve the transfer of funds from the general ratepayer to individuals or groups.

This activity includes discretionary rate remissions. These are largely of private benefit to clearly identifiable groups of people.

Total benefit to the community as a whole:	80%
Total benefit to individuals and identifiable parts of the community:	20%

Period of Benefits

s101(3)(a)(iii)

There is an intergenerational aspect to this activity, in that the Social Policy Framework was developed over a few years but its benefits will occur over a longer period.

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

The distribution of benefits assessment suggests that 80% of the Community Support activity should be funded from general rates, and 20% from user charges.

The benefits from transparency and accountability flowing from such a funding mix are more than offset by the social costs that would result. Council acts to help support the part of the community that can least afford to take care of itself. Council believes that providing some community support to those in need is in the interests of the whole community. Council is focused on providing some support for the community groups that help the community in this fashion.

Total costs allocated to the community as a whole:	100%
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FINAL COST ALLOCATION PERCENTAGE

Total Private Funding	0.0
Public Funding	
General Rate	
Residential	78.3
Business	15.6
Utility	4.6
Rural	1.5
Total Public Funding	100.0
TOTAL	100.0

The allocation of public funding across residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

6. COMMUNITY PROPERTY

Description

Council manages a variety of properties for use by the community. These properties are mainly community and civic halls and venues, public toilets and community houses. Progressive reviews of these facilities ensure they remain efficient and meet changing public requirements.

Council also provides and maintains a number of other properties, including housing units for elderly people, buildings used for Council's administration and other miscellaneous properties.

Community Outcomes

s101(3)(a)(i)

Community Property as an activity contributes primarily to Community Outcome 7 – 'affordable access to community facilities that include arts, cultural and recreation options', and outcome 5 – 'everyone has a quality standard of affordable housing'.

Council's ownership of most of these properties is largely historical. There is significant public preference for retaining Council ownership of the properties used by the community, and facilitating community events, meetings and gatherings. Public toilets are provided for community convenience and to safeguard public health. Council periodically reviews its ownership of other properties to ensure it is also contributing to these outcomes in the most efficient manner.

Distribution of Benefits

s101(3)(a)(ii)

This activity consists of community property and other property functions. These functions have distinct economic characteristics that are discussed separately below.

Community Properties

The provision of halls and venues (including community houses) is rival and excludable with many private sector substitutes being offered. Where suitable alternative structures are not available developers would provide them given an adequate rental. Public benefits arguably exist in that some groups serving the community's interest could not afford to pay the market price for hall rental and a subsidy provides net benefits to the public. There might also be benefits in having 'neutral territory' on which some community groups can meet, and places where Council can hold public meetings.

Public toilets have both public and private good characteristics. Public toilets are an activity intended to minimise the negative effects of individual actions. The fouling of public areas is seen as a public health issue and is difficult to prevent. Public toilets are seen as an effective alternative. It is acknowledged that to encourage greater use of public toilets, the standard would need to be improved. The community is currently asking Council to provide more public toilets. This fact points to a recognition that the community sees public benefits from providing clean public toilets for residents and visitors to the city.

Council provides a small number of public toilets in shopping areas and at parks and reserves. Toilets are provided by the private sector for use by the public in many areas such as shopping malls and fast-food outlets. The service is both rival and excludable, and the direct benefits are private in nature. In many countries this service is provided on a user pays basis.

Total benefit to the community as a whole: 40%
Total benefit to individuals or identifiable parts of the community: 60%

Other Properties

Housing is both a rival and an excludable activity. Council owns housing for the use of elderly people but is in direct competition with central government and private providers. While there is currently a community preference to maintain the housing assets the benefits of this are not quantifiable.

Other property is generally a private good with considerable private sector competition. Council has been selling some of this property, and this is expected to continue. Property used for Council's activities should be fully cost recovered and those costs shown in the appropriate activity of Council.

Total benefit to the community as a whole: 5%
Total benefit to individuals or identifiable parts of the community: 95%

Period of Benefits

s101(3)(a)(iii)

This activity involves the ownership and management of a large number of assets, and intergenerational issues apply.

Many of the community property structures have been provided to some extent by past generations of residents' fundraising activities helping to pay for the private benefits of the users. If the community wishes these facilities to be maintained, and to be replaced at the end of their useful lives, it is appropriate that each year's ratepayers make a capital cost contribution through depreciation charges.

Exacerbator Pays

s101(3)(a)(iii)

The provision of toilets is seen as being an exacerbator pays issue, which would indicate the use of user charges to fund this part of the activity, but the public health issues arising from non-use indicate against such charges.

Costs and Benefits of Distinct Funding

s101(3)(a)(iv)

Halls and venues provide community groups and individual residents with opportunities to carry out recreational, cultural and governance activities. Charging the full costs of running these community facilities would result in many of the community groups ceasing to operate with consequent negative impacts on the community at large. It is likely that the desired private funding target would not be reached, as the total revenue would actually decline as the price increases. The modification to the funding of this activity recognises that current charges are at a level that is at the upper limit of what the community is prepared to tolerate.

Charging for public toilets would defeat the purpose for which Council has provided them. For public health reasons toilets need to be freely available to ensure usage.

There is benefit in charging market rentals for housing units. Costs exclude the full cost of capital, and therefore make no allowance for the fact that Council could choose to sell these properties and retire debt. Market rentals more closely reflect the full cost to Council of providing the service.

Total costs allocated to the community as a whole: 45%

Total costs allocated to individuals or identifiable parts of the community:55%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

User Charges 55.0

Total Private Funding 55.0

Public Funding

General Rate

Residential 35.2

Business 7.0

Utility 2.1

Rural 0.7

Total Public Funding 45.0

TOTAL 100.0

The allocation of public funding across residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

The final cost allocation assumes internal charges to other activities for properties used directly by Council are not included in the user charges percentage above. These internal charges are treated as a reduction in the costs allocated.

7. ROADING AND TRAFFIC

Description

The roading and traffic significant activity consists of five sub-functions – roading and footpaths, street cleaning, street lighting, traffic management and parking. Council provides, maintains and cleans sealed roads and footpaths throughout the city. Traffic control measures are utilised to ensure the efficient and safe movement of motor vehicles, cyclists, pedestrians and other forms of transport. Street lighting is provided to ensure the safety and security of road and footpath users at night.

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

Community Outcomes

s101(3)(a)(i)

The roading activity primarily contributes to Community Outcome 6 – ‘a local economy that is attractive to both businesses and residents’, outcome 9 – ‘a healthy balance between natural and built environments’, and outcome 10, – ‘a built environment that is attractive, safe and healthy’.

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

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

Distribution of Benefits

s101(3)(a)(ii)

This significant activity comprises a set of functions including roading, street cleaning, traffic management, street lighting and parking. These activities have distinct economic characteristics, which are discussed separately below.

Roading

Roading provides a strip of commonly owned land by which people and goods can move without having to enter into complex transactions with individual land owners. This common strip is generally non-rival and practically non-excludable and the benefits of it go to the community in general. This aspect of the road network has negligible operating costs associated with it. Its costs lie in the purchase price of the land and the opportunity cost of keeping the communities resources in that form (cost of capital).

Maintaining the road surface and structure, or ‘carriageway’, is where the bulk of the operating costs lie. Carriageway technology is provided almost exclusively for the motorist. The benefits, therefore, are received by an identifiable group within the community. The whole community does not benefit equally from this expenditure – the more you use the road, the more you benefit. Road surfaces are technically excludable through the vehicle registration regime. In reality Council is unable to exclude any users by law (given a

legal vehicle) and is unable in law to place a toll on the road. They are also rival, in that they are worn out as each vehicle passes over them (exponentially according to the weight of the vehicle). They are also rival when congested, as every extra vehicle that goes on to the road imposes a cost on all the other vehicles present. In this sense, the carriageway aspect is not a pure public good.

Footpaths, like carriageways, are designed for a certain transport mode – mainly pedestrians. Unlike the carriageway, however, they are not easily worn out through use, are more difficult to exclude from use and are rarely congested. For these reasons they more closely resemble public goods.

Prestige values are also present in that people express considerable concern to Council over the state of roads in their localities. People generally feel that untidy or damaged roads reflect poorly on the city as a whole.

Generally major arterial routes pay more than their own way in fuel tax and road user charges. At the other extreme cul de sacs will never do so. The roading system is a network, however, and such individual components can only be crudely treated in isolation. Central government draws off around \$800 million per annum in fuel tax without an explicit purpose or use. Local authorities contribute around \$250 million in rates to their local roads. A superior outcome would be to have all approved carriageway costs funded from road user sources rather than rates. However, road tolling is practicable in only limited circumstances and Hutt City Council already maximises its roading ‘subsidy’ from Transfund. The level of rates funding must continue if Council is to maintain and improve its roading network. Applying the principles of the Act suggests that Council should seek the replacement of rates funding for approved carriageway expenditure with Transfund money.

A greater contribution from Transfund would also eliminate the need for any rates differentiation on the basis that commercial traffic accounts for approximately 50% of traffic counts around the city and a proportion greater than 50% by axle weight.

Roading provides a higher level of user benefit to urban residents and businesses because of higher surface, footpath and lighting standards. For these reasons, allocation of a lower proportion of costs can be considered for rural ratepayers.

Total benefit to the community as a whole: 35%
Total benefit to individuals or identifiable parts of the community: 65%

Street Cleaning

Street cleaning is necessary due to natural and human factors. Leaves and dust are unavoidable consequences of weather. The litter component falls into the exacerbator principle.

Prestige values again are present in that people express considerable concern to Council over the amount of litter in their localities.

Total benefit to the community as a whole: 80%
Total benefit to individuals or identifiable parts of the community: 20%

Traffic Management

In traffic management Transfund, Wellington Regional Council / Greater Wellington and Land Transport Safety Authority subsidised works are regarded to be of private benefit to users of the road with the balance relating to cyclists and pedestrians throughout the whole city. Public benefits come from the safety aspect to the community in general. The Transfund subsidy meets the costs of the private benefits to, and negative effects caused by, vehicle users.

Total benefit to the community as a whole: 60%
Total benefit to individuals or identifiable parts of the community: 40%

Street lighting

Street lighting is provided to certain standards for traffic and pedestrian safety in a way that is both non-rival and non-excludable. Also the cost of providing the service is largely independent of the number of users once certain levels are reached.

There are private benefits obtained from the service though and the major beneficiaries are the motorists. Motorists are an identifiable group of beneficiaries best recognised and dealt with through the Transfund subsidy. This subsidy is currently at around 45% and this should be used as a proxy for private benefit.

Total benefit to the community as a whole: 55%
Total benefit to individuals or identifiable parts of the community: 45%

Parking

Parking fees are seen as a short-term rental on a plot of land that has an excess demand for its use, and are therefore a private good, as parking spaces are both rival and excludable. Parking fees are a rationing mechanism for a scarce resource. Parking fines are a mechanism to force the user to vacate the park and allow another user the opportunity to rent the space. Free alternatives are available as private landowners offer free rentals to entice customers into their properties. In areas where supply exceeds demand no rationing mechanism is needed and parks are free.

The private funding of 150% includes an allocation of 50% to provide for a return on the cost of capital including new meters.

Total benefit to the community as a whole: -50%
Total benefit to individuals or identifiable parts of the community: 150%

Exacerbator Pays

s101(3)(a)(iv)

Road and parking congestion has exacerbator pays considerations that point towards use of user charges to ensure effective use of the resource.

The litter component of street cleaning falls into the exacerbator principle. It is not possible to identify the exacerbator in most cases, however, and even large penalties would not generate enough net revenue to fund street cleaning, even while reducing the need for it.

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

Roading

The Transfund portion of funding covers the private good element of roading.

Roading costs make up the majority of this activity and vehicle weights are the major factor in creating damage. The majority of the costs of roading are therefore caused by heavy vehicle movements, which are generated by businesses. This is recognised in the road user charges system run by central government.

Under the Local Government (Rating) Act 2002 Council has no ability to directly impose charges on road users. All road reserves are free to access for all vehicles. A separate Act of Parliament is needed to collect tolls on a specific road. The level of user charges is therefore set at the level of subsidy received from Transfund. This situation could change in the medium term with the government now reviewing transport legislation.

Street cleaning

There is an issue of whether the cost of street cleaning in commercial areas should be significantly borne by the business community. This is probably more fair and efficient than charging the community at large. Not all people use the commercial areas equally and where the cost is placed on the business owners, it:

- provides incentives for businesses to reduce packaging
- offers the opportunity for business owners to pass on the cost to those who actually use the shopping area
- gives businesses the incentive to seek from Council the level of service they require.

Traffic Management

Council recognises that the operating subsidies do not cover the private benefits of pedestrian areas and cyclists. In order to promote alternatives to the use of car based trips this benefit is seen to be one that should be paid by the public in general.

Street lighting

Street lighting is a relatively pure public good that is most appropriately funded from general rates.

Roading excluding parking

Total costs allocated to the community as a whole: 78%

Total costs allocated to individuals or identifiable parts of the community: 22%

Parking

The target has been modified to reflect the current level of charges. Income from this activity is applied to general roading and traffic expenditure.

Total costs allocated to the community as a whole: -58%

Total costs allocated to individuals or identifiable parts of the community: 158%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

User Charges	14.0
Operating Subsidies	12.0
Total Private Funding	26.0

Public Funding

General Rate	
Residential	18.3
Business	42.9
Utility	12.6
Rural	0.2
Total Public Funding	74.0
TOTAL	100.0

In recognition of the fact that businesses give rise to the majority of the costs of maintaining the roading network, 75% of public funding requirements have been allocated to businesses, including utility networks. The remaining public funding has been allocated between residential and to a lesser extent rural ratepayers for reasons discussed in the benefits section above, in direct proportion to each segment's share of the total capital value of the city.

8. WATER

Description

This activity involves the supply of high quality drinkable water for domestic and commercial use. Council purchases bulk water from the Wellington Regional Council / Greater Wellington, and this accounts for 56% of the total cost of water supply to the city. Water is then distributed around the city through the local pipe network.

Community Outcomes

s101(3)(a)(i)

The supply of high quality drinkable water for domestic and commercial use contributes primarily to the 'clean air, water and land' and 'a local economy that is attractive to both business and residents' Community Outcomes. Council's ownership of the pipe network is historical. There is a legal requirement for Council to retain control of these assets.

Distribution of Benefits

s101(3)(a)(ii)

The public health benefits lie in the treatment of the water and in having a sealed reticulation system made from safe materials. The treated water is both excludable and rival.

Third party benefits are considered to exist in the avoidance of infectious waterborne diseases. The expenditure on the public health component is costs associated with treatment and the marginal cost of 'healthy' pipe technology, e.g. the extra expense of having non-asbestos pipes. The costs of using healthy pipe technology, as well as the cost of hygienic headworks, are significant.

Fire-fighting capacity is available to all within the reticulated area. Once the capacity is provided, newcomers can be accommodated at negligible extra cost. In this sense it is non-rival. It is also neither practicable nor desirable to exclude people from this benefit. Fire-fighting capacity, therefore, is a public good component. While significant, this forms a relatively minor part of the overall costs of this activity.

In the absence of metering, the uniform annual charge (UAC) can be seen as a proxy for user charges. It is proposed that the public health benefits, along with fire-fighting benefits, should be funded from general revenues rather than the UAC.

All connections are charged the UAC and this is assumed to cover the supply of the average residential user. Commercial water users are charged on a metered rate for water consumption over and above this volume. The user charges account for around 20% of the total operating cost of the activity and are 100% private benefit funded. This forms part of the 90% overall private funding.

There is unaccounted water use equivalent to around 20% of total water use. This includes fire-fighting, flushing (cleaning) of the system and cleaning out reservoirs. Leakage from the system accounts for 10-15% of total water use. This leakage results from breaks and leaks throughout the network and cannot be attributed to any specific users. The cost of this leakage is spread evenly across all users.

Total benefit to the community as a whole:	10%
Total benefit to individuals or identifiable parts of the community:	90%

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

Ensuring consumers see the true costs of their consumption assists the efficient allocation of water. A general rate would not achieve this aim. Water metering would be effective, but the costs of meter installation and reading are high. A targeted rate for water is seen as a cost effective means of providing transparency of the true cost of supply.

Total costs allocated to the community as a whole:	10%
Total costs allocated to individuals or identifiable parts of the community:	90%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

User Charges	17.0
Targeted Rate	73.0
Total Private Funding	90.0

Public Funding

General Rate	
Residential	7.8
Business	1.6
Utility	0.5
Rural	0.2
Total Public Funding	10.0

TOTAL	100.0
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The allocation of public funding across residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

9. WASTEWATER

Description

Council ensures the treatment and disposal of household and commercial effluent according to regional and national environmental standards. A new treatment plant was commissioned in 2002 to ensure effluent is treated to higher standards.

Community Outcomes

s101(3)(a)(i)

The wastewater activity primarily contributes to Community Outcome 1 – 'clean air, water and land' and to a lesser extent to outcome 6 – 'a local economy that is attractive to both businesses and residents', and outcome 9 – 'a healthy balance between natural and built environments'.

Through treating and disposing of wastewater, Council is protecting both the physical environment and the health of the community. There is also a legal requirement for Council to retain control of these assets.

Distribution of Benefits

s101(3)(a)(ii)

Public goods are generally those that the market will not supply in sufficient quantities. Wastewater, like any other form of pollution, is something we want less of. The private sector would be more than happy to supply wastewater infrastructure so any market failure lies in its monopoly characteristics. Users of wastewater services can be identified and charged for and therefore the activity delivers significant private benefits.

There are also some public good characteristics in wastewater. These exist in the benefits to the community from maintaining public health (as opposed to the benefits of being healthy to an individual) and environmental protection. These benefits are in the area of public health infrastructure.

Current funding is consistent with a high, or total, private benefit component, if the uniform annual charge is treated as a proxy for user charges. User charges are possible via either metering wastewater, or more simply by charging for wastewater on the basis of volume of water supplied.

Commercial users of the wastewater system meet the full costs associated with the treatment and disposal of the waste they generate in the new Wastewater Treatment Plant via a trade waste charging system introduced in 2002. Charges are based on the strength of the waste as well as the volume. This has the effect of shifting part of the funding from the UAC to direct user charges. It has no impact on the private / public benefit split as the UAC is treated as a proxy charge for user pays.

The rural sector is generally not a user of this activity. The significant use of user charges or targeted rates ensures that payments are sought only where the service is provided. However the rural community enjoys the same public health benefits as the wider community and should meet a proportionate share of these public good costs.

Total benefit to the community as a whole:	5%
Total benefit to individuals or identifiable parts of the community:	95%

Exacerbator Pays

s101(3)(a)(iv)

The majority of wastewater is not a public good at all, but rather an exacerbator issue, where the polluter should pay. This indicates funding via a high proportion of direct user charges to encourage waste reduction by those parties creating the pollution.

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

Funding by user charges has the benefit of ensuring that polluters face the true costs of their activity and encourages waste reduction. User charges can however present ability to pay problems for residents with limited means and in extreme cases of hardship present public health risks if user charges result in disconnection.

Total costs allocated to individuals or identifiable parts of the community: 95%

Total costs allocated to the community as a whole: 5%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

User Charges	4.0
Operating Subsidies	13.0
Targeted Rate	78.0
Total Private Funding	95.0

Public Funding

General Rate	
Residential	3.9
Business	0.8
Utility	0.2
Rural	0.1
Total Public Funding	5.0
TOTAL	100.0

The allocation of public funding across the residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

10. STORMWATER

Description

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

Community Outcomes

s101(3)(a)(i)

The stormwater activity primarily contributes to Community Outcome 1 – 'Clean air, water and land' and to a lesser extent to outcome 6 – 'A local economy that is attractive to both businesses and residents, and outcome 9 – 'A healthy balance between natural and built environments'.

There is a legal requirement for Council to retain control of these assets.

Distribution of Benefits

s101(3)(a)(ii)

Stormwater reticulation, watercourses, major storm events and watercourse quality management, addressed under this heading, are partly for private benefit but mainly for public benefit. This is in terms of dealing with public spaces and the public stormwater system, managing damage from severe flooding and conducting monitoring and pollution control for the community at large. These attributes are generally non-excludable and non-rival. Private benefit exists, however, in that buildings and pavements increase the need for the expenditure. Economies of scale associated with the provision of an overall system are also recognised.

The system's benefits are to the community in general and the costs are not driven by individuals.

Total benefit to the community as a whole: 80%

Total benefit to individuals or identifiable parts of the community: 20%

Exacerbator Pays

s101(3)(a)(iv)

Buildings and pavements increase the need for expenditure and in this respect the exacerbator should pay. Stormwater impacts are created largely by run-off from impervious surfaces. The normal business sector property has more than double the impervious surfaces than the average residential property and the average rural property significantly less. The severity of negative impacts generated, in ranked order from highest to lowest by property type, is therefore business, residential then rural. This would support a degree of distinct or differential funding from each sector.

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

Council has decided that the stormwater system is a network type asset that is far more efficient to be operated on a citywide basis to deliver economies of scale. It is not acceptable to have individual properties opting out of the system by refusing to pay for it. For these reasons Council has modified the allocation of costs to 100% public.

Total costs allocated to the community as a whole: 100%

FINAL COST ALLOCATION PERCENTAGE

Total Private Funding	0.0
Public Funding	
General Rate	
Residential	57.3
Business	39.0
Utility	3.4
Rural	0.4
Total Public Funding	100.0
TOTAL	100.0

To reflect the exacerbator pays issues discussed above, the business sector has been allocated 2.5 times, and the rural sector approximately one quarter, of their respective capital value

proportion of costs. The allocation of the remainder of the public funding across the residential and utility ratepayers is in direct proportion to each segment's share of the total capital value of the city.

11. SOLID WASTE

Description

Council contracts out the collection of most residential and some commercial solid waste and household recycling. It also owns two landfills for the disposal of the city's refuse. Council's Waste Management Plan guides this activity.

Community Outcomes

s101(3)(a)(i)

The collection of solid waste and recycling and the operation of landfills contribute primarily to Community Outcome 1 – 'clean air, water and land'. Council wishes to promote recycling and waste reduction and to provide for the disposal of the city's solid waste. Residents and businesses can opt out of Council controlled service but as yet no private sector operators have put forward acceptable proposals for significant non-Council landfills.

Distribution of Benefits

s101(3)(a)(ii)

Whole Community

By offering a kerbside recycling service Council is attempting to promote good environmental behaviour in encouraging the community to minimise waste. The value of the recycled material is less than its collection and processing costs. Where this is the case the activity requires some form of public intervention to ensure it will happen. While the costs of recycling are high the community benefits from a reduction in the waste stream to the landfill that will result in lower capital costs over the long term. Given the very strong support for this activity the community also benefits from the knowledge that it is making an effort to reduce waste.

Identifiable Parts of the Community

There are no identifiable parts of the community that derive benefits from the Solid Waste activity distinct from the whole community benefits.

Individuals

The activity of refuse collection is excludable and rival. There are a number of private companies offering a rubbish collection service.

Substantial private benefits are also provided by the recycling service. Most of the recyclables would have to be disposed of through the fully user pays refuse collection service. This results in a substantial saving over time.

Waste from the refuse collection services, both public and private, is dumped at one of two landfills. The landfills also accept industrial waste and general fill. The activity is rival and excludable with both private and public sector competition in the region. Part of the benefit is the control, or minimisation, of the negative effects of individual actions, as opposed to the maximisation of a public good. In addition there is a user pays element for the landfill services as the benefits are directly received by the property owner or resident that is disposing of the waste.

Total benefit to the community as a whole:	5%
Total benefit to identifiable parts of the community:	0%
Total benefit to individuals:	95%

Period of Benefits

s101(3)(a)(iii)

Landfills are unlike other assets. While they too have a finite useful life, the end of that life sees costs incurred not only to develop further landfill sites, but also for the after-care maintenance necessary when the existing landfill is closed. Total user charges include funding for forecast after-care costs.

Exacerbator Pays

s101(3)(a)(iv)

Public health benefits of this activity only arise due to the necessity to minimise, or correct, the negative effects of individual actions. The issue is therefore an exacerbator issue.

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

The distribution of benefits assessment suggests that 5% of the Solid Waste activity should be funded from general rates, and 95% from user charges.

User charges are a transparent mechanism for allowing users to assess the value of the service they receive. The fact that people can opt to use private sector refuse collection services rather than Council services provides accountability – Council must deliver value for money.

The level of user charges must be set with reference to the charges in force at other landfills in the region. If Council's charges are too far below the level charged elsewhere, it may become economic for commercial landfill users to travel into the city to use Council's landfills. This would significantly reduce the useful life of the current landfill sites.

At present, user charges need to be set well above the level needed to cover costs. The surplus will be used to reduce the general rate requirement.

Total costs allocated to the community as a whole:	-24%
Total costs allocated to individuals:	124%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

User Charges	124.0
Total Private Funding	124.0

Public Funding

General Rate	
Residential	-18.8
Business	-3.7
Utility	-1.1
Rural	-0.4
Total Public Funding	-24.0
TOTAL	100.0

The allocation of public funding across the residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

12. ENVIRONMENTAL MANAGEMENT

Description

Council develops, implements and monitors the District Plan, relevant by-laws and other environmental policies and plans for the sustainable development of the city. Council's statutory resource management and building approval functions as well as liquor licensing and environmental health are also included under this activity. Regular inspections are carried out to ensure compliance with legislative requirements, the District Plan, resource consent and building consent conditions and by-law requirements. Regular inspections of business premises, certification and liquor licensing are undertaken to promote and protect public health in the city. Noise and hazardous substances are controlled by this activity. The control of animals and stock in the city (a large part of which involves dogs and dog registrations) and public education about the care and control of animals are also covered.

Community Outcomes

s101(3)(a)(i)

This activity contributes primarily to community outcome 3 – 'a city that is safe, friendly and welcoming, where people experience a sense of belonging', outcome 9 – 'a healthy balance between natural and built environments', and outcome 10 – 'a built environment that is attractive, safe and healthy'.

There is a legal requirement for this activity.

Distribution of Benefits

s101(3)(a)(ii)

This activity consists of environmental policy, environmental approvals, environmental inspection and enforcement, and animal control functions. These functions have distinct economic characteristics that are discussed separately below.

Environmental Policy

Council has a legal requirement to produce a District Plan. District planning has a mixture of private and public benefits, as well as encouraging optimal resource use over time. A District Plan exists to achieve sustainable management of natural and physical resources. The Plan is determined by the community in terms of the Resource Management Act. It therefore applies to and represents the environmental aspirations of the community as a whole. These benefits are non-rival and non-excludable.

The Plan also exists to control the negative effects of resource use. This is an exacerbation issue and while the benefits accrue to the wider public this is treated as the minimisation of a negative effect, and therefore a private good.

Total benefit to the community as a whole:	60%
Total benefit to individuals or identifiable parts of the community:	40%

Environmental Approvals

The environmental approvals activity is undertaken to ensure that public welfare is not jeopardised by the actions of individuals or groups now or in the future. A significant percentage of costs, however, arise in answering general public enquiries on

environmental, building and development issues. It is not possible to determine the costs and quote for this information before the enquiry is dealt with. This is also considered to be public information available to all and part of the customer service of Council.

Total benefit to the community as a whole: 40%
Total benefit to individuals or identifiable parts of the community: 60%

Environmental Inspections and Enforcement

The environmental inspections and enforcement activity ensures that the policies and regulations of Council are being complied with. The service acts to control the negative effects of non-compliance by individuals or groups, nearly all of which are businesses. There is also a general public benefit in the assurance of a safe environment. The provision of an inspection service would be needed even if there were total compliance, so the public good principle also applies.

Total benefit to the community as a whole: 20%
Total benefit to individuals or identifiable parts of the community: 80%

Animal Control

Animal control is primarily the dog control function with a small amount of service involved with general livestock control. The activity exists to control the negative effects associated with dog and stock ownership. While there is a public benefit in having unsafe and noisy dogs controlled the costs of attaining this are the result of individual actions and decisions. Council is increasing activity in patrolling for problem dogs. In some cases it is impossible to identify the owners (if there are any) of these dogs. Similarly, it is often difficult to identify the owners of wandering stock. In these cases the costs are a public good due to the inability to identify the beneficiary.

Total benefit to the community as a whole 20%
Total benefit to individuals or identifiable parts of the community 80%

Period of Benefits

s101(3)(a)(iii)

An intergenerational effect occurs in that the District Plan remains in force long after it is written.

Exacerbator Pays

s101(3)(a)(iv)

The inspections and enforcement function is heavily impacted by individual actions or inaction, and this is recognised in the Distribution of Benefits.

Animal control is almost entirely an exacerbator pays issue. Difficulties in identifying owners of problem dogs or stock, however, make it impossible to recoup costs from those owners. It would be unfair to continue charging the identifiable exacerbators who register their dogs for the increasing costs generated by those who do not register.

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

Council has modified the private benefit of this activity down to the existing level of user charges of 53%. Current charges for building permits are already considered to be at the top end of what the customer should reasonably expect to pay. Higher charges will restrict development activity and also lead to a higher level of avoidance.

This modification also recognises that some of the services in this activity have fees set by law that do not cover the full cost of providing them.

Dog registration fees are also perceived as being at the top end of the range. In Council's experience, increases in fees have led to lower numbers of registrations. This means that the number of unregistered dogs continues to increase, and fewer 'good' owners are paying for more 'bad' owners.

The extent to which the business community generates costs and receives benefits in this activity, particularly in relation to environmental approvals and inspections and enforcement, would indicate the use of a targeted rate to cover these costs. On efficiency grounds Council will instead recover these costs through the business differential on the general rate. As a result, costs allocated to the business community become part of the costs allocated to the community as a whole.

Total costs allocated to the community as a whole: 80%
Total costs allocated to individuals and identifiable parts of the community: 20%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

User Charges 53.0

Total Private Funding 53.0

Public Funding

General Rate

Residential 6.5

Business 40.0

Utility 0.4

Rural 0.1

Total Public Funding 47.0

TOTAL 100.0

The business rating group has been allocated 40% of the cost of this activity on the basis that it is the principal generator of applications for environmental approvals, and the major beneficiary of the inspections and enforcement function. The balance of the public funding is based on property value proportions of the other rating groups.

13. EMERGENCY MANAGEMENT

Description

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

Community Outcomes

s101(3)(a)(i)

This activity contributes primarily to Community Outcome 3 – ‘a city that is safe, friendly and welcoming, where people experience a sense of belonging’. It is also a legal requirement under the Forest and Rural Fires Act and the Civil Defence Act.

Distribution of Benefits

s101(3)(a)(ii)

Emergency management is both non-rival and non-excludable. The costs are usually created by natural disasters and are imposed on the community in a random manner. The activity also has regional and national benefits, in that resources are shared in emergencies with effects beyond the local boundaries. The costs associated with the capital equipment and actual emergency expenditure needed to respond to an emergency have an element of intergenerational equity associated with them. It is impossible to predict when an event will occur and preparations will last over a number of years.

Rural Fire applies largely to Council owned land and therefore any benefits apply to the community.

Total benefit to the community as a whole: 100%

Exacerbator Pays

s101(3)(a)(iv)

Rural Fire deals with the consequences of the actions of exacerbators. Exacerbators, where they are identifiable, are dealt with through the Courts and any compensation is obtained in that manner.

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

The distribution of benefits analysis for this activity indicates that all benefits flow to the community as a whole. This has been modified to reflect the current grant from central government that helps Council operate within a New Zealand wide network, although this subsidy is actually sourced from public funds as well.

Total costs allocated to the community as a whole: 93%

Total costs allocated to individuals or identifiable parts of the community: 7%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

Other Revenue	7.0
Total Private Funding	7.0

Public Funding

General Rate	
Residential	72.8
Business	14.5
Utility	4.3
Rural	1.4
Total Public Funding	93.0
TOTAL	100.0

The allocation of public funding across residential, business, utility and rural ratepayers is in direct proportion to each segment's share of the total capital value of the city.

14. LOCAL URBAN DESIGN

Description

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

Community Outcomes

s101(3)(a)(i)

This activity contributes primarily to Community Outcome 10 – 'a built environment that is attractive, safe and healthy', and outcome 9 – 'a healthy balance between natural and built environments'.

The public space of the city is managed and developed by Council on behalf of the community. The benefits of preserving buildings of architectural, heritage and historic value are to the community as a whole, as the work required is often of no benefit to the owner or occupier. Council therefore purchases the public benefit on behalf of the community.

Distribution of Benefits

s101(3)(a)(ii)

Council aims to carry out improvements to the public areas to improve the amenity value of the city. Projects in this activity are for the benefit of the whole community and improvements are made only to public land, therefore the benefits apply to the community in general. The benefits of the activity are non-excludable and generally non-rival. In this aspect the applicable principle is public good.

There are however parts of this activity that result in an immediate private benefit being obtained. The suburban shopping centres, CBD development, anti graffiti, safer city, signage and environmental safety projects aim to upgrade the image of shopping areas. This work increases the trade and therefore the value of the businesses in that area, making them an identifiable part of the community receiving benefits.

Heritage expenditure has an intergenerational aspect as any expenditure is intended for the benefit of future generations. Any cultural, heritage and aesthetic benefits are both non-rival and non-excludable and the activity is one of the purer public goods Council provides. The existence of private benefits is doubtful. Council's objective is to ensure such sites and buildings are preserved, through contributing to activities such as earthquake strengthening, as private owners have insufficient incentives to do so. Ideally Council's contribution would be just sufficient to ensure preservation and no more. In this way Council is purchasing the public benefit, while the owners invest up to the level of their own private benefit.

Total benefit to the community as a whole:	15%
Total benefit to individuals or identifiable parts of the community:	85%

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

Council has a strategic goal of developing an urban environment that will help to attract people and investment. Council is currently implementing projects to achieve this goal and believes that part charging the adjoining property owner for design enhancements will result in the projects not proceeding in a coordinated manner. It is felt that while some benefit will be obtained by neighbouring properties the whole community will also benefit.

Total costs allocated to the community as a whole: 100%

FINAL COST ALLOCATION PERCENTAGE

Total Private Funding	0.0
Public Funding	
General Rate	
Residential	9.3
Business	90.0
Utility	0.5
Rural	0.2
Total Public Funding	100.0
TOTAL	100.0

The business community gains the primary benefits of this activity as the work is generally carried out in business areas.

15. ECONOMIC DEVELOPMENT

Description

Council has a leading role in fostering the city's growth in a number of ways. These are through creating a business friendly environment, facilitating the expansion and creation of local businesses and employment, increasing tourism to the city and contributing to regional growth through regional economic development initiatives.

Community Outcomes

s101(3)(a)(i)

This activity contributes primarily to Community Outcome 6 – 'a local economy that is attractive to both business and residents'. Individual businesses generally have insufficient incentives to explore opportunities that benefit the city as a whole as well as themselves. The city's businesses and residents benefit from Council's support of the business sector and from the promotion of the city as a place to visit.

Distribution of Benefits

s101(3)(a)(ii)

Whole Community

The general economic development function of Council aims to increase jobs and wealth for the benefit of the whole city. These projects are targeted at regional cooperation and growth industries. Over time the economic growth of the city does not benefit any one group in the community. The direct benefits, however, are firstly to businesses rather than to salary and wage earners.

Council also aims to carry out improvements to the public space in business areas, as requested and partly funded by the business community, specifically to improve economic activity. CBD and Jackson Street projects in this activity have a direct benefit to the businesses in those areas, but there are also indirect benefits to the whole community. Improvements are generally made only to public land, therefore substantial benefits apply to the community in general

The business sector, and the whole community indirectly, also receive benefits from events funding which make visiting the city centre a more attractive experience.

Council also produces promotional material and operates a visitor information service. The majority of the effort in this activity is to develop and disseminate information for visitors and prospective investors and to hone Council's policies into an investment friendly form. These activities are generally non-excludable and non-rival and exist for the betterment of the city as a whole. While the service is open to all businesses and the employment benefits flow through to the whole community, the direct benefits are firstly to businesses rather than to salary and wage earners.

Individuals and Identifiable Parts of the Community

As noted above, the direct benefits of economic development flow firstly to businesses rather than salary and wage earners. Central city programmes also provide benefits to the businesses in the area. The users of the visitor information service and the businesses promoted in it gain private benefits.

Council's role in this activity is purely as a tax collector. By using its tax collecting powers, Council prevents individual businesses in the CBD from refusing to contribute to the scheme while still receiving its benefits. The policy thus prevents what is known as 'free-riding'. The potential for free-riding infers that the programmes are at least non-excludable within their boundaries. This activity has direct benefits diminishing the further you are from the area concerned.

Total benefit to the community as a whole: 0%
Total benefit to individuals or identifiable parts of the community: 100%

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

For a large part of this activity Council is acting as a tax collector on behalf of the business community.

The Distribution of Benefits assessment suggests that 25% of the activity should be funded from general rates, and 75% from a targeted rate on the business community,

Targeted funding of the activity would have benefits in terms of the transparency of cost allocation and charging. It would also increase accountability by relating the service received to the charge imposed. However, Council believes that it is more efficient to assess the overall benefit to businesses from Council activities and recover the costs through the use of a business differential within the general rate. As a result of this assessment, costs allocated to the business community become part of the costs allocated to the community as a whole.

Total costs allocated to the community as a whole: 100%

FINAL COST ALLOCATION PERCENTAGE

Total Private Funding	0.0
Public Funding	
General Rate	
Business	88.6
Utility	11.4
Total Public Funding	100.0
TOTAL	100.0

The distribution of public funding has been assessed at 100% business as the business community gains the primary benefits in general. Utility companies have been grouped with businesses on this occasion, as utility owners will generally also benefit from increased economic activity.

16. ELECTED MEMBERS

Description

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

Community Outcomes

s101(3)(a)(i)

This activity contributes to all Community Outcomes in that the elected members of Council are responsible for defining those outcomes and deciding how they are to be achieved. Council is required by law to have elected members.

Distribution of Benefits

s101(3)(a)(ii)

Whole Community

The benefits of this activity are both non-excludable and non-rival. Councillors and members and the direct costs involved in supporting their operation are a legal requirement. The benefits from community representation are largely independent of the number of residents and are spread across the entire community.

Individuals and Identifiable Parts of the Community

No benefits are seen to flow to individuals or parts of the community other than those that flow to the community as a whole.

Total benefit to the community as a whole: 100%

Costs and Benefits of Distinct Funding

s101(3)(a)(v)

The distribution of benefits analysis for this activity indicates that all benefits flow to the community as a whole. The most efficient way to fund this benefit pattern is through general rates.

Total costs allocated to the community as a whole: 100%

FINAL COST ALLOCATION PERCENTAGE

Total Private Funding	0.0
Public Funding	
General Rate	
Residential	78.3
Business	15.6
Utility	4.6
Rural	1.5
Total Public Funding	100.0
TOTAL	100.0

The distribution of public funding between rating groups is based on property valuations reflecting an even spread of benefits across all ratepayers.

17. ADVICE AND SUPPORT

Description

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

Community Outcomes

s101(3)(a)(i)

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

Distribution of Benefits

s101(3)(a)(ii)

Whole Community

The benefits of this activity are both non-excludable and non-rival. Advice and support services are essential to allow the elected members to set policy and manage resource allocation. The benefits from this are largely independent of the number of residents and are spread across the entire community.

Individuals and Identifiable Parts of the Community

No benefits are seen to flow to individuals or parts of the community other than those that flow to the community as a whole.

Total benefit to the community as a whole: 100%

Costs and Benefits of Distinct Funding

§101(3)(a)(v)

The distribution of benefits analysis for this activity indicates that all benefits flow to the community as a whole. The most efficient way to fund this benefit pattern is through general rates.

Total costs allocated to the community as a whole: 100%

FINAL COST ALLOCATION PERCENTAGE

Total Private Funding	0.0
Public Funding	
General Rate	
Residential	78.3
Business	15.6
Utility	4.6
Rural	1.5
Total Public Funding	100.0
TOTAL	100.0

The distribution of public funding between rating groups is based on property valuations reflecting an even spread of benefits across all ratepayers.

18. MANAGING SERVICES

Description

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

- Customer Relations
- Finance
- General administration
- Human Resources

- Information Management
- Office of the Chief Executive (including Legal Counsel and Communications)
- Strategic Development.

Community Outcomes

§101(3)(a)(i)

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

Distribution of Benefits

§101(3)(a)(ii)

Whole Community

The benefits of this activity are both non-excludable and non-rival. Advice and support services are essential to allow the elected members to set policy and manage resource allocation. The benefits from this are largely independent of the number of residents and are spread across the entire community.

Individuals and Identifiable Parts of the Community

No benefits are seen to flow to individuals or parts of the community other than those that flow to the community as a whole.

Total benefit to the community as a whole: 100%

Costs and Benefits of Distinct Funding

§101(3)(a)(v)

The distribution of benefits analysis for this activity indicates that all benefits flow to the community as a whole. However, the costs of the activity are most appropriately funded by allocating the costs across all of Council's other significant activities. Council achieves this through an overhead allocation process whereby the costs are attributed to each significant activity based on selected cost drivers and related activity or usage information. Interest costs are allocated to each activity in proportion to the net book value of fixed assets used by the activity.

Funding Impact Statement

As a result of this overhead allocation process, no public funding is required for this activity.

The costs of this activity are partially offset by miscellaneous revenues prior to being allocated across other significant activities. These revenues include such things as penalties for late payment of rates, interest and dividends from investments, and commissions for the provision of services to entities other than Council. Forecast revenues are reflected as private funding percentages in the table below.

Total costs allocated to individuals or identifiable parts of the community:100%

FINAL COST ALLOCATION PERCENTAGE

Private Funding

User Charges	50.0
Interest Income	10.0
Other Revenue	45.0
Transfers to Reserves	(5.0)
Total Private Funding	100.0
Total Public Funding	0.0
TOTAL	100.0

INTRODUCTION

In terms of the Local Government (Rating) Act 2002, and the Local Government Act 2002, each council is required to prepare a funding impact statement disclosing the revenue and financing mechanisms it intends to use.

The information in the following sections is intended to achieve compliance with this legislation by, among other things, giving ratepayers full details of how rates are calculated.

This statement should be read in conjunction with Council's Revenue and Financing Policy, which sets out Council's policies in respect of each source of funding of operating expenses.

SUMMARY OF FUNDING MECHANISMS AND INDICATION OF LEVEL OF FUNDS TO BE PRODUCED BY EACH MECHANISM

The table on the following page sets out the revenue and financing mechanisms planned to be used for each of the next 10 years, and indicates the proportion of revenue forecast to be produced by each mechanism.

Details of user charges and other funding sources, and the proportion applicable to each activity, are shown in more detail in the Revenue and Financing Policy.

FORECAST FINANCIAL STATEMENTS – FUNDING IMPACT STATEMENT

For the year ending 30 June 2004

Year Ending 30 June:	Actual 2002	Estimate 2003	Budget 2004	Forecast 2005	Forecast 2006	Projection 2007	Projection 2008	Projection 2009	Projection 2010	Projection 2011	Projection 2012	Projection 2013	Policy Target
FUNDING FOR OPERATING EXPENDITURE OF (\$000):	78,929	85,214	86,342	85,418	85,027	84,944	84,601	83,691	83,122	82,819	82,531	83,006	
General rate – Residential	25.5%	24.9%	25.6%	26.7%	26.8%	26.9%	26.7%	26.8%	26.7%	26.6%	26.6%	26.3%	26.0%
General rate – Business Central/Queensgate	7.3%	6.2%	6.4%	6.7%	6.8%	6.8%	6.8%	6.8%	6.8%	6.7%	6.8%	6.7%	
General rate – Business Suburban	14.6%	13.0%	12.6%	13.2%	13.4%	13.4%	13.3%	13.4%	13.4%	13.3%	13.3%	13.1%	21.3%
General rate – Business Suburban JSP	1.1%	1.5%	1.1%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.1%	
General rate – Business Accommodation		0.0%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
General rate – Business Eastbourne	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	
General rate – Rural	0.3%	0.3%	0.3%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
General rate – Community Facilities	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
General rate – Utilities	0.0%	0.8%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
Total general rate	49.0%	47.3%	48.0%	50.2%	50.6%	50.7%	50.4%	50.6%	50.5%	50.2%	50.3%	49.6%	49.1%
Targeted rate – water supply	10.6%	10.1%	10.6%	10.5%	10.5%	10.4%	10.3%	10.3%	10.2%	10.2%	10.2%	10.1%	10.6%
Targeted rate – wastewater	11.9%	13.0%	13.2%	12.9%	13.0%	13.0%	12.9%	12.8%	12.7%	12.6%	12.7%	13.1%	13.1%
User charges	21.3%	20.6%	20.9%	21.3%	21.4%	21.4%	21.5%	21.7%	21.9%	21.9%	22.0%	21.9%	21.0%
Operating subsidies	3.6%	3.6%	4.5%	4.5%	4.5%	4.5%	4.5%	4.6%	4.6%	4.6%	4.7%	4.6%	4.4%
Interest and dividends	1.0%	0.4%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Other revenue	3.4%	5.2%	1.2%	1.8%	1.7%	1.9%	2.0%	1.9%	1.9%	2.0%	1.9%	1.9%	1.6%
(Surplus)/deficit applied to borrowing repayment	-0.8%	-0.2%	1.3%	-1.4%	-1.9%	-2.1%	-1.8%	-2.1%	-2.0%	-1.7%	-2.0%	-1.4%	0.0%
TOTAL FUNDING FOR OPERATING EXPENDITURE	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

FORECAST FINANCIAL STATEMENTS – FUNDING IMPACT STATEMENT continued

Year Ending 30 June:	Actual 2002	Estimate 2003	Budget 2004	Forecast 2005	Forecast 2006	Projection 2007	Projection 2008	Projection 2009	Projection 2010	Projection 2011	Projection 2012	Projection 2013	Target
FUNDING FOR CAPITAL EXPENDITURE OF (\$000):	75,291	17,437	22,544	21,283	26,914	18,855	14,641	15,279	15,078	15,323	25,580	32,606	
Capital subsidies	23%	13%	16%	26%	17%	16%	18%	17%	17%	17%	22%	23%	Not specified
Transfers from reserves	1%	4%	1%	1%	0%	1%	1%	1%	1%	1%	0%	0%	due to annual variation
Depreciation funding	22%	100%	80%	83%	66%	95%	122%	117%	117%	115%	70%	55%	
Asset sales	1%	56%	13%	11%	0%	0%	0%	0%	0%	0%	0%	0%	
Other funding	3%	-31%	0%	0%	0%	0%	0%	-1%	0%	0%	0%	0%	
Operating surpluses/(deficits)	1%	0%	-1%	1%	2%	2%	2%	2%	2%	2%	2%	1%	
Borrowing/(debt repayment)	49%	-42%	-9%	-22%	15%	-14%	-43%	-36%	-37%	-35%	6%	21%	
TOTAL FUNDING FOR CAPITAL EXPENDITURE	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	

RATES FOR YEAR

For the 2003/2004 year, and for subsequent years, it is intended that Council will set the following rates:

Water Supply Rate

A separate targeted rate will be set to meet 90% of the costs of water supply and reticulation in the city. The remaining 10% of these costs will be recovered through the general rate.

Council proposes to set the targeted rate for water supply on the basis of the following factors:

- a charge per separately used or inhabited part of a rating unit which is connected to the water reticulation system
- a charge of 50% of the above charge per separately used or inhabited part of a rating unit that is not connected to, but is able to be connected to, the water reticulation system.

Provided that:

- rating units situated within 100 metres from any part of the water reticulation network are considered to be able to be connected (i.e. serviceable)
- rating units that are not connected to the system, and that are not able to be connected, will not be liable for this rate
- the owner of a rating unit with more than one separately used or inhabited part, may opt to install a water meter to measure the total water consumed. In such a case only one charge will be made for the entire rating unit, but the owner will be liable to pay for water consumed as measured by the meter.

Wastewater Rate

A separate targeted rate will be set to meet 95% of the costs of wastewater collection, treatment and disposal within the city.

Council proposes to set the targeted rate for the wastewater function on the basis of the following factors:

- a charge for the first water closet or urinal connected to the wastewater system from each rating unit
- a charge of 50% of the above charge for the second and each subsequent water closet or urinal connected to the wastewater system from each rating unit.

Provided that:

- each household is charged for no more than one water closet, regardless of the actual number
- no charge is made to any rating unit not connected to the wastewater system
- in the case of urinals each 900mm or part thereof will be treated as being equivalent to one water closet.

Jackson Street Programme Rate

A separate targeted rate, based on the capital value of each rating unit, will be set to raise revenue of \$90,000 from rating units being operated as businesses and located in Jackson Street, Petone between Hutt Road and Cuba Street. The revenue raised from this rate will be applied to meet the costs of the Jackson Street Programme, which is a community based initiative to help reorganise and revitalise commercial activities in Jackson Street.

General Rate

A general rate will be set:

- to meet the costs of all Council activities, other than those detailed above
- based on the capital value of each rating unit in the city
- on a differential basis, based on the use to which the land is put.

It is not intended to set a uniform annual general charge.

DIFFERENTIAL RATING DETAILS

Each rating unit is allocated to a differential rating category (based on the land use) for the purpose of calculating the general rate, or any specified targeted rate based on capital value.

Set out below are the definitions used to allocate rating units to categories, together with details of the differential rating relationships between each category of rating unit for the purposes of setting and assessing the general rate. The relationships are calculated to produce, as near as is practicable, the correct proportion of general rate revenue from each group, as is indicated by Council's Funding Impact Statement.

For the 2003/2004 rating year, only the general rate has been set using these differential categories and relationships.

Definition of Rating Categories

Category	Description
Residential (RE)	All rating units in the city which – <ul style="list-style-type: none">– are used primarily for residential purposes, or– are used or set aside for reserve or recreational purposes (other than East Harbour Regional Park), excluding properties categorised as Rural.
Rural (RU)	All rating units in the city which are – <ul style="list-style-type: none">– used primarily for any purpose other than residential, commercial, industrial, recreational or reserve, or– used primarily for residential purposes, having an area in excess of 3,000m², but not connected to both water and sewerage reticulation, or– East Harbour Regional Park.

Business Accommodation (BA)

All rating units in any part of the city, other than the area which was formerly the district of the former Eastbourne Borough, which are used primarily for commercial accommodation.

Business Central (BC)

All rating units which are located within the Central Area Parking District and which are used primarily or predominantly for commercial and/or industrial purposes, excluding properties categorised as:

- Utility Networks, or
- Business Accommodation, or
- Business Queensgate.

Business Queensgate (BQ)

All rating units which are located in the area bounded by Queens Drive, Waterloo Road, Bloomfield Terrace, Knights Road and Bunny Street and which form part of the Queensgate Mall, and which are used primarily or predominantly for commercial and/or industrial purposes, excluding properties categorised as either:

- Community Facilities, or
- Utility Networks.

Business Eastbourne (BE)

All rating units in the area of the city which was formerly the district of the former Eastbourne Borough which are used primarily or predominantly for commercial and/or industrial purposes, excluding properties categorised as either:

- Community Facilities, or
- Utility Networks.

Business Suburban (BS)

All rating units in any part of the city which are used primarily or predominantly for commercial and/or industrial purposes, excluding properties categorised as:

- Community Facilities, or
- Business Central, or

- Business Eastbourne, or
- Utility Networks, or
- Business Accommodation, or
- Business Queensgate.

Utility Networks (UN)

All rating units, which comprise all, or part of a utility network.

Community Facilities 1 (CF1)

All land in the city which is:

- non-rateable in terms of the Local Government (Rating) Act 2002, or
- 50% non-rateable in terms of the Local Government (Rating) Act 2002.

Community Facilities 2 (CF2)

All rating units in the city occupied by charitable trusts and not-for-profit organisations which either:

- Use the land for non-trading purposes for the benefit of the community, or
- Would qualify as land which is 50% non-rateable in accordance with Part 2 of Schedule 1 of the Local Government (Rating) Act 2002 if the organisation did not have a liquor licence, but excluding any rating unit used for residential purposes.

Community Facilities 3 (CF3)

All rating units in the city occupied by not-for-profit community groups or organisations whose primary purpose is to address the needs of adult members for entertainment or social interaction, and who engage in recreational, sporting, welfare or community services as a secondary purpose.

For the purposes of these definitions:

- Rating units which have no apparent land use (or where there is doubt as to the relevant use) will be placed in a category which best suits the activity area of the property under the Proposed District Plan.
- Rating units which have more than one use (or where there is doubt as to the relevant primary use) will be placed in the category with the highest differential factor.
- Central Area Parking District means the Central Area Parking District as defined in the Proposed District Plan – City of Lower Hutt.
- For the avoidance of doubt, ‘commercial purposes’: includes rating units used:
 - as a hotel, motel, inn, hostel or boarding house
 - primarily as licensed premises
 - as a camping ground
 - as a convalescent home, nursing home, rest home or hospice operating for profit
 - as a fire station
 - by a government, quasi-government or local authority agency for administration or operational purposes
 - as an establishment similar to any of the kinds referred to above, except to the extent that any such rating unit is non-rateable land in terms of the Local Government (Rating) Act 2002.
- A ‘utility network’ includes:
 - a gas, petroleum or geothermal energy distribution system
 - an electricity distribution system
 - a telecommunications or radio communications system
 - a wastewater, stormwater or water supply reticulation system.
- ‘Commercial accommodation’ means the provision of accommodation for more than five persons (with or without any care, medical or other treatment or services) in the course of business, and to that extent includes –
 - a hotel, motel, inn, hostel or boarding house
 - any licensed premises where the provision of accommodation is the primary use

- a camping ground
- a convalescent home, nursing home, rest home or hospice operating for profit.
- Subject to the right of objection set out in section 29 of the Local Government (Rating) Act 2002, it shall be at the sole discretion of Council to determine the use or primary use of any rating unit in the city.

RELATIONSHIPS OF DIFFERENTIAL CATEGORIES

The rate in the dollar set and assessed in respect of each specified category of rating units shall vary from the rate in the dollar in respect of any other specified category of property as set out below:

Category	Differential Factor
Residential (RE)	1.00
Rural (RU)	0.65
Business Accommodation (BA)	3.00
Business Central (BC)	4.80
Business Queensgate (BQ)	4.80
Business Eastbourne (BE)	2.80
Business Suburban (BS)	4.00
Utility Networks (UN)	2.50
Community Facilities 1 (CF1)	1.00
Community Facilities 2 (CF2)	0.50
Community Facilities 3 (CF3)	2.50

Policy for Remission and Postponement of Rates on Maori Freehold Land

INTRODUCTION

Maori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Maori Land Court. Only land that is the subject of such an order may qualify for remission or postponement under this policy.

Whether rates are remitted or postponed in any individual case will depend on the individual circumstances of each application. In general a remission of rates will be considered, unless there is a reasonable likelihood that the subject land will be used or developed in the immediate future.

This policy has been formulated for the purposes of:

- ensuring the fair and equitable collection of rates from all sectors of the community by recognising that certain Maori owned lands have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide relief from rates
- meeting the requirements of Sections 102 and 108 and the matters in Schedule 11 of the Local Government Act 2002 to have a policy on the remission and postponement of rates on Maori freehold land.

OBJECTIVES

The objectives of this policy are:

- to recognise situations where there is no occupier or person gaining an economic or financial benefit from the land
- to set aside land that is better set aside for non-use because of its natural features (whenua rahui)
- to recognise matters related to the physical accessibility of the land
- to recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes
- where part only of a block is occupied, to grant remission for the portion of land not occupied
- to facilitate development or use of the land where Council considers rates based on the rateable value make the use of the land uneconomic.

CONDITIONS AND CRITERIA

- Application for this remission or postponement should be made prior to commencement of the rating year. Applications made after the commencement of the rating year may be accepted at the discretion of Council.
- Owners or trustees making application should include the following information in their applications:
 - details of the rating unit or units involved
 - the objectives that will be achieved by providing a remission
 - documentation that shows the land which is the subject of the application is Maori freehold land.
- Council may of its own volition investigate and grant remission or postponement of rates on any Maori freehold land in the city.
- Relief, and the extent thereof, is at the sole discretion of Council and may be cancelled or reduced at any time.
- Council will give a remission or postponement of up to 100% of all rates, except targeted rates set for water supply or wastewater disposal, based on the following criteria:
 - the land is unoccupied and no income is derived from the use or occupation of that land, or
 - the land is better set aside for non-use (whenua rahui) because of its natural features, or is unoccupied, and no income is derived from the use or occupation of that land,
 - the land is inaccessible and is unoccupied,
 - only a portion of the land is occupied.
 - the property carries a best potential use value that is significantly in excess of the economic value arising from its actual use.

Rates Postponement Policy

INTRODUCTION

This policy is prepared under sections 102 and 110 of the Local Government Act 2002.

OBJECTIVE

To assist ratepayers experiencing extreme financial circumstances which affect their ability to pay rates.

CONDITIONS AND CRITERIA

- Only rating units used solely for residential purposes (as defined by Council) will be eligible for consideration for rates postponement for extreme financial circumstances.
- Only the person entered as the ratepayer, or their authorised agent, may make an application for rates postponement for extreme financial circumstances. The ratepayer must be the current owner of, and have owned for not less than five years, the rating unit which is the subject of the application. The person entered on Council's rating information database as the 'ratepayer' must not own any other rating units or investment properties (whether in the district or in another district).

•The ratepayer (or authorised agent) must make an application to Council on the prescribed form.

- Council will consider, on a case by case basis, all applications received that meet the criteria described in the first two paragraphs under this section.
- When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant including the following factors: age, physical or mental disability, injury, illness and family circumstances.
- Before approving an application Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care and proper provision for maintenance of his/her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.
- Before approving an application Council must be satisfied that the ratepayer has taken all steps

necessary to claim any central government benefits or allowances the ratepayer is properly entitled to receive to assist with the payment of rates.

- Where Council decides to postpone rates the ratepayer must first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.
- Any postponed rates will be postponed until:
 - the death of the ratepayer(s), or
 - until the ratepayer(s) ceases to be the owner or occupier of the rating unit, or
 - until the ratepayer(s) ceases to use the property as his/her residence, or
 - until a date specified by Council.
- Council, as authorised by section 88 of the Local Government (Rating) Act 2002, will charge an annual fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Council's administrative and financial costs and may vary from year to year. The fee that will be charged in the 2003/4 financial year is \$50.
- Even if rates are postponed, as a general rule the ratepayer will be required to pay the first \$500 of the rate account.
- The policy will apply from the beginning of the rating year in which the application is made although Council may consider backdating past the rating year in which the application is made depending on the circumstances.
- The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.
- Postponed rates will be registered as a statutory land charge on the rating unit title. This means that Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

DELEGATIONS

Council will delegate authority to approve applications for rates postponement to particular Council officers.

Rates Remission Policy

INTRODUCTION

In order to allow rate relief where it is considered fair and reasonable to do so, Council is required to adopt policies specifying the circumstances under which rates will be considered for remission. There are various types of remission, and the circumstances under which a remission will be considered for each type may be different. The conditions and criteria relating to each type of remission are therefore set out separately in the following pages, together with the objectives of the policy.

This policy is prepared under section 109 of the Local Government Act 2002 for consultation using the special consultative procedure laid down in section 83 of the same Act.

PART 1 – REMISSION FOR COMMUNITY, SPORTING AND OTHER ORGANISATIONS

Objectives of the Policy

- To facilitate the ongoing provision of non-commercial community services that meet the needs of the residents of the city.
- To facilitate the ongoing provision of non-commercial recreational opportunities for the residents of the city.
- To assist the organisations' survival; and
- To make membership of the organisations more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people, and economically disadvantaged people.

Conditions and Criteria

Council may remit rates where the application meets the following criteria:

- The policy will apply to land owned by Council or owned and occupied by a charitable organisation, which is used exclusively or principally for sporting, recreation, or community purposes.
- The policy does not apply to organisations operated for private pecuniary profit.
- The policy will also not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting, or community services as a secondary purpose only.

- Applications for remission must be made in writing to Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.
- Organisations making application should include the following documents in support of their application:
 - statement of objectives
 - financial accounts
 - information on activities and programmes
 - details of membership or clients.
- Any remission granted in relation to the general rate under this policy will not exceed 50% of the amount charged, unless exceptional circumstances exist.
- Any organisation being rated in any of the Community Facilities differential categories will not be eligible for any remission in relation to the general rate, unless exceptional circumstances exist.
- The policy shall apply to such organisations as approved by Council as meeting the relevant criteria.
- No remission will be granted on targeted rates for water supply under this policy.
- Remission of targeted rates for wastewater disposal under this policy will only be granted as follows, to the types of organisations specified:
 - Places of Religious Worship will be charged for a maximum of two pans, except in circumstances where it is evident that there is regular weekday use of the building for non-worship purposes.
 - Child Care Facilities will be charged for a maximum of two pans.
 - Sports clubs will be charged for a maximum of two pans, unless the club holds a liquor licence.
 - No more than 200 pans are to be charged on any one property.
 - Marae, Maori and other similar meeting places are to be charged for a maximum of two pans.
 - In cases of doubt, each application shall be referred to Council's Finance and Corporate Review Committee for a final decision.

- As a transitional measure, those organisations that received a remission of wastewater charges for the 2002/2003 rating year, during the phasing in of full charges, will continue to receive this remission as follows:

For 2003/2004	50% of actual number of pans to be charged (50% remission)
For 2004/2005	75% of actual number of pans to be charged (25% remission)
For 2005/2006	100% of actual number of pans to be charged (No remission)

Delegations

Council may delegate the authority to make such approvals to particular Council officers as specified by a resolution of Council.

PART 2 – REMISSION OF PENALTIES ADDED TO UNPAID RATES

Objective of the Policy

To enable Council to act fairly and reasonably in its consideration of penalties on rates which have not been paid by the due date.

Conditions and Criteria

- Upon receipt of an application from the ratepayer, or if identified by Council, Council may remit a penalty where it considers that it is fair and equitable to do so. Matters that will be taken into consideration by Council include the following:
 - the ratepayer’s payment history
 - the impact on the ratepayer of extraordinary events
 - the payment of the full amount of rates due
 - the ratepayer entering into an agreement with Council for the payment of rates.
- Council reserves the right to impose conditions on the remission of penalties.

Delegations

Decisions on the remission of penalties may be delegated to Council officers or a Committee of Council. All delegations will be recorded in Council’s delegation manual.

PART 3 – REMISSION OF UNIFORM ANNUAL GENERAL CHARGES AND TARGETED RATES IN CERTAIN CIRCUMSTANCES

Objective of the Policy

Section 20 of the Local Government (Rating) Act 2002 provides for two or more rating units to be treated as one unit for setting a rate if the units are:

- in the same ownership, and
- used jointly as a single unit, and
- contiguous or separated only by a road etc.

This policy provides for the possibility of rates remission where the above three conditions are not all met, but where it is nevertheless considered inequitable for the rating units to be treated as separate.

In addition it provides for remission of uniform annual general charges and/or targeted rates for water and wastewater in cases where a rating unit is liable for multiple charges, but it is considered inequitable or excessive to assess full charges.

Conditions and Criteria

- The units may be in separate ownership, but if they are contiguous and are used jointly as a single unit, they will be treated as a single unit.
- Contiguous rating units in the same ownership will be treated as a single unit where any of the following circumstances exist:
 - One unit is used as a private residence, and the contiguous unit(s) is used solely as a garden or similar private part of the grounds only in connection with the residence.
 - One unit is used solely for vehicle parking in conjunction with a building on a contiguous rating unit in the same ownership.

- A rating unit used for residential purposes and which includes a separately inhabited part, may apply to be treated as having only one separately used or inhabited part if the second part is occupied by a dependent member of the family of the owner.
- Owners wishing to claim a remission under this policy are required to make a written application and to supply such evidence as may be requested to verify that a remission should be granted under this policy. While a remission may be granted for the current year, no consideration will be given to applications relating to prior years.

Delegations

Council will delegate authority to consider and approve applications to Council officers.

PART 4 – REMISSION ON LAND PROTECTED FOR NATURAL, HISTORIC OR CULTURAL CONSERVATION PURPOSES

Objective of the Policy

- To protect and promote significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites
- This policy will support the provisions of the District Plan where a number of these features have been identified.

Conditions and Criteria

- Ratepayers who own rating units which include significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites, including those identified in the District Plan, and who have voluntarily protected these features, may qualify for remission of rates under this part of the policy.
- Land that is non-rateable under section 8 of the Local Government (Rating) Act and is liable only for rates for water supply, wastewater disposal or refuse collection will not qualify for remission under this part of the policy.
- Applications must be made in writing. Applications should be supported by documentary evidence of the protected status of the rating unit e.g. a copy of the Covenant or other legal mechanism.
- In considering any application for remission of rates under this part of the policy Council will consider the following criteria:

- the extent to which the protection and promotion of significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites will be promoted by granting remission of rates on the rating unit
- the degree to which the significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites are present on the land
- the degree to which the significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites inhibit the economic utilisation of the land.
- the degree to which the significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites are present on the land
- In granting remissions under this part of the policy Council may specify certain conditions before remission will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.
- Council will decide what amount of rates will be remitted on a case-by-case basis subject to a maximum amount of 50% of rates owing per year.

Delegations

Applications for the remission for protection of heritage will be considered by a Committee of Council, acting under delegated authority from Council.

PART 5 – REMISSION FOR ECONOMIC DEVELOPMENT

Objectives of the Policy

- To promote employment and economic development within the city by offering rates relief to:
 - assist new businesses to become established in the city, or
 - assist existing businesses in the city to expand and grow.

This policy is one of a number of initiatives for businesses that Council has in place to assist in achieving the outcomes in its Economic Development Strategy.

Conditions and Criteria

This part of the policy applies to commercial and/or industrial development that involves the construction, erection or alteration of any building or buildings, fixed plant and machinery, or other works intended to be used for industrial, commercial or administrative purposes. Residential developments will not qualify for remission under this part of the Remission Policy.

- In considering applications for remission under this part of the policy Council will have regard to the extent applications meet all or some of the following guidelines:
 - The extent to which the business is of strategic importance for the future economic development of the city.
 - The number of new employment opportunities the development will create. Generally a new development would be expected to create at least 50 new jobs, or an existing business increase its staff by over 50%.
 - The extent to which developments of the particular type or types are likely to be in competition with existing businesses. Generally a new business will be required to demonstrate that there is little or no competition with existing businesses, or that there is unfulfilled demand in the market for the type of business. New or rare types of business, or businesses using new technology not currently used in the city, are likely to be more favourably considered for relief.
 - The amount of new capital investment the development will bring into the city. The amount of new investment should be not less than \$1,000,000. Consideration will be given to the extent that the new development would increase the rating base.
 - The business should demonstrate a long-term commitment to remain and operate in the city. Property ownership or a long-term lease of property may be accepted as a proof of commitment.
 - The business activity protects or retains cultural aspects of the city, e.g. maintains and protects a heritage building.
 - The business adds new and/or visually attractive infrastructure/ buildings to the city.
 - The business has minimal impact on the environment in terms of air, water or soil.
- Applications must be made in writing and must be supported by:
 - a description of the development
 - a plan of the development (where possible),
 - an estimate of costs,
 - an estimate of the likely number of jobs created by the development,
 - an environmental impact report (if applicable).
- Where the applicant is not the owner or the ratepayer of the property, the applicant must provide written proof of support from the property owner. If the applicant is a lessee then the lease expiry date should be stated, as well as any rights of renewal etc.
- In considering applications Council may decide to seek independent verification of any information provided on an application.
- In considering applications, Council will examine the likelihood that the development would proceed regardless of whether or not any remission is approved.
- Council will decide what amount of rates will be remitted on a case-by-case basis, having regard to the criteria listed above. Remissions granted will generally be not less than 50%, and may be up to a maximum of 100% of rates levied by the Hutt City Council, and for a maximum remission period of three years from the commencement of the development.
- For the purposes of this part of the policy, a project will be viewed as having commenced when a resource consent is issued.
- In granting remissions under this part of the policy Council may specify certain conditions before remission will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.

Delegations

Applications for a remission of rates for economic development will be decided by a Committee of Council, acting under delegated authority.

PART 6 – REMISSION FOR RESIDENTIAL LAND IN COMMERCIAL OR IN INDUSTRIAL AREAS

Objective

To ensure that owners of residential rating units situated in commercial or industrial areas are not unduly penalised by the zoning decisions of this Council and previous local authorities.

Conditions and Criteria

To qualify for remission under this part of the policy the rating unit must:

- be situated within an area of land that has been zoned for commercial or industrial use. Ratepayers can determine the zoning of their property by inspecting the District Plan, copies of which are available at Council offices.
- be listed as a 'residential' property for differential rating purposes. Ratepayers wishing to ascertain whether their property is treated as a residential property may inspect Council's rating information database at Council offices.

Those ratepayers wishing to claim remission under this part of the policy must make an application on the prescribed form (available from Council offices).

The application for rates remission must be made to Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.

If an application is approved Council will direct its valuation service provider to inspect the rating unit and prepare a valuation that will treat the rating unit as if it were a comparable rating unit elsewhere in the district. The ratepayer may be asked to contribute to the cost of this valuation. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal for values done in this way.

The amount of remission granted under this part of the policy will be limited to the difference between the rates charged on the original value, and the rates chargeable on the valuation of the rating unit as a house in a residential area.

Delegations

Applications for remission under this part of the policy will be determined by officers of Council, acting under delegated authority from Council as specified in the delegations resolution.

PART 7 – REMISSION OF WASTEWATER CHARGES TO SCHOOLS

Objective

To provide relief and assistance to educational establishments as defined in the Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001 in paying charges for wastewater services.

Conditions and Criteria

1. This part of the policy will apply only to educational establishments as defined in the Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001.
2. The policy does not apply to any school house, or any part of a school used for residential purposes.
3. The wastewater charge to any educational establishment in any one year will be the lesser of either:
 - a. The amount of the targeted rate for wastewater, calculated based on the actual number of toilet pans in the establishment or;
 - b. The amount of the targeted rate for wastewater calculated based on a notional number of toilet pans in the establishment, determined according to the following formula:
 - Based on the establishment's water consumption for the previous financial year, each 200 cubic metres of water used, or part thereof, shall count as one toilet pan.
4. Where the charge made is based on the notional number of toilet pans, the amount of the remission allowed will amount to the difference between the calculations set out in 3.a and 3.b above.



*Fees &
Charges*

A decorative white swoosh graphic that starts from the left and curves upwards and to the right, ending under the word 'Charges'. It is set against a solid yellow background.



Fees and Charges

FEES AND CHARGES FOR 2003/2004

Council's fees and charges for 2003/2004 are either the result of the Revenue and Financing Policy or are transitional steps towards achieving the required targets as specified in the Revenue and Financing Policy (see pages 146 to 180).

The Revenue and Financing Policy analyses each significant activity and sets the proportion of costs to be met from fees and charges. Individual fees and charges are based on estimated levels of use for each activity.

Council reserves the right to vary fees and charges for goods and services or amenities provided by Council under Section 12 of the Local Government Act 2002 (other fees maybe prescribed by by-law).

This year Council has made changes to fees and charges for the provision of animal control, cemeteries, environmental approvals, libraries, landfills and official information.

All fees and charges include Goods and Services Tax.

All fees and charges include Goods and Services Tax.

ANIMAL CONTROL

2002/2003

2003/2004

Dog

• not neutered and not registered in time	\$90.00	\$110.00
• not neutered	\$72.00	\$80.00
• neutered and not registered in time	\$90.00	\$110.00
• neutered dog	\$62.00	\$70.00
• responsible owner not registered in time	\$90.00	\$110.00
• responsible owner status	\$44.00	\$50.00
Replacement registration tag	\$2.00	\$5.00
Euthanasia at dog owner's request	\$20.00	\$30.00
Licence fee for keeping more than two dogs	\$10.00	\$30.00

Infringement fees set in the Dog Control Act 1996 apply.

Impounding and Sustenance Fees

First impounding during year of registration	\$70.00	\$70.00
Second impounding during year of registration	\$140.00	\$140.00
Sustenance fee per dog per day	\$12.00	\$12.00

CEMETERIES

Plot Purchase and Maintenance In Perpetuity

Adult	\$1,099.00	\$1,126.00
Child (1 to 12 years)	\$267.00	\$274.00
Infant (under 1 year)	\$186.00	\$191.00
Ashes	\$347.00	\$356.00
Ashes entrance garden, Block 17	\$678.00	\$696.00
Memorial tree plots, Block 18	\$454.00	\$466.00
Ponga trail, Block 19	\$544.00	\$558.00
Monumental plots, Block 16	\$1,598.00	\$1,640.00

	2002/2003	2003/2004
Interment Fees		
Adult	\$472.00	\$613.00
Child (1 to 12 years)	\$368.00	\$354.00
Infant (under 1 year)	\$71.00	\$71.00
Ashes	\$54.00	\$83.00
RSA Section		
Burial plot purchase	No charge	No charge
Burial interment fee	\$472.00	\$613.00
Ashes plot purchase	No charge	No charge
Ashes interment fee	\$54.00	\$83.00
Ashes interment (memorial wall)	\$54.00	\$83.00
Disinterments		
Burial (to top level of top casket only)	\$526.00	\$566.00
Burial (lower than top of top casket)	Actual cost	Actual cost
Ashes	\$152.00	\$162.00
Reinterments		
To be charged as for interment fees		
Special Fees and Charges		
Outside district fees – all interments and disinterments	\$389.00	\$399.00
Casket larger than standard	\$132.00	\$135.00
Triple depth burial interment	\$132.00	\$135.00
Outside standard burial hours	Actual cost	Actual cost
Plaque/Memorial fees	\$21.00	\$59.00
Plot cancellation fee	\$37.00	\$38.00
Breaking of concrete	Actual cost	Actual cost
Search fee: Per entry (up to 30 minutes)	\$8.00	\$8.00
ENCROACHMENT ON HUTT CITY COUNCIL LAND		
Single garage		\$112.50 per annum
Double garage		\$225.00 per annum
Boatshed		\$250.00 per annum

Note: these are indicative figures only and actual charges may differ depending on the nature of the encroachment.

ENGINEERING RECORDS 2003/2004

Print size	Plan Printer	Transparency Plan Printer	HP Design Jet Plotter	Aerial Photography Printer 1995 set	2003 set and GIS Hardcopy*
A0					\$30.00
A1	\$8.00	\$5.00	\$8.00	\$8.00	\$20.00
A2	\$4.00	\$3.00	\$6.00	\$4.00	\$10.00
A3	\$2.00	—	\$4.00	—	\$7.00
A4					\$5.00

* Hardcopy maps of aerial photography with GIS boundary overlay. These orders will be supplied as soon as possible.

ENVIRONMENTAL APPROVALS

2002/2003

2003/2004

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

\$1,675.00

No hearing required

\$1,300.00

\$1,300.00

Non-notified Resource Consent

\$270.00

\$300.00

Discretionary Activity

Hearing required

\$1,675.00

\$1,675.00

No hearing required

\$1,300.00

\$1,300.00

Non-notified Resource Consent

\$270.00

\$300.00

Notified Controlled Activity

Hearing required

\$1,675.00

\$1,675.00

No hearing required

\$1,300.00

\$1,300.00

Non-notified Resource Consent

\$270.00

\$300.00

Review by consent authority

\$112.50

\$112.50

Any special inspections (per hour)

\$75.00

\$75.00

Outline plans

\$112.50

\$112.50

Subdivisions (including Title/Cross Lease)

	2002/2003	2003/2004
Certificate under section 223 – Resource Consent	\$270.00	\$270.00 plus \$50 per lot over 4
Certificate under section 224(c)	\$150.00	\$150.00
Rights of way	\$203.00	\$203.00
Certificate of Compliance		
Resource Management Act	\$270.00	\$300.00
Planning certificate under Sale of Liquor Act 1989, and in relation to motor vehicle dealers	\$112.50	\$112.50
Discharge of Withdrawal of Registerable Agreement		
Legal costs plus officer’s time at (per hour)	\$75.00	\$75.00
Removal of Building Lines (plus disbursements)	\$112.50	\$112.50
Adjustment of Easements		
Legal costs plus officer’s time at (per hour)	\$75.00	\$75.00
BUILDING CONSENTS		
Amendments to Building Consent Applications	\$23.00	\$50.00
Application for waiver or modification of Building Code fee plus actual cost of any professional advice sought by Council		\$150.00
Issue of Building Consent to Building Certifier	\$50.00	\$120.00

Value of Work

	P.I.M.	B.C	Total Cost P.I.M and B.C.
Minor works: building, hot water cylinders, free-standing, inbuilt fires	\$20.00	\$70.00	\$90.00
Under \$2,000	\$50.80	\$118.65	\$169.45
\$2,001 – \$5,000	\$82.88	\$210.60	\$293.48
\$5,001 – \$10,000	\$85.88	\$289.60	\$375.50
\$10,001 – \$20,000	\$120.77	\$457.80	\$578.55
\$20,001 – \$50,000	\$179.56	\$607.20	\$786.75
\$50,001 – \$100,000	\$295.00	\$977.00	\$1,272.00

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	P.I.M.	B.C	Total Cost P.I.M and B.C.
\$100,001 – \$200,000	\$382.00	\$1,054.00	\$1,436.00
\$200,001 – \$300,000	\$415.00	\$1,415.00	\$1,830.00
\$300,001 – \$400,000	\$480.00	\$1,745.00	\$2,225.00
\$400,001 – \$500,000	\$545.00	\$2,105.00	\$2,650.00
\$500,001 – \$600,000	\$610.00	\$2,485.00	\$3,095.00
\$600,001 – \$700,000	\$675.00	\$2,815.00	\$3,490.00
\$700,001 – \$800,000	\$755.00	\$3,375.00	\$4,130.00
\$800,001 – \$900,000	\$805.00	\$3,675.00	\$4,480.00
\$900,001 – \$1,000,000	\$870.00	\$4,005.00	\$4,875.00
\$1 million above total	\$4,875.00 + \$420 per \$200,000		
Acceptance fee for producer statements \$50.00			

Plumbing Inspections

Value of Work

Under \$10,000 (per inspection)

Over \$10,000 (per inspection)

Record Searches

Search of records up to 15 minutes

Search of records over 15 minutes

Land Information Memoranda (LIM)

Residential property LIM

Commercial property LIM (deposit)*

*Additional fees may apply if more than two hours is required for commercial property LIMs.

2002/2003

2003/2004

Under \$10,000 (per inspection)	\$40.00	\$40.00
Over \$10,000 (per inspection)	\$70.00	\$70.00
Search of records up to 15 minutes	\$10.00	\$10.00
Search of records over 15 minutes	\$20.00	\$20.00
Residential property LIM	\$146.25	\$270.00
Commercial property LIM (deposit)*	\$146.25	\$270.00

Environmental Health Approval

Premises meeting the required standard by 1 July 1995 are eligible for a discount provided re-registration is applied for by 20 August.

Transfer/minimum fee

Non-complying inspection fee

Fee

Discount

Transfer/minimum fee	\$50.00	\$80.00
Non-complying inspection fee	\$50.00	\$80.00

Food Premises (Revised fee structure for 2003/2004)	Fee	Discount Fee	A Grade
<i>Class One:</i> Fruiterers, Pre-packaged only (low risk, pre-packaged)	\$262.50	\$175.00	\$140.00
<i>Class Two:</i> Dairies, Service Stations (small premises – ready made foods, some ice-cream/pre-wrapped pies), Clubs (medium)	\$307.50	\$205.00	\$164.00
<i>Class Three:</i> Clubs (large), Rest Homes (<25), Service Stations (large), Minimarts, Canteens (small).	\$375.00	\$250.00	\$200.00
<i>Class Four:</i> Takeaways, Eating Houses (<40), Meat and Fish, Delicatessens, Canteens (large), Caterers (small), Bakeries, Wholesalers (small), Rest Homes (25-50), Supermarkets (medium).	\$442.50	\$295.00	\$236.00
<i>Class Five:</i> Eating Houses (>40), Caterers (large), Wholesalers (large), Rest Homes (>50), Supermarkets (large).	\$742.50	\$495.00	\$395.00
Travelling Shops – Food	\$225.00	\$150.00	N/A
Food Stalls – Food	\$225.00	\$150.00	N/A
Clubs/Canteens (small) – type 16 – no food preparation	\$105.00	\$70.00	\$56.00
Other Licences			
Food Stalls – no food	\$172.50	\$115.00	N/A
Travelling Shop – no food	\$115.00	N/A	N/A
Hairdresser	\$225.00	\$150.00	N/A
Camping Ground	\$375.00	\$250.00	N/A
Hawker	\$50.00	N/A	N/A
Amusement Device	\$80.00	N/A	N/A
Mortuary	\$262.50	\$175.00	N/A
Offensive Trade	\$315.00	\$210.00	N/A
Video Parlour	\$55.00	N/A	N/A
Additional Charges			
One off Food Stall	\$20.00		
New Premises – Establishment fee	\$100.00		
Transfer Licence fee	\$50.00		
Additional Inspections fee	\$50.00 per visit		
Food Safety Audits	\$90.00 per hour (expenses additional)		
Street Musician's Licence	\$20.00		
Rural Fire Permits	\$20.00		

Noise Control

Seizure Fine (stereo equipment)	\$120.00 and \$1per day after the 1st month of storage
Security alarms – daytime attendances	\$80.00
Security alarms – after hours attendances	\$150.00
Consultancy and survey fee	\$100.00 per hour

ENVIRONMENTAL POLICY

Requests for Change to District Plan (deposit)	\$1,000.00
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All work undertaken by 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 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
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All work undertaken by Council's officers in connection with the requirement shall be charged at \$75.00 per hour against the deposit. If the proposed charge is notified publicly, advertising charges will be actual costs payable by the applicant. All information requested by Council shall be supplied at the Requiring Authority's cost. Any hearing shall be charged against the deposit at \$1,000.00 per day or part day plus the officer's time at \$75.00 per hour.

Operative District Plan

Complete set	\$250.00
Text Volume	\$125.00
Map Volume	\$125.00

HALLS

Community rates of charges for hall hire are set out below.
The commercial rates are set at the community rate, plus 50%.

Town Hall and Horticultural Hall

Monday to Friday

	Main Hall	Supper Room	Kitchen & Supper Room	Main Hall & Kitchen	All Facilities
Morning 8 am – 12 noon	\$120.00	\$30.00	\$60.00	\$160.00	\$180.00
Lunchtime 12 noon – 2 pm	\$60.00	\$25.00	\$40.00	\$85.00	\$110.00
Afternoon 2 pm – 6 pm	\$120.00	\$30.00	\$60.00	\$160.00	\$180.00
Evening 6 pm – 11 pm	\$135.00	\$40.00	\$90.00	\$180.00	\$215.00
Morning and afternoon 8 am – 6 pm	\$205.00	\$60.00	\$120.00	\$265.00	\$320.00
Afternoon and evening 2 pm – 11 pm	\$205.00	\$60.00	\$120.00	\$265.00	\$320.00
All day and evening 8 am – 11 pm	\$265.00	\$90.00	\$180.00	\$360.00	\$445.00

After 11 pm the rate is \$60.00 per hour.

Note: The Town Hall supper room and kitchen are not available for public hire during normal working hours.

Weekends and Public Holidays

	Main Hall	Supper Room	Kitchen & Supper Room	Main Hall & Kitchen	All Facilities
Morning 8 am – 12 noon	\$170.00	\$50.00	\$85.00	\$205.00	\$250.00
Lunchtime 12 noon – 2 pm	\$85.00	\$35.00	\$70.00	\$120.00	\$145.00
Afternoon 2 pm – 6 pm	\$170.00	\$50.00	\$85.00	\$205.00	\$250.00
Evening 6 pm – 11 pm	\$190.00	\$70.00	\$130.00	\$250.00	\$310.00
Morning and afternoon 8 am – 6 pm	\$290.00	\$85.00	\$170.00	\$370.00	\$455.00
Afternoon and evening 2 pm – 11 pm	\$290.00	\$85.00	\$170.00	\$370.00	\$455.00
All day and evening 8 am – 11 pm	\$370.00	\$130.00	\$250.00	\$490.00	\$610.00

After 11 pm the rate is \$85.00 per hour.

Little Theatre

	All Facilities Monday to Friday	All Facilities Weekends and Public Holidays
Morning 8 am – 1 pm	\$100.00	\$145.00
Afternoon 1 pm – 6 pm	\$100.00	\$145.00
Evening 6 pm – 11 pm	\$100.00	\$145.00
Two sessions in one day	\$160.00	\$220.00
Three sessions in one day	\$240.00	\$325.00
After 11 pm the rate is \$50.00 per hour.		

Moera, Eastbourne and Wainuiomata Community Halls

Monday to Friday	Main Hall	Supper Room	Kitchen & Supper Room	Main Hall & Kitchen	All Facilities
Morning 8 am – 1 pm	\$50.00	\$20.00	\$35.00	\$65.00	\$85.00
Afternoon 1 pm – 6 pm	\$50.00	\$20.00	\$35.00	\$65.00	\$85.00
Evening 6 pm – 11 pm	\$50.00	\$20.00	\$35.00	\$65.00	\$85.00
Two sessions in one day	\$80.00	\$30.00	\$55.00	\$110.00	\$130.00
Three sessions in one day	\$115.00	\$35.00	\$65.00	\$145.00	\$180.00
After 11 pm the rate is \$35 per hour.					
Weekends and Public Holidays	Main Hall	Supper Room	Kitchen & Supper Room	Main Hall & Kitchen	All Facilities
Morning 8 am – 1 pm	\$65.00	\$25.00	\$50.00	\$90.00	\$115.00
Afternoon 1 pm – 6 pm	\$65.00	\$25.00	\$50.00	\$90.00	\$115.00
Evening 6 pm – 11 pm	\$65.00	\$25.00	\$50.00	\$90.00	\$115.00
Two sessions in one day	\$115.00	\$35.00	\$70.00	\$150.00	\$185.00
Three sessions in one day	\$155.00	\$50.00	\$90.00	\$205.00	\$250.00
After 11 pm the rate is \$35 per hour.					

LANDFILLS

Domestic Vehicles (cash only)

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

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.

Light Trade Vehicles (<2.5T gross)

As for Domestic Vehicles

Heavy Trade Vehicles (>2.5T gross) (per tonne)

Minimum Charge

General refuse	\$55.00	\$27.50
Special burials	\$70.00	\$35.00
Hazardous Wastes		

By negotiation, refer to 'Hutt City Council Landfill - Waste Disposal Guide'

Car Bodies

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

Tyres

Disposal of more than 4 tyres (per tonne) regardless of vehicle type	\$200.00	\$100.00
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Refuse Bags

Plastic bags – packet of 10		\$10.00
Plastic bags – packet of 50		\$48.00

LIBRARIES

Reserves (non-urgent) per request
Interloans (non-urgent) per request
Interloans (urgent)
Lost items
Rental Collections

Overdue charges

Borrower's card replacement (per card)

2002/2003

\$1.00

\$10.00

\$0.20

\$2.00

2003/2004

\$1.00

\$10.00

At cost

Original cost

Vary according to format
to a maximum of \$10 per item

Vary according to format
from \$0.20 to \$2.00 per
day to a maximum of

\$10.00 per item

\$2.00

OFFICIAL INFORMATION

Schedule Of Charges For The Provision Of Information Under the Local Government
Official Information And Meetings Act 1987 (The 'Act')

(a) If the request is made by an identifiable natural person seeking access to any
personal information about that person then such requests are subject to the
Privacy Act 1993 and these charges do not apply.

(b) If the aggregate amount of staff time spent in actioning a request exceeds one
hour then the basis of charging (except for the issue of Land Information
Memoranda under section 44A of the Act) is as follows:

- an initial charge for the first chargeable half hour or part thereof of
- then for each additional half hour or part thereof

\$38.00

\$38.00

Actioning the request includes search and retrieval of information, provision of
manuscripts and the supervision of access.

(c) 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

(d) All other charges incurred shall be fixed at an amount that recovers the actual
costs involved. This will include:

- producing a document by the use of a computer or other like equipment
- reproducing a photograph, film, video or audio recording

- arranging for the applicant to hear or view an audio or visual recording
 - providing a copy of any map, plan or other document larger than A4 or foolscap size
 - retrieval of information off-site
 - any situation in which a direct charge is incurred by the Council in providing the information.
 - where repeated requests are made from the same source in respect of a common subject in any eight-week period, requests after the first will be aggregated for charging purposes.
- (e) A charge may be modified or waived at the discretion of a General Manager or the General Legal Counsel where payment might cause the applicant financial hardship, or where remission or reduction of the charge would facilitate good relations with the public, or assist the Section, Group or organisation in its work.
- (f) The charge may not include any allowance for:
- information that is not where it ought to be
 - time spent deciding whether or not access should be allowed and in what form (note that the actual physical editing of protected information is chargeable).
- (g) In accordance with section 13(4) of the Act, charges shall be paid in advance of receipt of information. Work on a request where the charge is likely to exceed \$76 may be suspended unless a deposit is paid.

PARKING

Meters (Monday to Saturday)

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 (Monday to Friday)

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

Riverbank carpark (Monday to Friday)	
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 (Monday to Friday)

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 ticket	\$40.00
Overstay where the excess time is:	
Not more than 30 minutes	\$12.00
More than 30 minutes but no more than 1 hour	\$15.00
More than 1 hour but no more than 2 hours	\$21.00
More than 2 hours but no more than 4 hours	\$31.00
More than 4 hours but no more than 6 hours	\$42.00
More than 6 hours	\$57.00

Miscellaneous

Construction loading zones	Site specific
Meter hoods (per day)	\$10.00

RECYCLING

Replacement recycling containers	\$10
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ROADING

Subdivision Inspection And Approval Charges

Boundary adjustment \$132.30

Additional lots: 3.43% of total construction cost for one new lot reducing by 0.07% for each additional lot to 0.7% for 40 or more additional lots

Motor Crossing Charges

	Standard Fee	Admin. /Inspection
Concrete dished crossing/m ²	\$65.00	\$72.00
Extensions to existing concrete crossings/m ²	\$65.00	\$72.00
Installation of concrete dished crossing in conjunction with road reconstruction work/m ²	\$32.50	\$72.00
Concrete block crossing	Actual Cost	\$72.00
Pipe crossing	Actual Cost	\$72.00
'Slot' type crossing/m ²	\$65.00	\$72.00
Deposit for privately installed crossing (\$200 refunded upon satisfactory completion of crossing)	\$272.00	

Trench Inspection Fees

Proposals, administration and monitoring on time basis:

Engineer (per hour) \$61.88

Inspector (per hour) \$48.09

SPORTS FIELDS

Season Charges

Set to recover the percentage of operating cost identified below plus the full operating cost of ancillary services:

Recovery Rates Percentage	Level 1	Level 2	Level 3	Children	Training/ Winter
Sports	30	20	10	5	5
Cricket/Croquet	25	15	10	5	N/A

One-off Or Single Day Hire

Charged at 10% of the season charge per game or where the game lasts three hours or longer, 15% of the season charge per day.

Special Charges

Events and commercial operators	By quotation
Picnic bookings (30 or more persons)	\$30.00
Filming per hour	\$100.00
Marquees for picnics/promotions	\$100.00
Hire of rooms, social facilities, training fields etc.	By quotation

Note: Bookings for the season will take priority over casual bookings

STORMWATER

Stormwater connection fee	\$25.00
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SWIMMING POOLS

Indoor Pools (Huia, Naenae, Stokes Valley)

Adult	\$3.50
Child	\$2.00
Over 60s	\$2.00
Spectator (non-supervising adult)	\$1.00
Family pass (2 adults/4 children)	\$7.50

Concession Tickets

Adult 10 swim concession	\$29.75
Adult 30 swim concession	\$73.50
Child and over 60s 10 swim concession	\$17.00
Child and over 60s 30 swim concession	\$42.00

Pool Hire

Permanent hire per hour (for example, weekly 25 metres) includes all aquatic clubs	\$48.00
Casual hire (25 metres, per hour)	\$75.00
Naenae pool (50 metres, per hour)	\$150.00
Lane charge (per hour)	\$15.00

School groups:

• main pool (per head)	\$0.75
• learners' pool (per head)	\$0.75
Meeting room hire (per hour)	\$20.00

Outdoor Pools (Eastbourne, McKenzie, Wainuiomata)

Adult	\$2.50
Child	\$1.50
Over 60s	\$1.50
Spectators (non-supervising adult)	\$1.00
Family pass (2 adults/4 children)	\$6.00

Concession Tickets

Adult 10 swim concession	\$21.25
Adult 30 swim concession	\$52.50
Child and over 60s 10 swim concession	\$12.75
Child and over 60s 30 swim concession	\$31.50

Pool Hire

Wainuiomata pool (three-hour limit – whole complex)	
Saturday, Sunday evenings 6 – 9 pm	\$220.00
Swimming club hire (per hour)	\$30.00
School groups (per head)	\$0.50
Wainuiomata lounge hire	
• meetings	\$40.00
• socials	\$80.00

WASTEWATER

Sewerage Connection

Sewerage connection fee \$25.00

Trade Waste Consent Fees

Consent fees

Consent + \$200 if conditional consent required:

Class 1: high risk	\$1,200.00	\$1,400.00
Class 2: moderate risk	\$600.00	\$800.00
Class 3: low risk	\$300.00	\$500.00

Note: May also include major fast food businesses

Class 4: minimal risk	\$120.00	N/A
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Note: May include laundries, dry cleaners, restaurants, small wash pads, supermarkets with delicatessens and/or butchery and/or bakery, caterers, canteens

Class 5: minimal risk with low flow	\$50.00	N/A
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Note: May include takeaway food premises, cafes and small restaurants

Trade Waste User Charges

Volume (m³) \$0.1862 per m³

Suspended Solids \$0.4651 per kg

COD (Chemical Oxygen Demand) \$0.1786 per kg

WATER

Water connection fee \$40.00

Fee for use of water by builders on unmetered industrial and commercial sites. \$70.00

Charge for Ordinary Supply Class 2 Water

Minimum charge UAC

Domestic water meter rental \$40.00

Normal users (per cubic metre):

- up to 100,000 cubic metres \$1.17
- in excess of 100,000 cubic metres \$0.86

Water supplied by hydrant:

- per cubic metre \$1.15
- minimum charge \$16.00

Back flow prevention – annual inspection charge \$100.00



Council Controlled
Organisations

A decorative white swoosh graphic that starts under the word 'Organisations' and curves upwards and to the right, ending near the top right corner of the yellow background.

Council Controlled Organisations

COUNCIL-CONTROLLED ORGANISATIONS

In order to achieve its objectives for Hutt City, Council operates several Council-Controlled Organisations (CCOs) and Council-Controlled Trading Organisations (CCTOs). These organisations independently manage facilities, as well as deliver services and undertake developments on behalf of the Hutt City community. The following table explains what the organisations do and how their performance is measured.

ORGANISATION	WHY DOES IT EXIST? (why we own/control it)	WHAT DOES IT DO? (nature and scope of its activities)	WHAT ARE ITS PERFORMANCE MEASURES? (key performance targets)
Caulfold Holdings Limited • (Trading as Seaview Marina)	From 1 April 2003, this company assumed responsibility and ownership of the Seaview Marina. This is the key role of this company.	The principal objective of the company is to own and operate a marina complex known as Seaview Marina as a successful business and provide a public marine recreation amenity.	<ul style="list-style-type: none"> Establish a Strategic Plan and Business Plan by 31 December 2003. Ensure everything complies with financial, building, technical and regulatory standards. Ensure property and asset maintenance is carried out in accordance with Asset Management Plans and to best applicable trade standards and practice.
Hutt Holdings Limited • (Formerly named Centre City Plaza Limited)	This company managed the Centre City Plaza buildings prior to the sale of those properties in July 2002. The company is now effectively an investment manager. Once the company's interests in the plaza are finalised, the company may be retained for future use not yet determined.	The company manages ongoing interests in relation to the plaza development by: <ul style="list-style-type: none"> managing the company's investment in Centre City Plaza (mortgage) satisfying itself that the company's profit share arising from a sale of the Plaza properties by its current owner is effectively pursued. 	<ul style="list-style-type: none"> Monitor reports to ensure the company's interests are preserved/maximised.
Wellington Water Management Limited	This CCTO was established on 9 July 2003 to manage the provision of water services to Council and Wellington City Council.	Objectives will be set out in the Statement of Intent for this CCTO.	Performance measures will be set out in the Statement of Intent and other key company documentation for this CCTO.

COUNCIL-CONTROLLED ORGANISATIONS

ORGANISATION	WHY DOES IT EXIST? (why we own/control it)	WHAT DOES IT DO? (nature and scope of its activities)	WHAT ARE ITS PERFORMANCE MEASURES? (key performance targets)
<p>Wellington Regional Economic Development Trust (operating name Positively Wellington Business ('PWB'))</p>	<p>Council has an economic development strategy that includes encouraging economic activity and cooperation on a 'greater Wellington' or regional basis. PWB is a jointly held CCO (trading as Positively Wellington Business 'PWB') with Wellington, Porirua and Upper Hutt City Councils, which was established to ensure there is opportunity for cooperation with Government, the private sector and Iwi, and with the ability for other territorial local authorities to participate in specific programmes and projects.</p>	<p>It facilitates, promotes and fosters development of a dynamic and innovative economy in the Wellington region for the benefit of the people of the Wellington region by:</p> <ul style="list-style-type: none"> • encouraging and assisting in the establishment, retention and development of sustainable, new and existing businesses • promoting new investments • developing viable employment opportunities • marketing business opportunities • working with local, regional and central government and other providers of services within the Wellington region. 	<ul style="list-style-type: none"> • Work within approved budget and Business Plan • Work within and report on the approved Strategic Plan and Statement of Intent • Other key performance measures identified are: <ul style="list-style-type: none"> - Number of new jobs established in the region - Wellington region's share of national GDP - Number of companies investing, reinvesting or locating in the Wellington region - Growth in number of people employed in the region with business cluster groups relative to national growth figures - Number and value of collaborative international contract bids won by cluster members - Wellington region recognised as Innovative with Entrepreneurship culture.

COUNCIL-CONTROLLED ORGANISATIONS

ORGANISATION	WHY DOES IT EXIST? (why we own/control it)	WHAT DOES IT DO? (nature and scope of its activities)	WHAT ARE ITS PERFORMANCE MEASURES? (key performance targets)
Minoh House Friendship Trust ^	<p>It sponsors and supports development of cultural awareness to advance good relationships between the people of the greater Wellington region and their Japanese sister cities Minoh City, Nishio City and Sakai City.</p> <p>It has a charitable purpose and is for the benefit of the community.</p> <p>This CCO is jointly 'controlled' through direct and indirect appointments by Council and Porirua and Wellington City Councils.</p>	<p>It administers and manages the property, funds, and affairs of the trust.</p>	<ul style="list-style-type: none"> • Prepare and adopt an Annual Plan which sets out the Trust's intended significant policies and objectives, the nature and scope of significant activities.

•For more information on these organisations, see their Statements of Intent, which are available after 1 July each year on www.huttcity.info under 'Public Notices'.

^This organisation is caught within the meaning of 'Council-Controlled Organisation' under the Local Government Act 2002. Council may consider exempting this organisation under section 7[3].

Appendices

DEFINITIONS

These definitions are intended to define terms used in this Community Plan in plain English. For legal definitions see the Local Government Act 2002.

Asset

Something of value that Council owns on behalf of the people of Hutt City, such as roads, drains, parks and buildings.

Asset Management Plan

A long term plan for managing an asset to ensure that its capacity to provide a service is kept up and costs over the life of the asset are kept to a minimum.

Appropriation/Appropriated

Money that has been set aside from, or brought into, an operating or revenue account.

Capital Expenditure

Expenditure that will increase the value of Council's assets.

Capital Value

Value of land including any improvements.

Community Boards

Local elected bodies set up under the Local Government Act. Community Boards are consulted by Council and can represent community concerns to Council (see also Ward Committees). Hutt City Council has three Community Boards: Eastbourne, Petone and Wainuiomata.

Community Outcome

An outcome for the community that is identified as a priority.

Council Controlled Organisations (CCOs)

Organisations which independently manage facilities and deliver services and undertake developments on behalf of the Hutt City community. Where necessary, Council funds the organisations.

Employee Costs

Expenditure on staff. This includes wages, salaries and related taxes, training and recruitment costs. Remuneration of elected and appointed representatives is also included under this heading.

Financial Year

Council's Financial Year runs from 1 July to 30 June of the following year.

Land Value

Value of land, excluding any improvements.

Local Government Act 2002

The key legislation that defines the powers and responsibilities of local authorities like Hutt City.

Long Term Council Community Plan or Community Plan

A plan that describes the activities of the local authority, the community outcomes and long term focus for the decisions and activities of the local authority.

Forecast Financial Statement

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

Maintenance Costs

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

Mana Whenua

People with the mana of the land.

Operating Expenditure

Expenditure for the normal services of Council.

Operating Projects

Significant projects that do not result in the creation of Council assets.

Performance Measure

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

Rates

Funds collected by Council from levies on property. These are based on the capital value of the property but the term is often used to include Uniform Annual General Charges and Targeted Rates also.

Te Taura Here o te Te Awakairangi

The Hutt Valley branch of Runanganui o Taura Here ki te Whanganui a Tara which represents 23 tribal groups in the greater Wellington region.

Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui

A representative Maori Council made up from local tangata whenua and representing the eight Taranaki tribes within the Wellington region.

Significance

Degree of importance of the issue, proposal, decision or matter as assessed by the local authority in terms of its likely consequences for the current and future social, economic, environmental, or cultural well-being of the community.

Significant Activities

This plan lists 18 separate significant activities including Managing Services.

Supplier Costs

Expenditure for the purchase of general goods and services.

Support Costs

The internal allocation of expenditure incorporated in significant activity 18, 'Managing Services'.

Taonga

A highly prized resource.

Te Atiawa

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

Targeted Rates

Any rate levied other than the general rate, which is targeted at users of a service such as water supply, wastewater and the Jackson Street Programme.

User Charges

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

Ward Committees

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

Wellington Tenth Trust Te Atiawa

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

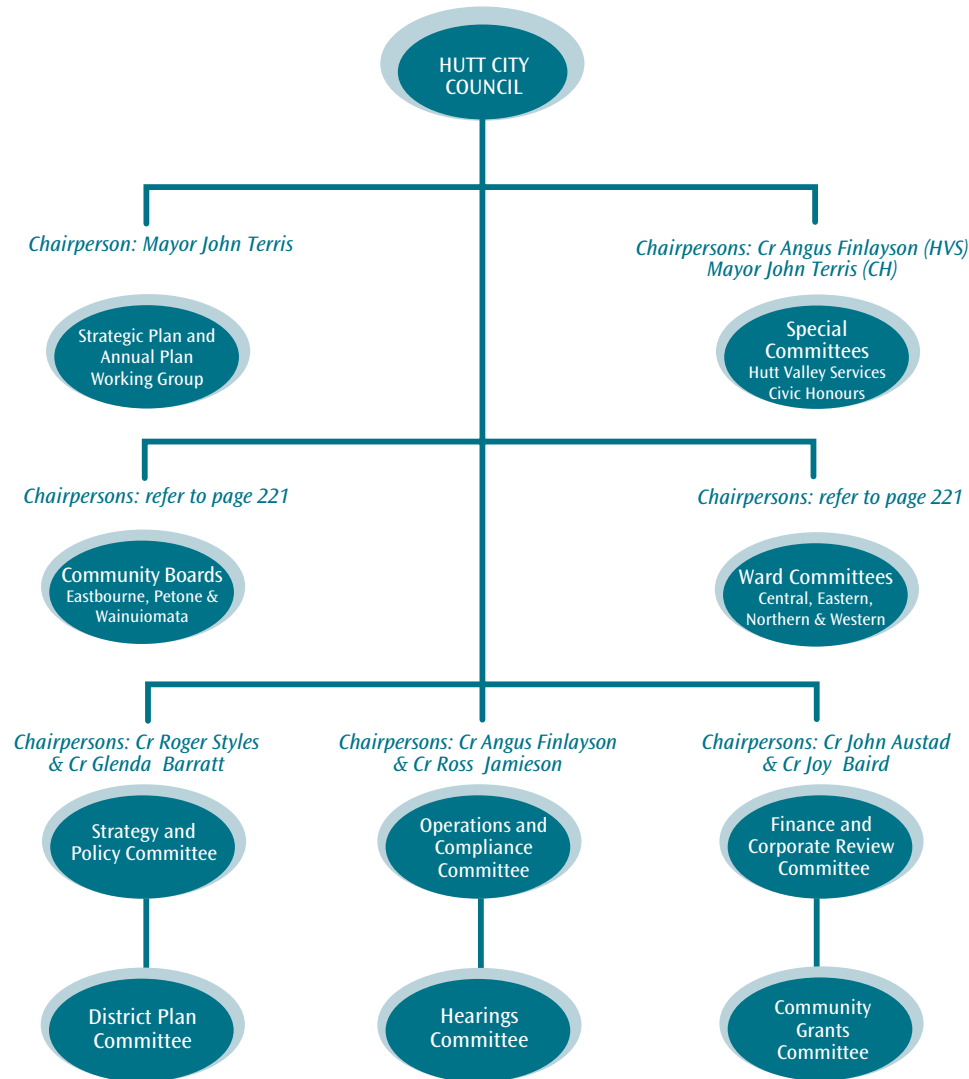
Statistical Information

HUTT CITY – A SUMMARY PROFILE

	Percentage change from 1996	
Land area (hectares)	37,998	
2001 Population by Ward (NZ Census 2001)		
Northern	14,805	1.1
Eastern	16,476	0.0
Western	11,913	2.3
Central	18,150	-0.3
Wainuiomata	17,058	-3.9
Harbour	17,070	-0.2
TOTAL POPULATION 2001	95,475	-0.4
2001 Households by Ward (NZ Census 2001)		
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
TOTAL HOUSEHOLDS 2001	34,659	1.7

TOTAL COUNCIL ASSETS (30 June 2003)	\$787,940,000
Area of parks and reserves	5,000 hectares
Number of swimming pools	6
Number of libraries	8
Length of roads	475 km
Length of footpaths	588 km
Number of streetlights	10,650
Length of wastewater pipes	655 km
Length of stormwater pipes	478 km
Length of water pipes	655 km
Rating system	Capital
Rateable properties	37,256
Average rates per residential ratepayer	1,306
Capital value of Hutt City	\$8,416,683,650

Political Structure



Mayor and Councillors

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



John Terris

Mayor QSO (CV)

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Councillor Julie Englebretsen (H)

Northern Ward

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Councillor Ray Wallace JP (I)

Deputy Mayor, Wainuiomata Ward

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Harbour Ward

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Councillor John Austad (CV)

Central Ward

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Councillor Angus Finlayson JP (CV)

Northern Ward

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Councillor Glenda Barratt (CV)

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Councillor Roger Styles (CV)

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Councillor Ross Jamieson JP (I)

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Councillor Margaret Cousins JP (I)

Western Ward

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Councillor Julie Sylvester (CV)

Wainuiomata Ward

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Community Board and Ward Committee Members

Eastbourne Community Board

Mr Geoff Mann (Chair)
Mr Roger Lawrence (Deputy Chair)
Ms Maureen Burgess
Mr Simon Shaw
Mr Peter Willis
Cr Joy Baird

Telephone

568 5573
568 5118
589 1834
562 8772
562 8460
568 3225

Eastern Ward Committee

Mrs Jan Paterson (Chair)
Miss Sally Fergus
Mr Gerry Pallo
Mr Richard Small
Mr Harry Wishaw
Cr Glenda Barratt

Telephone

299 1941
566 2902
938 1534
566 0315
973 4991
567 8816

Petone Community Board

Ms Maureen Burgess (Chair)
Mr Murray Smith (Deputy Chair)
Mr Gerald Davidson
Mr Warwick Johnston
Miss Moana Mackey
Mrs Sandra Wilson
Cr Ross Jamieson

Telephone

589 1834
568 3431
938 3723
568 5936
973 6034
589 1509
562 7231

Northern Ward Committee

Mr Fred Allen (Chair)
Mr Athol Greentree
Ms Shayne McIntyre
Mrs Sylvia Stevenson
Mrs Audrey Misipeka
Cr Joy Baird

Telephone

934 0559
934 6720
563 8512
567 3268
567 4471
568 3225

Wainuiomata Community Board

Mrs Tracey Pollard (Chair)
Mr Reg Moore (Deputy Chair)
Mr Randall Day
Mr Tony Leatham
Cr Julie Sylvester
Cr Ray Wallace

Telephone

564 3021
971 6872
972 9996
564 4755
564 3968
970 5337

Western Ward Committee

Mrs Kathryn McGavin (Chair)
Mrs Jacinth Webster (Deputy Chair)
Mr Francis Chandrahasen
Mr Arthur Drake
Mrs Sherril McNabb
Cr Angus Finlayson

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586 1477
569 1383
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586 1606
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Central Ward Committee

Mr Brian Moylan (Chair)
Mr Bill Werry (Deputy Chair)
Mr John Bishop
Mrs Deborah Hislop
Mr Evan Ng
Cr Ray Wallace

Telephone

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570 1898
970 5337

Executive Management Team



From left to right:

Rik Hart, Chief Executive

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Stuart Duncan, General Manager, Asset Management

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Stephen McArthur, General Manager, Customer Service

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Kirk MacGibbon, Communications Manager

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Executive Management Team



From left to right:

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