

# OUR CITY, OUR COMMUNITY, OUR FUTURE

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TO TĀTOU PĀ,  
TO TĀTOU HĀPORI,  
TO TĀTOU HEKE MAI

2018-2028 Long Term Plan  
including the 2018-19 Annual Plan





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# MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE

Having fantastic playgrounds, lively community hubs, top-notch sports facilities, beautiful gardens, enjoyable walkways, great swimming pools, and safe cycleways is critical to achieving our vision to make Lower Hutt a great place to live.

Across Lower Hutt you can see our commitment to rejuvenating the city and its facilities in action. But, while much has been done, we still have some way to go to achieve our goal.

We need to make sure we maintain the momentum of investing in things that will make Lower Hutt an outstanding city, while keeping rates increases affordable for our community. We're confident this 2018-2028 Long Term Plan strikes that balance.

During the consultation period Council received close to 200 written submissions, with 94 submitters making compelling cases in-person, over the two days of public hearings.

Council is adopting the Living Wage for staff from 1 July 2018, meaning all Council staff will shift to a minimum wage of \$20.55 per hour.

Our investment in infrastructure, urban growth, leisure and well-being and environmental sustainability continues to be a major focus for this Council. Our commitment to rejuvenation will see the building of community hubs in Naenae and Wainuiomata, similar to those already built in Taita and Stokes Valley. There is also a continued commitment to the Riverlink Project, which will see the CBD re-positioned to face Te Awakairangi/the Hutt River and the creation of a river-front promenade featuring cafes, shops and apartments.

Changes to three rating policies have been made - the Hutt City Development Contribution and Rates Remission Policy, which has been successful in stimulating development activity in the city, will finish at the end of 2018; eligible sports and community groups have had their general rates reduced by 50%; and over 65s will have an option to postpone the payment of their rates, subject to conditions and criteria.

A number of other projects were also approved:

- An additional \$3.6m to be spent over the next ten years to improve reserves and playgrounds including new improvements for Naenae Park, Naenae community hub (landscaping), Avalon Park (toilets) and for general park and playground maintenance, with \$2m of this to be spent by 2019-20
- \$105,000 in 2018-19 for the development of a strategy to tackle homelessness in Lower Hutt

- \$200,000 to work with other councils in the region to map and identify places, communities and assets threatened by sea level rise, to develop response options and to begin engagement with Lower Hutt communities on the threat of climate change
- \$104,200 in 2018-19 to upgrade the city's existing 150 parking meters to 'pay by plate' technology, which will eliminate the current paper ticketing. This upfront cost will be offset by savings of \$30,600 per annum
- Bringing forward \$2m of existing budget for a facility for Hutt Valley GymSports at Fraser Park from 2023-24 to 2019-20
- Council is working with consultants on solutions that would see the existing Petone Wharf have another 15 years of life with an additional commitment of \$8m for refurbishment of Petone Wharf in 2033-34.

The average rates increase for Lower Hutt this year is 1.5%, with Council receiving a further 1% rates revenue from growth due to new builds and property investment.

We remain committed to striking a balance between keeping rates reasonable and investing in rejuvenation where it's needed.

Thank you for your support as we work towards a more vibrant, inclusive and prosperous city over the next ten years.



*Ray Wallace*

Ray Wallace  
MAYOR



*Tony Stallinger*

Tony Stallinger  
CHIEF EXECUTIVE

# CONSULTATION RESULTS

In 2012 we presented a vision for our city – to be a great place to live, work and play. In order for this to happen the community and Council agreed a big investment was needed to promote the growth, development and rejuvenation of our city. Over the years we have consulted on the significant projects to rejuvenate our city. To date the feedback we have received through our consultations, citizens’ panel and quarterly resident satisfaction surveys suggest we are on the right track and should keep going. With this in mind we had less to ask for the 2018-2028 Long Term Plan consultation.

We know our city is changing and that people may have different views on the projects we have planned. We checked in again with the community to confirm there was ongoing support for our rejuvenation journey as our significant topic of consultation. We also consulted on a proposed new policy and significant changes to two existing policies.

This year we focussed on engaging with those that we don’t often hear from – our youth, ethnic minorities and those living with a disability. We also wanted to encourage online participation, given its social and environmental advantages. This commitment resulted in a change to not only our consultation approach but also the language, tone and imagery used throughout the consultation.

Consultation ran from 3 April to 3 May 2018. The Consultation Document was available on our website and hard copies of the Consultation Document were available by request, and from all libraries, community hubs, the main Council administration building, other Council facilities (museums, galleries, pools etc) and at public information events. A computer and wifi were available at Council facilities so submitters could participate in the consultation online, with staff available to assist if required.

We received nearly 200 submissions, with over 50 per cent of these received online, compared to 18 per cent the previous year. Amongst those who provided demographic information about themselves, our submitters were younger and more ethnically diverse than in previous years.

In addition to the public consultation process, we commissioned Public Voice to complete an independent survey asking the same questions using an online citizens’ panel. The results from the public consultation and citizens’ panel along with Council’s final decision are provided.

## Q1. Do you think we should continue to rejuvenate our city?

	LTP CONSULTATION (N=110)	INDEPENDENT SURVEY (N=510)
Option 1: (Our preferred option): Complete our planned sportsville and community hub projects	53%	57%
Option 2: Reassess things	44%	38%
Option 3: Don't know	4%	5%

Decision: We will proceed with option 1, to complete our planned sportsville and community hub projects.

## Q2. The Hutt City Development Charges and Rates Remissions Policy has fulfilled its purpose. We are proposing to suspend the policy from 31 December 2018. What do you think we should do?

	LTP CONSULTATION (N=104)	INDEPENDENT SURVEY (N=476)
Option 1: Status Quo, keep the policy as is	21%	28%
Option 2 (Our preferred option): Suspend the policy from	76%	68%
Neither, please provide an alternative option below:	3%	4%

Decision: We will proceed with option 2, to suspend the Hutt City Development Charges and Rates Remissions Policy from 31 December 2018.

## Q3. Do you support the Council introducing a rates postponement scheme for residential ratepayers aged 65 years and over?

	LTP CONSULTATION (N=105)	INDEPENDENT SURVEY (N=467)
Yes (our preferred option)	52%	53%
No	38%	38%
Don't know	10%	9%

**Q4. If you answered yes to question 3, tell us whether you think the draft rates postponement policy, for consultation purposes, best ensures that the total cost of rates postponements is cost neutral to the Council and will be paid only by the applicant ratepayer(s).**

	LTP CONSULTATION (N=62)	INDEPENDENT SURVEY (N=239)
Yes (our preferred option)	84%	97%
No	16%	3%

Decision: We will introduce a rates postponement scheme for residential rate payers aged 65 years and over. We are currently finalising the wording of the policy.

**Q5. Should the Council extend the rates remission policy to include all charitable organisations, which are used exclusively or principally for sporting, recreation or community purposes, regardless of whether they hold a liquor licence or not?**

	LTP CONSULTATION (N=105)	INDEPENDENT SURVEY (N=453)
Yes (our preferred option)	61%	67%
No	31%	26%
Don't know	8%	6%

**Q6. Tell us whether you think Council should maintain the rates remission at the rate of 50% of the general rate or should this be increased to 100% of the general rate?**

	LTP CONSULTATION (N=104)	INDEPENDENT SURVEY (N=450)
50% general rate	40%	55%
100% general rate (preferred plan)	42%	38%
Neither, please provide an alternative option below	17%	8%

Decision: All eligible sports and community group will have their general rates reduced by 50%.

**Q7. If you have any other feedback on any of the projects, strategies or policies covered in this document or supporting information please us about it below.**

Submitters and survey respondents commented on a range of things including the need to control or reduce rates and expenditure, prioritise development projects, as well as providing feedback on Petone wharf, transport, housing and sportsvilles.

**Q8. What do you think are the key issues the Council should focus on over the next 10 years?**

Submitters and survey respondents commented on a range of things including infrastructure maintenance and resilience, housing, transport, the environment, sustainability, business and employment, and development projects.

# OUR VISION FOR HUTT CITY

## MAKING OUR CITY A GREAT PLACE TO LIVE, WORK AND PLAY

### WHAT

We want Hutt City to be a great place to live, work and play. That is, a city that our people are proud to live in, where working and investing here is a smart choice, and where there's always something for our families to explore.

### WHY

Our vision document recognises the distinctive communities that make up Hutt City and outlines the needs and opportunities in each area. We aim to build on our great foundations and create a wonderful city that is attractive for residents, visitors and businesses.

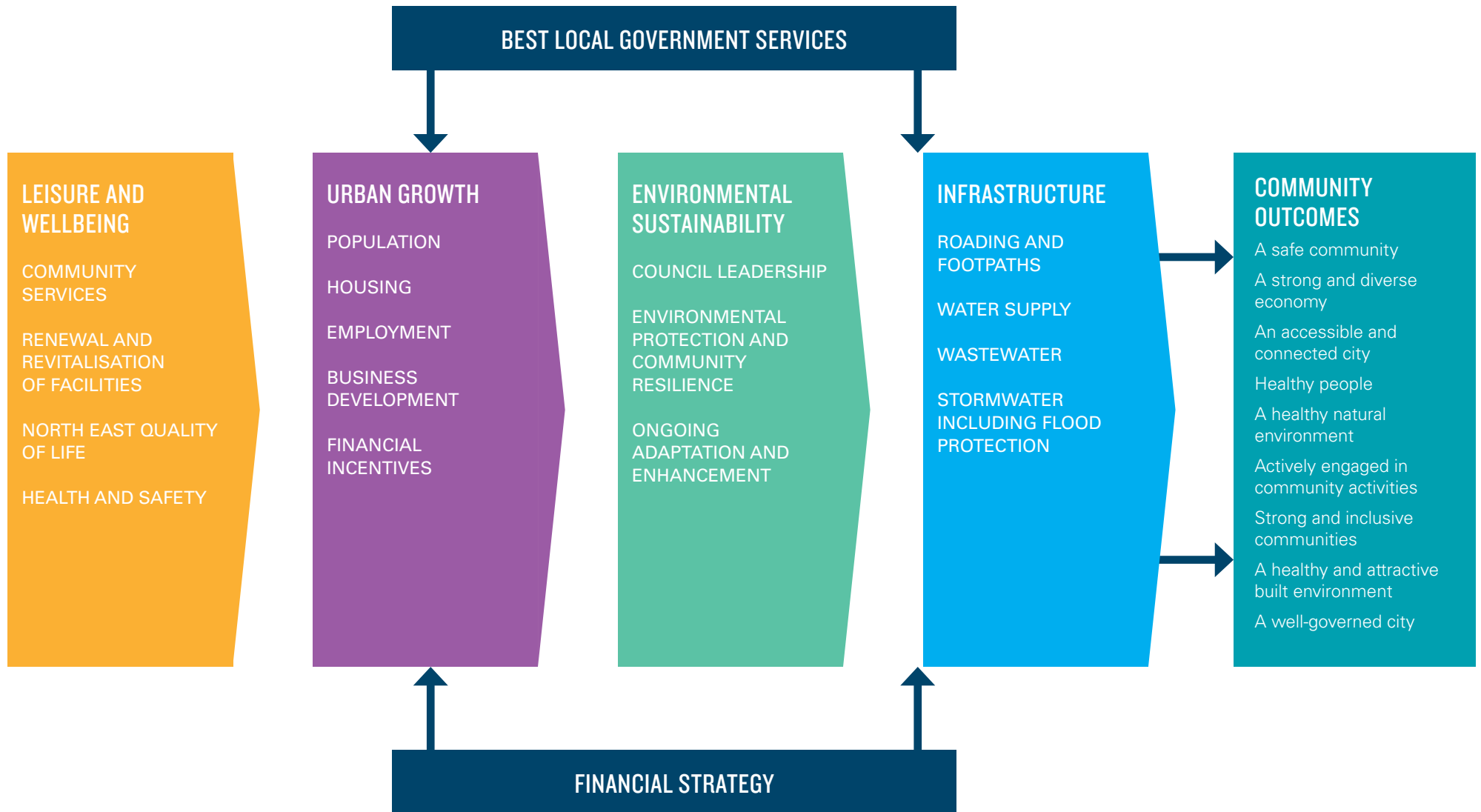
### HOW

Four key strategies have been developed to help us achieve our Vision:

- The Leisure and Wellbeing Strategy 2012-2032.
- The Urban Growth Strategy 2012-2032.
- The Environmental Sustainability Strategy 2015-2045.
- The Infrastructure Strategy 2018-2048.



# KEY STRATEGIES AND SIGNIFICANT ACTIVITIES





# LEISURE AND WELLBEING





## OUR STRATEGY TO 2032

### WHAT

The Leisure and Wellbeing Strategy is our long-term approach to improving the cultural, physical and educational wellbeing of our residents. Building skills from a young age has been highlighted as a priority and will be fundamental to achieving this strategy's goals.

### WHY

The Census 2013 results indicated that the city will be getting older and that our ethnic population will increase over time. By investing in building and improving our recreation and community facilities we will be adding to Hutt City's quality of life and providing a more attractive environment.

### WHAT WE'VE ALREADY ACHIEVED

- Opened two community hubs, the Walter Nash Centre in Taita and the Koraunui Stokes Valley Community Hub. Plans are underway for two more hubs in Naenae and Wainuiomata.
- Completed the upgrade of Avalon Park Playground providing a world class outdoor facility that families from across the region come to enjoy.
- Opened a second computer clubhouse in Taita. The clubhouses offer a safe, free, creative technology space for young people to explore their ideas, develop new skills and build confidence through the use of technology.
- Redeveloped Huia Pool+Fitness which offers an expanded range of facilities including hydrotherapy, making it accessible to more people.
- Completed Walter Mildenhall Park which offers the only indoor bowls facility of its kind along with open bowling greens, petanque, pistes, new clubrooms and community meeting rooms.
- Refurbished Petone Settlers Museum, providing a place to learn about the rich history of Petone.
- Helped young people get jobs or training pathways through the YOUth Inspire Mayor's Taskforce programme.
- Begun planning a second Sportsville located in Wainuiomata.

## STRATEGIC OBJECTIVES

### OUTCOME 1:

Deliver the best core local government public services in New Zealand in the areas of libraries, museums, community hubs, aquatics, physical recreation, and community relationships and projects.

#### Targets 2018-2028

- Council is in the top five per cent when benchmarked against similar councils.
- Innovative programmes and services developed by council staff are adopted by other organisations.
- Customer satisfaction, perception of safety and staff engagement results trend upwards.
- Cost per ratepayer for key services are equal to or less than current.
- Target four million visitors by 2028 – across all services.
- Revenue generated meets or exceeds revenue targets.

### OUTCOME 2:

Deliver world-class community facilities and places

#### Targets 2018-2028

- Integrated delivery models will be business as usual.
- New community hubs will be fully operational in Naenae and Wainuiomata.
- Fraser Park Sportsville will be completed and operating as a significant city, regional and national sport and recreation hub.
- Major new cycling and walking networks will be built and we will see significant increases in active transport.

### OUTCOME 3:

Empower brighter futures for those most in need – especially our tamariki and rangatahi living in our high deprivation communities.

### Targets 2018-2028

- By 2028, more of today's (2018) tamariki will have brighter futures.
- By 2028, we will see fewer residents living in high deprivation.
- By 2028, Hutt City's key health statistics have improved.
- By 2028, Hutt City Council will be partnering with Government and Iwi delivering better social outcomes.

### CONTRIBUTION TO GROWTH AND DEVELOPMENT

Leisure and Wellbeing activities also contribute to the Council's Urban Growth Strategy through:

- promoting a healthy and safe environment
- the Mayor's Taskforce for Jobs that helps school leavers to gain employment
- facilitating free educational programmes for adults and children
- preservation and enhancement of green spaces
- exhibitions of national and international significance that attract visitors to the city.

### CONTRIBUTION TO ENVIRONMENTAL SUSTAINABILITY

Leisure and Wellbeing activities also contribute to the Council's Environmental Sustainability Strategy through:

- refurbishments, upgrades and new community facilities completed using green materials and processes
- protection and enhancement of species and habitat
- accessibility and efficient land use through smart spatial planning
- energy efficiencies across activities
- consolidation of sports clubs into one facility through the Sportsville model
- provision of facilities in close proximity to public transport, and facilities that encourage walking and cycling.

### CONTRIBUTION TO INFRASTRUCTURE

Leisure and Wellbeing activities also contribute to the following priority areas identified in the Council's Infrastructure Strategy:

- infrastructure as an enabler of all community services
- connections from leisure and recreational facilities to roading, footpath and cycleway networks.

### OPERATIONAL OBJECTIVES

Leisure and Wellbeing activities are responsible for developing and delivering services through the city's community, cultural and leisure facilities, supporting the local community through safety initiatives, partnerships and funding, and promoting the health, safety and wellbeing of residents and visitors.

The following activities currently fall under Leisure and Wellbeing:

- Integrated Community Services incorporating libraries, museums, aquatics and recreation and community hubs, relationships and projects.
- Parks and Reserves.
- Community Facilities Development.

Leisure and Wellbeing activities play a broad role in meeting the current and future needs of our communities for good quality local infrastructure, local public services and performance of regulatory functions.

These activities contribute mainly to the following high level goals for the city's wellbeing, also referred to as 'community outcomes':

- **A safe community** – we live in a safe city, free from crime and injury. Our city is prepared for emergencies.
- **A strong and diverse economy** – all members of our community benefit from a strong economy, and we attract increasing numbers of visitors.
- **An accessible and connected city** – members of our community are connected to the digital world.
- **Healthy people** – we live healthy lives, and our city's services help to protect our health and our environment.



- **A healthy natural environment** – we value and protect the natural environment and promote a sustainable city. Resources are used efficiently and there is minimal waste and pollution.
- **Actively engaged in community activities** – members of our community participate in arts, cultural, sports and other recreational and leisure activities; the city provides for and encourages participation in these activities.
- **Strong and inclusive communities** – people feel a sense of belonging and are included in the community; our city is built on strong communities that value diversity and support newcomers.
- **A healthy and attractive built environment** – our built environment enhances our quality of life. Our city is vibrant, attractive, healthy and well-designed. We promote development that is sustainable, and that values and protects our built heritage and the natural environment.

A number of operational policies and plans reflect how these activities work towards Council's strategic objectives related to leisure and wellbeing.

- **Long Term Integrated Facilities Plan** – our community facilities are becoming increasingly old and tired and are no longer fit for purpose. This Plan supports the rejuvenation of these facilities through a series of integrated hubs that combine civic, social and sporting facilities into more user friendly centres.
- **Children and Young People's Plan** – today's children and young people will be important drivers of growth and development in the future. This Plan guides our commitment and approach to youth development that encourages participation, supports quality relationships and is shaped by the 'bigger' picture.
- **Safe Hutt Valley Strategy** – this Strategy focusses on a group of priority areas that target crime prevention. By promoting and facilitating safety initiatives across the city we can decrease incidences and create positive relationships within the community.
- **Gambling Policy** – this Policy has been developed to manage and control the growth of gaming machines in the community, particularly in lower decile areas.
- **Arts and Culture Policy** – prior to writing this policy, a number of workshops were held within the community to gauge public ambitions for arts and culture in Hutt City. This policy highlights these ambitions and introduces an action plan to achieve them.
- **Heritage Policy** – our identity is intrinsically linked to heritage, history and culture and is something that needs to be recognised citywide. There are a number of heritage

buildings protected under the District Plan and we take particular care to ensure they are well maintained.

- **Community Engagement Strategy** – community engagement is one of the most important responsibilities we have as a local government agency. We must ensure that our methods of engagement are wide reaching and encourage the public to participate in the decision-making process.
- **Urban Forest Plan** – this Plan recognises our tree assets across the city and discusses the values associated with our urban forests. We want a thriving and flourishing future and this can be enhanced by well-managed urban forests.
- **Reserves Strategic Directions** – this Strategy establishes six key directions for the management and development of Council's reserves network. The Strategy is currently under review.
- **Walk and Cycle the Hutt Plan 2014-2019** – our plan to promote greater levels of walking and cycling within the Hutt. This will have a number of benefits including improved health and wellbeing for residents, reduced congestion, vehicle emissions and operating costs.
- **Waste Management and Minimisation Plan 2017-2023** – a regional joint plan outlining Councils' commitment to work together to promote efficient waste management and minimisation. It outlines the strategy for the region, a regional action plan, individual council action plans, and supporting information.

For every activity we have provided a description of what we do, why we do it, the effects of that activity on community wellbeing, the services we provide, how we measure the success of our services, the major projects we have planned for the period 1 July 2018 to 30 June 2028, the income expected for the year to 30 June 2028, and a Funding Impact Statement for each group.

# INTEGRATED COMMUNITY SERVICES

The City and Community Services Group continues to undergo significant change as it responds to the changing needs of our communities as well as Council priorities. Community development efforts are now more integrated and increasingly more community services are being run out of community hubs, including core council services such as libraries, recreation and other services. The Group is also increasingly exploring opportunities for externally funded contracts that are aligned to Council's vision and priorities. For this reason the libraries, museums, aquatics and recreation, and community safety and connections activities have been combined into a new Integrated Community Services Activity.

## WHAT WE DO

We provide:

- eight libraries across the city, which run as a single city-wide service. Libraries are located in the Lower Hutt CBD, Moera, Naenae, Taita, Stokes Valley, Eastbourne, Petone and Wainuiomata. Petone Community Library provides a focus for heritage collections and services
- two museums, the Dowse Art Museum and the Petone Settlers Museum, which are open to the public at no charge with the exception of special exhibitions
- six swimming pools, nine community halls and three community gyms
- a range of community based recreational programmes and events designed to remove barriers to participation and encourage residents to engage in recreational activities
- two integrated community hubs or facilities that provide core community and other council services. The hubs are focused on providing communities with opportunities for social and leisure activities, practical help and advice, and contributing to growing social capital.

## WHY WE DO IT

Our libraries and museums enable all citizens to access information, knowledge, arts and cultural facilities that support and enrich individuals and the community. People's lives are positively affected by participation in recreation, sport and fitness. We provide these high quality services at a low user cost so the whole community is able to access them. Our libraries, museums, aquatic and recreation facilities and community hubs act as a focal point for the community. They enhance cultural life, diversity, wellbeing and promote civic pride

and community values. Contributing to stronger communities means the city as a whole will achieve better social and economic outcomes and be more resilient in the future.

## EFFECTS ON COMMUNITY WELLBEING

Our integrated community services promote cultural, physical and social wellbeing. They contribute to the majority of community outcomes including strong and inclusive communities, an accessible and connected city, healthy people, actively engaged in community activities, and a strong and diverse economy. They do this by increasing opportunities for people to access information, arts and culture, recreational and sporting activities, celebrating diversity, strengthening partnerships with tangata whenua and providing hubs for people to meet. Looking at the potential for negative effects associated with this activity, it provides a place where people congregate and are vulnerable to the risks associated with any public space. The pool and recreational areas and programmes offered could potentially expose participants to the risk of injuring themselves. These risks are mitigated through the presence of trained staff.

## THE SERVICES WE PROVIDE

- Our libraries are part of the SMART public and tertiary library collaboration. The SMART global catalogue includes more than 500,000 library items in 24 libraries across the Wellington region that participating libraries customers can access.
- The Dowse Art Museum has a collection of more than 3,000 artworks with a strong focus on decorative arts. It also has a busy events calendar including musical performances, artists' talks and creative workshops. The Petone Settlers Museum offers insight into the migration and settlement of people in our region. It includes exhibitions and an online passenger database recording vessels and voyages to Wellington from the United Kingdom, Australia and parts of Europe between 1839 and 1897.
- Swimming pools are provided in the Lower Hutt CBD, Naenae, Stokes Valley, Eastbourne, Petone and Wainuiomata with gyms located in Lower Hutt CBD, Naenae and Stokes Valley. A wide range of activities and classes are on offer. Recreation programmes include school holiday and senior programmes.
- The Walter Nash Centre in Taita and Koranui Stokes Valley Community Hub provide core community and other council services under one roof.



## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
<b>LIBRARIES</b>					
Percentage of residents who have used library services during the year	81%	72% <sup>1</sup>	≥ 80% of those expressing an opinion	≥ 72% of those expressing an opinion	Key Research
Residents' satisfaction with library services	98%	96% <sup>1</sup>	≥ 97% of those expressing an opinion	≥ 96% of those expressing an opinion	Key Research
Number of physical visits per year	1,204,830	1,415,759 <sup>2</sup>	Over 1,200,000	Over 1,000,000	Monthly management reports
Number of visits via the internet per year	579,543 Libraries Online visits 162,182 pay sessions on Connect	507,974 Libraries Online visits 176,620 pay sessions on Connect	600,000 Libraries Online visits 110,000 pay sessions on Connect	500,000 Libraries Online visits 110,000 pay sessions on Connect	Monthly management reports
Library stock turnover Note: a number greater than or equal to the national mean shows that our library stock turnover is at least equal to or better than is achieved nationally	5.17 (national mean 3.51 average annual circulation per item)	4.18 (national mean 3.36 average annual circulation per item)	≥ national mean	≥ national mean	New Zealand Library Statistics
Library programmes and events delivered to participants	New measure for 2017-18	New measure for 2017-18	Programmes and events delivered to ≥ 40,000 participants	Programmes and events delivered to ≥ 40,000 participants	Management reports
<b>MUSEUMS</b>					
Number of museum visits per year	226,946 (Dowse: 218,847, Petone Settlers: 8,099)	225,693 (Dowse 210,402; Petone Settlers 15,291)	≥ 215,000	≥ 215,000	Monthly management reports
Residents' satisfaction with the Dowse Art Museum	95%	87% <sup>1</sup>	> 93% of those expressing an opinion	≥ 87%	Key Research
Residents' satisfaction with the Petone Settlers Museum	97%	89% <sup>1</sup>	> 93% of those expressing an opinion	≥ 89%	Key Research
Public education programmes delivered that meet the needs and expectations of community and school groups					
Public education programmes delivered	11,168 participants	10, 159 <sup>3</sup> participants	Public education programme delivered to 6,600 participants	5,500 participants <sup>3</sup>	Management Reports and Participant Evaluation Forms
Satisfaction with public education programmes	100% satisfaction	97% satisfaction	≥ 90% satisfaction	≥ 90% satisfaction	
<b>AQUATICS AND RECREATION</b>					
Residents' satisfaction with pools	97%	93% <sup>1</sup>	≥ 93% of those expressing an opinion	92% of those expressing an opinion	Key Research
Number of swimming pool visits per year	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	900,000	Management reports
POOLS SAFE accreditation for swimming pool operation, including quality standards for health and safety, water quality, supervision, pool building and operation, signage and other standards	Accreditation maintained	Accreditation maintained	Accreditation maintained	Accreditation maintained	Annual NZRA External Audit
Cost per visit to Council of aquatic services provided	\$3.72	\$5.00 <sup>2</sup>	≤ \$4.73	\$5.00	Management Reports

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
<b>COMMUNITY HUBS, RELATIONSHIPS AND PROJECTS</b>					
Residents' perceptions of Hutt City in terms of their sense of safety:	84.5% overall	78.8% overall <sup>1</sup>	≥ 81% overall of those expressing an opinion	≥ 79% overall of those expressing an opinion	Key Research
<ul style="list-style-type: none"> <li>• in their local neighbourhood during the day</li> <li>• in their local neighbourhood after dark</li> <li>• in the Lower Hutt city centre during the day</li> <li>• in the Lower Hutt city centre after dark</li> </ul>	96% during the day 82% after dark 97% during the day 63% after dark	92% during the day 77% after dark 95% during the day 58% after dark			Key Research
Community organisations' satisfaction with the availability and quality of our funding service	96.88% A total of 31 responses were received. Quality of funding process overall – 22 very satisfied, 9 fairly satisfied and 1 not very satisfied	95.16% A total of 62 responses were received. Quality of funding process overall – 34 very satisfied, 25 fairly satisfied and 3 not very satisfied	≥ 90% of those expressing an opinion	≥ 90% of those expressing an opinion	Measured by Survey of Community Organisations
Walter Nash Centre	New measure for 2016-17	96% <sup>1,4</sup>	User satisfaction with Walter Nash Centre facilities ≥ 90%	User satisfaction with Walter Nash Centre facilities ≥ 90%	Key Research
Community Hubs	New measure for 2016-17	771,000	Number of visits per year 2017-18 ≥ 450,000	Number of visits per year ≥ 750,000	Annual Management Report
	New measure for 2016-17	5 significant events	Three or more significant events held 2017-18	Three or more significant events held each year	Annual Management Report
	New measure for 2017-18	New measure for 2017-18	User satisfaction with Stokes Valley Community Hub facilities 2017-18 ≥ 90%	User satisfaction with Stokes Valley Community Hub facilities ≥ 90%	Key Research
Planning completed for the Naenae Hub	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	By June 30 2019	Annual Management Report

Notes:

1. Resident satisfaction survey results are not comparable to the previous year or target due to a different research provider and methodology. Refer to section on 'Customer Research' later in this document.
2. Physical visits to Stokes Valley Library not counted from 16 September 2016.
3. Contract with Ministry of Education re-negotiated in January 2017. Target participation reduced to 5,500.
4. Satisfaction results are based on residents rather than users of the Walter Nash Centre.



LEISURE AND  
WELLBEING

MAJOR PROJECTS PLANNED: INTEGRATED COMMUNITY SERVICES

	LONG TERM PLAN 2018-19 \$000	FORECAST 2019-20 \$000	FORECAST 2020-21 \$000	FORECAST 2021-22 \$000	FORECAST 2022-23 \$000	FORECAST 2023-24 \$000	FORECAST 2024-25 \$000	FORECAST 2025-26 \$000	FORECAST 2026-27 \$000	FORECAST 2027-28 \$000	FORECAST 2028-29 \$000	FORECAST 2029-30 \$000	FORECAST 2030-31 \$000	FORECAST 2031-32 \$000	FORECAST 2032-33 \$000	FORECAST 2033-34 \$000	FORECAST 2034-35 \$000	FORECAST 2035-36 \$000	FORECAST 2036-37 \$000	FORECAST 2037-38 \$000
<b>Capital To Improve Level Of Service</b>																				
Community Halls Improvements	390	100	200	100	100	100	50	50	50	50	100	50	50	100	125	80	55	160	68	68
Community Hubs - Building Improvements	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	11	11	11
Clubhouse Equipment Replacement	35																			
Community Houses	50			70				50			50			50			50			
Community Panel Projects	457		457			457			457			457			457			457		
Dowse Collection Storage Upgrade				1,000											200					
Dowse Entrance Upgrade	142																			
Dowse New Artworks	43	44	45	45	45	50	60	70	140	70	110	80	150	160	170	100				
Dowse New Roof							220										200			
Eastbourne Library/Community Hub Building Improvements											1,000									
Huia Pool Boiler Replacement, Hydro/LTS Pool																				150
Huia Pool Coloursteel Cladding Replacement, Hydro/LTS																				500
Huia Pool Fitness Suite Equipment Replacement			150					150			150				150					150
Huia Pool Hydro Liner Replacement										250										
Huia Pool Replace Roof Membranes	250																		400	400
Huia Pool Sand for Filtration Replacement																				100
Libraries Buildings Improvements	77	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	97	97
Little Theatre Improvements	117		25		25					90					150				22	22
Little Theatre Sound and Lighting Improvements	115							60					30		150				30	30
Naenae Fitness Suite Equipment Replacement						150							150				180			
Naenae Pool Major Refurbishment			9,000																	

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.



MAJOR PROJECTS PLANNED: INTEGRATED COMMUNITY SERVICES (CONTINUED)

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
<b>Capital To Improve Level Of Service</b>																					
Nuku Tewhatewha Hardware (Computer)	7																				
Nuku Tewhatewha Refurbishment	34																				
Nuku Tewhatewha Software Licences	45																				
Petone Settlers Museum New Lighting and Furnishings						80									100						
Pools Other Improvement Projects		105		110	109		120	120		120			120	120	150	110			180	180	
RFID Robotic Returns Sorter	62																				
Replacement of Wainuiomata Pool Complex Self Scanning Machines Purchase							400														
Stokes Valley Pool Fitness Suite Equipment Replacement	40			60					40					40							
Stokes Valley Community Hub	25																				
Walter Nash Centre & Fitness Suite Equipment and Fitout		90				90				90									200	200	200
Walter Nash Centre Furniture		50		50		50													150	150	150
Wainuiomata Library New Heating Unit	30																				
<b>Capital Projects To Replace Existing Assets</b>																					
Dowse Carpets and Soft Furnishings Gallery and Office	23	45	65	10	15			60		30		120		60			28				
Community Hubs - Interior & Exterior Maintenance	5	3	15	5	9	6	3	9	3	15	4	10	4	10	4	4	39	5	5	5	
Community Hubs - Furniture & Equipment Replacements	10	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	9	9	9	
Community Houses Building Maintenance	66	40	50	150	50	50	50	50	150	50	50	50	50	150		50	50	150	78	78	

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.



MAJOR PROJECTS PLANNED: INTEGRATED COMMUNITY SERVICES (CONTINUED)

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital Projects To Replace Existing Assets</b>																				
CBD Community Resource Centre	20		50		30		20			30			30			30			50	50
CCTV Replacement	45						100					40					100			
Dowse Audio Visual Equipment Replacement	22																			
Dowse Building Repair and Repaint	30		120					130				120								
Dowse Dehumidification Upstairs Galleries							40						50							
Dowse Office Furniture and Equipment	15	10	15			40		25		70		60		100						
Dowse Gallery Lighting	15	25	30	10	15	20	40		60		70		90		80					
Dowse Building and Plant Maintenance	86	10	90	60	65		80		60		100		38		100			52		
Dowse Museum Maintenance	650																			
Dowse Ventilation Plant Replacement	82																	50	50	50
Community Halls External and Internal Maintenance	309	180	80	200	100	100	100	100	100	100	100	100	100	100	100	100	100	250	100	100
Huia Pool Coloursteel Roof Replacement	280																	600		
Huia Pool Replace Moveable Floor		50	950																	
Furniture and Equipment Replacement Programme Libraries	67	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	77	77
Libraries Interior and Exterior Maintenance	158	23	135	45	81	54	27	81	27	135	36	90	36	90	36	36	351	45	45	45
Replace Library Shelving	40	10	50	20	20	50	20	20	50	20	20	50	20	20	50	20	20	50	50	50
Libraries Security Maintenance	15	30	30	30	60	30	30	30	60	30	30	30	60	30	30	30	60	30	30	30
Libraries Stock Replacement	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850
Little Theatre Maintenance		20			80			80		200			80			80		25	25	25
Naenae Pool Replace Learners Pool Boiler			35																	
Other Projects	627	492	410	436	398	512	528	480	501	358	245	338	439	450	505	489	681	369	445	445
Petone Library Maintenance				1,500																

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

MAJOR PROJECTS PLANNED: INTEGRATED COMMUNITY SERVICES (CONTINUED)

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital Projects To Replace Existing Assets</b>																				
Petone Settlers Museum Exhibition Furniture and Fittings	5	5	5	5	10	5	5	5	5		60			70		20				
Petone Settlers Museum Building & Plant Maintenance	15					180			38				135				15			
Stokes Valley Hub Maintenance	15	10	10	100	20	20	20	20	150	20	20	20	20	205	30	30	30	30	200	200
Stokes Valley Pool Replace Boiler						50														
Stokes Valley Pool Filter Replacement								350												
Stokes Valley Pool Roof Replacement	400																		600	600
Walter Nash Centre Maintenance	118	60	130	280	130	130	130	150	395	130	130	130	130	260	130	130	130	130	380	380
Walter Nash Centre Indoor Courts Resurface Floor and Seating		25	60	25		25		100		25		25	60	25		25		100		
<b>Operating Projects</b>																				
Community Houses Funding	183	3	3																	
Marae Funding	200	200	200																	
Arts & Culture Funding	40	40	40																	
CAB Funding	87																			
Scholarships	10	10	10																	
Events Funding	20	20	20																	
Youth Infusion	10	10	10																	
Safety Initiatives	334	334	334																	
Nuku Tewhatewha Research	40																			
Regional Grants	33	33	33																	
Tamaiti Whangai Grant	20	20	20																	
Waiwhetu Marae Scholarship	5	5	5																	
Wellington Free Ambulance	100	100	100																	
Mayors Taskforce Jobs For Wainuiomata	70																			
Sportsville	50																			

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.



**MAJOR PROJECTS PLANNED: INTEGRATED COMMUNITY SERVICES (CONTINUED)**

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Operating Projects</b>																				
North East Projects	10	10	10																	
Youth Partnership	13	3	3																	
Hutt Valley Tennis - Mitchell Park	250																			
Sport Wellington Long Term Regional Strategy	15	15	15																	
Community Arts Funding	93	93	93																	
Russell Clark Sculpture Maintenance	135																			
Volunteer Hutt	5	5	5																	
Family Centre	20																			
Kakano Fund	50	70	70																	
Mahia Atu General Fund	120	230	230																	
Mahia Atu Partnership Fund	189	413	413																	

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: INTEGRATED COMMUNITY SERVICES

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	5,190	5,566	5,810	6,042	6,180	6,316	6,461	6,610	6,768	6,937	7,118
Operating subsidies & grants	105	253	120	123	126	128	131	134	138	141	145
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Other revenue	2,022	2,031	1,609	1,645	914	934	955	977	1,001	1,026	1,052
<b>Total revenue</b>	<b>7,317</b>	<b>7,850</b>	<b>7,539</b>	<b>7,810</b>	<b>7,220</b>	<b>7,378</b>	<b>7,547</b>	<b>7,721</b>	<b>7,907</b>	<b>8,104</b>	<b>8,315</b>
<b>EXPENDITURE</b>											
Employee costs	13,209	14,308	14,439	14,852	14,592	14,913	15,255	15,606	15,980	16,380	16,806
Operating costs	9,068	9,810	8,976	9,173	9,234	9,448	9,666	9,890	10,127	10,382	10,652
Support costs/internal charges	4,831	4,160	4,350	4,439	4,509	4,636	4,767	4,837	4,939	5,091	5,224
Interest expenditure	682	733	736	967	1,067	943	1,029	993	918	661	629
Depreciation	3,956	4,588	4,436	4,253	4,681	4,735	4,656	4,640	4,605	4,522	4,555
<b>Total expenditure</b>	<b>31,746</b>	<b>33,599</b>	<b>32,937</b>	<b>33,684</b>	<b>34,083</b>	<b>34,675</b>	<b>35,373</b>	<b>35,966</b>	<b>36,569</b>	<b>37,036</b>	<b>37,866</b>
<b>DEFICIT BEFORE TAX</b>	<b>(24,429)</b>	<b>(25,749)</b>	<b>(25,398)</b>	<b>(25,874)</b>	<b>(26,863)</b>	<b>(27,297)</b>	<b>(27,826)</b>	<b>(28,245)</b>	<b>(28,662)</b>	<b>(28,932)</b>	<b>(29,551)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>6,128</b>	<b>5,891</b>	<b>2,419</b>	<b>13,710</b>	<b>5,599</b>	<b>2,511</b>	<b>3,557</b>	<b>2,949</b>	<b>4,124</b>	<b>3,971</b>	<b>3,359</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(24,429)	(25,749)	(25,398)	(25,874)	(26,863)	(27,297)	(27,826)	(28,245)	(28,662)	(28,932)	(29,551)
Add capital contributions	-	-	-	-	-	-	-	-	-	-	-
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(24,429)</b>	<b>(25,749)</b>	<b>(25,398)</b>	<b>(25,874)</b>	<b>(26,863)</b>	<b>(27,297)</b>	<b>(27,826)</b>	<b>(28,245)</b>	<b>(28,662)</b>	<b>(28,932)</b>	<b>(29,551)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	(3,475)	(1,924)	(448)	(10,348)	(1,582)	(358)	(1,144)	(570)	(1,108)	(989)	(773)
Capital to replace existing assets	(2,653)	(3,967)	(1,971)	(3,362)	(4,017)	(2,153)	(2,413)	(2,379)	(3,016)	(2,982)	(2,586)
Less capital contributions	-	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	3,956	4,588	4,436	4,253	4,681	4,735	4,656	4,640	4,605	4,522	4,555
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>(2,172)</b>	<b>(1,303)</b>	<b>2,017</b>	<b>(9,457)</b>	<b>(918)</b>	<b>2,224</b>	<b>1,099</b>	<b>1,691</b>	<b>481</b>	<b>551</b>	<b>1,196</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(26,601)</b>	<b>(27,052)</b>	<b>(23,381)</b>	<b>(35,331)</b>	<b>(27,781)</b>	<b>(25,073)</b>	<b>(26,727)</b>	<b>(26,554)</b>	<b>(28,181)</b>	<b>(28,381)</b>	<b>(28,355)</b>



## PARKS AND RESERVES

### WHAT WE DO

We provide and maintain active and passive recreational facilities in Hutt City for public enjoyment and wellbeing. With access largely free of charge, our recreation areas are both natural and developed. Most of our work is targeted at maintaining developed areas and retaining bush land in its natural state. 'Parks and Reserves' also includes Council cemeteries.

### WHY WE DO IT

In providing and maintaining parks, reserves, sportsgrounds, street gardens and street trees, we help to create a pleasant environment in which people can live, work and play. Providing and maintaining these areas at high quality and low user cost makes them available to the whole community.

### EFFECTS ON COMMUNITY WELLBEING

The Parks and Reserves activity promotes cultural wellbeing through our Long Term Integrated Facilities Plan, Reserves Strategic Direction, Urban Forest Plan, and CBD Making Places project. It contributes primarily to our community outcomes of healthy people, a healthy natural environment, actively engaged in community activities, and a healthy and attractive built environment. Looking at the potential for negative effects associated with this activity, parks, reserves and sportsgrounds are places where people congregate to play and this could result in noise, vandalism and injury. There could also be impacts on security, privacy and traffic volumes for neighbouring properties. Mitigation measures are in place to address these.

### THE SERVICES WE PROVIDE

We own more than 5,300 hectares and manage around 3,000 hectares of parks, reserves, bush-clad hills, beaches, walkways, tracks, sportsgrounds and playgrounds, and around 12,500 street trees. Our customer service standards cover service quality, availability, cost, courtesy and responsiveness. Our Asset Management Plan outlines our customer service standards for reserves, horticultural parks, sportsgrounds, playgrounds, cemeteries, street trees and wharves.

## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Residents' satisfaction with:					Key Research
• sports grounds	96%	95% <sup>1</sup>	≥ 95% of those expressing an opinion	≥ 95% of those expressing an opinion	
• parks, reserves and gardens	96%	96% <sup>1</sup>	≥ 95% of those expressing an opinion	≥ 95% of those expressing an opinion	
• cemeteries	94%	95% <sup>1</sup>	≥ 90% of those expressing an opinion	≥ 95% of those expressing an opinion	
Sportsfields - % of scheduled sports games that take place	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	90%	Management Reports
Percentage of households that have used or visited parks, reserves or gardens in the previous 12 months	92%	84% <sup>1</sup>	≥ 89%	≥ 85% of those expressing an opinion	Key Research

Notes:

1. Resident satisfaction survey results are not comparable to the previous year or target due to a different research provider and methodology. Refer to section on 'Customer Research' later in this document



LEISURE AND WELLBEING

## MAJOR PROJECTS PLANNED: PARKS AND RESERVES

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital Projects To Improve Level Of Service</b>																				
Avalon Park Development		100		100		100		1,100		100		100		100		100				
Stokes Valley Half Court	150																			
Parks & Gardens Protection Bollards	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
New Cemetery Development, Akatarawa Road							750	750	750											
Car Park Development Fraser Park Reinstatement		250		40		100			100			100			100					
Hardcourt Development Western Hills				50																
Hutt Rec Artificial Turf Replacement									400											
Hutt Rec Sand Carpet Renewal						300														
Honiana Te Puni Redevelopment			250																	
Jubilee Park Drainage				30																
Light Boxes	24	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12		
Meadowbank Reserve Development Belmont				250																
Mountain Bike Park [Funded From Reserve Fund]	80	50	50	50	50	50	50	50	50	50	50	50	50	50	50	30	30	30	30	30
Minoh Friendship House Improvements			60				60				60					60				
Manor Park Cycle Trail	370																			
Memorial Park Synthetic Turf & Changing Rooms					300															
Naenae Hub Ground Works		400																		
New Tracks & Track Upgrades		100					100		100		100		100			100		100	100	100
Percy Reserve SH2 Development	200							100		100		100		100		100				
Petone Wharf															8,000					
Valley Floor Review Implementation	310	200	200	200	200					500	500		500	500	500	500	500	500	500	500
Sportsground Drainage Upgrades	250																			

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.



MAJOR PROJECTS PLANNED: PARKS AND RESERVES (CONTINUED)

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital Projects To Improve Level Of Service</b>																				
Mitchell Park Improvements	250																			
Avalon Park Toilets	350																			
Toilets Upgrade	100		100																	
Wharves Refurbishment	2,500	3,400																		
Wainuiomata Garden Of Remembrance	100				250						250						250			
Wainuiomata Welcome Sign	30																			
Williams Park Improvements				500																
<b>Capital Projects To Replace Existing Assets</b>																				
Avalon Park Pavilion Maintenance				40		90			100		80		50							
Korohiwa Bus Barn Maintenance		80	60	100						40				100						
Avalon Park Lions Train - track replace	50																			
Miscellaneous Rentals Maintenance	40								100				120			50				
Seats & Bins	59	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60
Parks Hard Surfaces Maintenance	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250
Parks Signage & Interpretation	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Playgrounds	305	305	255	255	255	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205
Sportsground Buildings Maintenance	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220
Track Maintenance	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Wharves Maintenance						50	200			50	200			50	200			50	200	200

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: PARKS AND RESERVES

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	1,734	3,049	3,104	1,921	2,123	2,170	2,167	2,174	2,226	2,282	2,341
Operating subsidies & grants	-	6	6	6	6	6	6	6	6	7	7
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>1,734</b>	<b>3,055</b>	<b>3,110</b>	<b>1,927</b>	<b>2,129</b>	<b>2,176</b>	<b>2,173</b>	<b>2,180</b>	<b>2,232</b>	<b>2,289</b>	<b>2,348</b>
<b>EXPENDITURE</b>											
Employee costs	703	793	808	826	844	863	883	903	925	948	972
Operating costs	9,826	9,708	9,902	10,120	10,343	10,572	10,809	11,051	11,317	11,601	11,904
Support costs/internal charges	730	679	690	715	711	728	760	758	773	811	820
Interest expenditure	626	783	919	818	710	705	574	495	368	415	428
Depreciation	2,499	1,978	1,939	1,904	1,875	1,858	1,837	1,817	1,807	1,767	1,769
<b>Total expenditure</b>	<b>14,384</b>	<b>13,941</b>	<b>14,258</b>	<b>14,383</b>	<b>14,483</b>	<b>14,726</b>	<b>14,863</b>	<b>15,024</b>	<b>15,190</b>	<b>15,542</b>	<b>15,893</b>
<b>DEFICIT BEFORE TAX</b>	<b>(12,650)</b>	<b>(10,886)</b>	<b>(11,148)</b>	<b>(12,456)</b>	<b>(12,354)</b>	<b>(12,550)</b>	<b>(12,690)</b>	<b>(12,844)</b>	<b>(12,958)</b>	<b>(13,253)</b>	<b>(13,545)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>8,899</b>	<b>5,703</b>	<b>5,594</b>	<b>1,649</b>	<b>2,367</b>	<b>1,809</b>	<b>1,672</b>	<b>2,247</b>	<b>3,280</b>	<b>2,884</b>	<b>2,027</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(12,650)	(10,886)	(11,148)	(12,456)	(12,354)	(12,550)	(12,690)	(12,844)	(12,958)	(13,253)	(13,545)
Add capital contributions	-	-	-	-	-	-	-	-	-	-	-
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(12,650)</b>	<b>(10,886)</b>	<b>(11,148)</b>	<b>(12,456)</b>	<b>(12,354)</b>	<b>(12,550)</b>	<b>(12,690)</b>	<b>(12,844)</b>	<b>(12,958)</b>	<b>(13,253)</b>	<b>(13,545)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	(7,858)	(4,719)	(4,599)	(706)	(1,318)	(889)	(631)	(1,113)	(2,353)	(1,694)	(941)
Capital to replace existing assets	(1,041)	(984)	(995)	(943)	(1,049)	(920)	(1,041)	(1,134)	(927)	(1,190)	(1,086)
Less capital contributions	-	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	2,499	1,978	1,939	1,904	1,875	1,858	1,837	1,817	1,807	1,767	1,769
Less asset sales	9,600	1,250	510	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>3,200</b>	<b>(2,475)</b>	<b>(3,145)</b>	<b>255</b>	<b>(492)</b>	<b>49</b>	<b>165</b>	<b>(430)</b>	<b>(1,473)</b>	<b>(1,117)</b>	<b>(258)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(9,450)</b>	<b>(13,361)</b>	<b>(14,293)</b>	<b>(12,201)</b>	<b>(12,846)</b>	<b>(12,501)</b>	<b>(12,525)</b>	<b>(13,274)</b>	<b>(14,431)</b>	<b>(14,370)</b>	<b>(13,803)</b>

# COMMUNITY FACILITIES DEVELOPMENT

## WHAT WE DO

Hutt City Council has a Long Term Integrated Facilities Plan which provides a clear guide for Council and community decision-making regarding the future development of community facilities. The Hutt City Community Facilities Trust (CFT) (a Council Controlled Organisation established in August 2012) plays an integral role in assisting Council in implementing this plan.

## WHY WE DO IT

After a stocktake and review of the community facilities in Lower Hutt, Council consulted with the community around the future provisioning of public infrastructure in Lower Hutt. The resulting Integrated Community Facilities Plan endorsed the concept of community hubs and identified the CFT as the prime delivery agent for new community facilities. The key to the hub concept is integration. A community hub gathers in one convenient place the community services that together provide an environment where social, educational, recreational and cultural activities can occur, enhancing connections and relationships among people in the area as a result.

## EFFECTS ON COMMUNITY WELLBEING

This plan will ensure community facilities are catalysts to enhance the wellbeing of communities through physical achievement, creativity and learning, social interaction and community development. We are working on a number of high profile, high value projects that will produce significant community benefit in the short, medium and long term. Looking at the potential for negative effects associated with this activity, temporary disruption may be caused due to construction in areas across the city.

## THE SERVICES WE PROVIDE

We promote, operate, develop and maintain community facilities in Hutt City through management of the interests and rights relating to these facilities. We assist with attracting fundraising, contribute strategic planning in relation to ongoing development, and provide all administration of community facilities in Hutt City.





## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Fraser Park Sportsville User satisfaction with stage 1 Fraser Park facilities	New measure for 2016-17	90%	User satisfaction with stage 1 Fraser Park facilities 2017-18 > 90%	User satisfaction with stage 1 Fraser Park facilities > 90%	Annual Management Report
Stage 2 building work completed	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	Building work completed by December 2018	Annual Management Report
Community Facilities Trust <ul style="list-style-type: none"> <li>Operating and capital expenditure within budget</li> <li>100% of Council accountability requirements met</li> </ul>	Achieved Achieved	Achieved Achieved	Operating and capital expenditure within budget 100% of Council accountability requirements met	Operating and capital expenditure within budget 100% of Council accountability requirements met	Annual Management Report

MAJOR PROJECTS PLANNED: COMMUNITY FACILITIES DEVELOPMENT

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital Projects To Improve Level Of Service</b>																				
Naenae Hub Development	2,000	6,000																		
Naenae Hub Furniture			300																	
Sportsville & Artificial Surface							2,000						2,000							
Wainuiomata Hub									4,300	3,500										
Wainuiomata Hub Furniture										300										
<b>Operating Projects</b>																				
CFT - Operating Grant	350	350	250																	
CFT - Fraser Park Sportsville	1,900																			
CFT - Hutt Valley Gym Sports		2,000																		
CFT - Sportsville Wainuiomata	2,500	2,300																		

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: COMMUNITY FACILITIES DEVELOPMENT

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	-	-	-	-	-	-	-	-	-	-	-
Operating subsidies & grants	-	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	-	-	-	-	-	-	-	-	-	-	-
<b>EXPENDITURE</b>											
Employee costs	-	-	-	-	-	-	-	-	-	-	-
Operating costs	9,908	5,796	5,274	804	768	540	552	565	579	593	609
Support costs/internal charges	-	-	-	-	-	-	-	-	-	-	-
Interest expenditure	442	591	872	847	842	774	586	388	102	92	255
Depreciation	-	-	91	367	374	365	357	350	342	433	424
<b>Total expenditure</b>	<b>10,350</b>	<b>6,387</b>	<b>6,237</b>	<b>2,018</b>	<b>1,984</b>	<b>1,679</b>	<b>1,495</b>	<b>1,303</b>	<b>1,023</b>	<b>1,118</b>	<b>1,288</b>
<b>DEFICIT BEFORE TAX</b>	<b>(10,350)</b>	<b>(6,387)</b>	<b>(6,237)</b>	<b>(2,018)</b>	<b>(1,984)</b>	<b>(1,679)</b>	<b>(1,495)</b>	<b>(1,303)</b>	<b>(1,023)</b>	<b>(1,118)</b>	<b>(1,288)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	-	<b>2,000</b>	<b>6,120</b>	<b>313</b>	-	-	-	-	<b>2,333</b>	-	<b>5,276</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(10,350)	(6,387)	(6,237)	(2,018)	(1,984)	(1,679)	(1,495)	(1,303)	(1,023)	(1,118)	(1,288)
Add capital contributions	-	-	-	-	-	-	-	-	-	-	-
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(10,350)</b>	<b>(6,387)</b>	<b>(6,237)</b>	<b>(2,018)</b>	<b>(1,984)</b>	<b>(1,679)</b>	<b>(1,495)</b>	<b>(1,303)</b>	<b>(1,023)</b>	<b>(1,118)</b>	<b>(1,288)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	-	(2,000)	(6,120)	(313)	-	-	-	-	(2,333)	-	(5,276)
Capital to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Less capital contributions	-	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	-	-	91	367	374	365	357	350	342	433	424
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	-	<b>(2,000)</b>	<b>(6,029)</b>	<b>54</b>	<b>374</b>	<b>365</b>	<b>357</b>	<b>350</b>	<b>(1,991)</b>	<b>433</b>	<b>(4,852)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(10,350)</b>	<b>(8,387)</b>	<b>(12,266)</b>	<b>(1,964)</b>	<b>(1,610)</b>	<b>(1,314)</b>	<b>(1,138)</b>	<b>(953)</b>	<b>(3,014)</b>	<b>(685)</b>	<b>(6,140)</b>

## FUNDING IMPACT STATEMENT FOR THE YEAR ENDING 30 JUNE: LEISURE AND WELLBEING

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	47,429	43,022	42,783	40,348	41,201	41,526	42,011	42,392	42,643	43,303	44,384
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	105	259	126	129	132	134	137	140	144	148	152
Fees and charges	6,924	8,615	8,914	7,963	8,303	8,486	8,628	8,784	8,994	9,219	9,459
Interest & dividends from investments	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2,022	2,031	1,609	1,645	914	934	955	977	1,001	1,026	1,052
<b>Total operating funding (A)</b>	<b>56,480</b>	<b>53,927</b>	<b>53,432</b>	<b>50,085</b>	<b>50,550</b>	<b>51,080</b>	<b>51,731</b>	<b>52,293</b>	<b>52,782</b>	<b>53,696</b>	<b>55,047</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	42,714	40,415	39,399	35,775	35,781	36,336	37,165	38,015	38,928	39,904	40,943
Finance costs	1,750	2,107	2,527	2,632	2,619	2,422	2,189	1,876	1,388	1,168	1,312
Internal charges and overheads applied	5,561	4,839	5,040	5,154	5,220	5,364	5,527	5,595	5,712	5,902	6,044
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>50,025</b>	<b>47,361</b>	<b>46,966</b>	<b>43,561</b>	<b>43,620</b>	<b>44,122</b>	<b>44,881</b>	<b>45,486</b>	<b>46,028</b>	<b>46,974</b>	<b>48,299</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>6,455</b>	<b>6,566</b>	<b>6,466</b>	<b>6,524</b>	<b>6,930</b>	<b>6,958</b>	<b>6,850</b>	<b>6,807</b>	<b>6,754</b>	<b>6,722</b>	<b>6,748</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(1,028)	5,778	7,157	9,148	1,036	(2,638)	(1,621)	(1,611)	2,983	133	3,914
Gross proceeds from sale of assets	9,600	1,250	510	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>8,572</b>	<b>7,028</b>	<b>7,667</b>	<b>9,148</b>	<b>1,036</b>	<b>(2,638)</b>	<b>(1,621)</b>	<b>(1,611)</b>	<b>2,983</b>	<b>133</b>	<b>3,914</b>
<b>Application of capital funding</b>											
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve level of service	11,333	8,643	11,167	11,367	2,900	1,247	1,775	1,683	5,794	2,683	6,990
- to replace existing assets	3,694	4,951	2,966	4,305	5,066	3,073	3,454	3,513	3,943	4,172	3,672
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>15,027</b>	<b>13,594</b>	<b>14,133</b>	<b>15,672</b>	<b>7,966</b>	<b>4,320</b>	<b>5,229</b>	<b>5,196</b>	<b>9,737</b>	<b>6,855</b>	<b>10,662</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(6,455)</b>	<b>(6,566)</b>	<b>(6,466)</b>	<b>(6,524)</b>	<b>(6,930)</b>	<b>(6,958)</b>	<b>(6,850)</b>	<b>(6,807)</b>	<b>(6,754)</b>	<b>(6,722)</b>	<b>(6,748)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# CITY GROWTH







## OUR STRATEGY TO 2032

### WHAT

The Urban Growth Strategy is Council's approach to managing growth and development in Hutt City to 2032. It focusses on how much we want the city to grow, where new homes and businesses will be accommodated, and what will be done to support and encourage this development.

### WHY

The 2013 Census night result showed that Hutt City had grown by only 537 people in the previous seven years. We recognise growth and development is essential if our city and our communities are to prosper in the medium to long term and that Council needs to be proactive to ensure Hutt City gets its fair share of the region's growth. In response to this we developed our Urban Growth Strategy. By promoting building and construction we can help our city grow, through businesses and organisations that operate here, and through appropriate housing for the range of residents that live or plan to live here.

Since the Urban Growth Strategy was developed our population growth has exceeded original projections. In 2017 the total population of Lower Hutt was estimated to be 104,700 people. This indicates an increase of 3,500 people compared to 2013, when it was estimated to be 101,200 people. The recent growth is expected to be consistent, reaching 110,000 people by 2032.

### WHAT WE'VE ALREADY ACHIEVED

We have:

- commenced planning for Urban Growth Strategy projects connected with potential new residential subdivisions
- progressed work on the RiverLink Promenade with ongoing public workshops, information days and consultation. The final preliminary design is due to be signed off by the end of 2018
- tracking well against our goal of building 6,000 more houses by 2032 – an average of 332 houses have been consented in each of the last three years
- committed to transforming Hutt City into one of New Zealand's leading economic

growth centres based on science, engineering and technology (or STEM). We have hosted the Hutt STEM Festival which highlights what is happening in the STEM industries, encourages young people into STEM careers and showcases the enterprises and enterprising people that are benefiting the city

- completed work on the Council administration building at Laings Road. During 2017 the building won four prestigious architecture awards in the heritage, interior architecture and public architecture categories and achieved a 4.5 star NABERSNZ Energy Whole Building rating. These awards provide recognition of building and design excellence in the city and complement the wider rejuvenation strategy
- continued working on the Events Centre, Town Hall and Riddiford Gardens which are all due for completion in 2018
- began consultation on the proposed changes to the District Plan (District Plan Change 43) to enable medium density housing and a wider range of housing types in Lower Hutt
- held the inaugural Highlight Festival over Labour Weekend 2017. The festival was a huge success attracting over 120,000 visitors to the festivals, four times the number expected
- invested in our main roads and cycleways including commencing work on the Wainuiomata Shared Pathway.

## STRATEGIC OBJECTIVES

### Growth Targets

- A target population growth of 0.6% per annum to ensure that at least 110,000 people live in the city by 2032.
- A target of 6,000 new houses by 2032.

### Greenfield Development

- To provide for residential development on approximately 24 hectares in the Upper Fitzherbert area above Wise Street and below the paper road.
- To provide for residential development on approximately 40 – 50 hectares in the Upper Kelson area.
- To undertake further investigatory work on the roading options available in Kelson and Wise Street, Wainuiomata, including costings.



- To partner with developers to provide key infrastructure for Greenfield development including roading and water infrastructure in Upper Kelson and extending and upgrading Wise Street in Wainuiomata.
- To limit Council's up-front cost recover Greenfield infrastructure.
- To provide for rural/residential development on approximately 265 hectares in Normandale and Moores Valley.
- To allow development of smaller lifestyle sections of 5,000 square metres and investigate reducing frontage and driveway requirements.
- To allow one hectare lots across the remaining rural residential areas in the city.

#### **Intensification:**

- Provide for targeted infill intensification in targeted areas (Stokes Valley, Naenae, Eponi, Alicetown, Wainuiomata, Taita, Avalon, Waterloo and Waiwhetu/Woburn) beyond 2018.
- Carry out further investigatory work on other areas that may be suitable for targeted infill intensification, eg. the railway corridor and the periphery of the CBD.
- Provide for low-rise apartment developments in key locations in the city, namely:
  - Eastbourne against the hills, and other sites that will not have negative effects on views and shading of existing dwellings
  - Jackson Street from Cuba Street West excluding the area covered by Plan Change 29, The Esplanade and Marine Parade areas in Petone
  - Around the Waterloo shops and train stations with the exception of Ava station
  - The periphery of the CBD (high-rise is already provided for in the CBD)
  - Suburban shopping centres.
- Increase investment in the "Making Places" project that aims to enhance perceptions of the CBD and to encourage development
- Provide for targeted multi-unit development rather than reducing lot size across the board.
- Develop and implement through the District Plan (where not already required) design guidelines for medium and high density developments (includes multi-unit developments and apartments) and all developments in the CBD and Petone West.
- Provide for 40% coverage rule across the city to remove any impediment to multi-unit development, where necessary.

Investigate the feasibility of relaxing CBD parking requirements per apartment to allow developers and apartment building owners to provide off-site parking where they are converting an existing building into apartments.

#### **Business**

- Investigate the District Plan provisions related to State Highway 2/Korokoro entrance way and the southern portion of Manor Park to further facilitate discussions between Council and NZTA on possible uses/development of these areas.

#### **Financial Incentives**

- Extend the financial incentives policy and make this available for high density developments and large non-residential developments in the city.
- Begin the process of reviewing the District Plan to facilitate progress on the Urban Growth Strategy.

#### **Other Matters**

- Stokes Valley – investigate the feasibility of development in the Shaftesbury Grove area.
- Petone – investigate and report on possible reverse sensitivity issues associated with development in the Marine Parade area.
- Eastbourne – investigate the feasibility of low-rise apartments in the Eastbourne Village.
- Kelson – investigate the provision of community facilities that may be required as a result of increasing population growth in the Upper Kelson area.
- Normandale – investigate septic tank use in Normandale.
- Wainuiomata:
  - Develop a marketing plan for Wainuiomata based on the parameters outlined in the Integrated Vision for Hutt City
  - Investigate septic tank use in Moores Valley and around the Coast Road
  - Investigate air quality in the Moores Valley/Coast Road area
  - Investigate the possibility of providing for rural residential development on rural land around Pencarrow, Coast Road and other areas of these types
  - Investigate the potential for development in current commercial areas of Wainuiomata.

### Further Work

- Investigate permeability and hydraulic impacts of intensification on water courses.
- Economic Development Plan – review to align this with the Urban Growth Strategy where appropriate.
- Transport – preparatory work on an Integrated Transport Plan as part of the Infrastructure Strategy, and continue working with NZTA on the Cross Valley Link.

## CONTRIBUTION TO LEISURE AND WELLBEING

City Growth activities also contributes to the Council’s Leisure and Wellbeing Strategy through:

- best practise landscape design incorporated into all major projects
- the Keep Hutt City Beautiful annual campaign
- promoting health and safety
- promotion and running of events across the city
- planning of future developments that take advantage of existing facilities
- provision of recreational areas through the District Plan.

## CONTRIBUTION TO ENVIRONMENTAL SUSTAINABILITY

City Growth activities also contributes to the Council’s Environmental Sustainability Strategy through:

- the Keep Hutt City Beautiful annual campaign
- promotion and running of events across the city.

## CONTRIBUTION TO INFRASTRUCTURE

City Growth activities also contributes to Council’s Infrastructure Strategy through:

- providing access and connections to core infrastructure through new developments
- enhancement of cycling and walking opportunities.

## OPERATIONAL OBJECTIVES

City Growth activities are responsible for developing the economic wellbeing of the city, including delivering promotion of the city, environmental planning and consents functions.

The following activities fall under City Growth

- City Environment.
- City Development.
- Consents and Regulatory Services.

City Growth activities play a broad role in meeting the current and future needs of our communities for good quality local infrastructure, local public services and performance of regulatory functions.

These activities contribute mainly to the following high level goals for the city’s wellbeing, also referred to as ‘community outcomes’:

- **A safe community** - we live in a safe city, free from crime and injury. Our city is prepared for emergencies.
- **A strong and diverse economy** – a city that grows existing businesses and attracts new business activity, with a focus on the research and development sector; all members of our community benefit from a strong economy, and we attract increasing numbers of visitors.
- **An accessible and connected city** – a city that is easy to move about with well-designed roads, cycleways and footpaths; members of our community are connected to the digital world.
- **Healthy people** – we live healthy lives, and our city’s services help to protect our health and our environment.
- **A healthy natural environment** – we value and protect the natural environment and promote a sustainable city; resources are used efficiently and there is minimal waste and pollution.
- **Actively engaged in community activities** – members of our community participate in arts, cultural, sports and other recreational and leisure activities; the city provides for and encourages participation in these activities.



- **Strong and inclusive communities** – people feel a sense of belonging and are included in the community; our city is built on strong communities that value diversity and support newcomers.
- **A healthy and attractive built environment** – our built environment enhances our quality of life; our city is vibrant, attractive, healthy and well-designed; we promote development that is sustainable, and that values and protects our built heritage and the natural environment.

A number of operational policies and plans reflect how these activities work towards Council's strategic objectives related to growth including:

- **CBD Making Places** – we want our CBD to be attractive to both residents of Hutt City and visitors alike. The CBD Making Places programme to 2030 sets out how this will be achieved in the long term and includes a number of different projects such as public transport improvements and the development of a riverside promenade.
- **Economic Development Plan** – this Plan focusses on ways in which Hutt City's economic growth can be improved. This will be achieved through more business activity in the city, continued investment in current and new business activities, an available skilled workforce and more sustainable business and economy. The goals and targets presented in this plan align with our overall growth targets in our Urban Growth Strategy.
- **Vision Seaview Gracefield 2030** – the Seaview and Gracefield industrial area is an important business hub for Hutt City. This Vision was developed to explore the potential of the area and present ways in which it could be utilised.
- **District Plan** – the District Plan is the key document that provides guidance for managing land use and development in our city. It is subject to ongoing review and is altered when necessary. For example, through District Plan Change 29, the Petone West zone was changed from residential to mixed use in 2014, promoting more diversity in the activities in the area.
- **Walk and Cycle the Hutt Plan 2014-2019** – our plan to promote greater levels of walking and cycling within the Hutt. This will have a number of benefits including improved health and wellbeing for residents, reduced congestion, vehicle emissions and operating costs.
- **Waste Management and Minimisation Plan 2017-2023** – a regional joint plan outlining Councils' commitment to work together to promote efficient waste

management and minimisation. It outlines the strategy for the region, a regional action plan, individual council action plans, and supporting information.

- **Events Strategy** – Council-run events are a great way to get involved in the community. Our Events Strategy explains the selection process for events based on a set of priorities and outcomes expected.

For every activity we have provided a description of what we do, why we do it, the effects of that activity on community wellbeing, the services we provide, how we measure the success of our services, the major projects we have planned for the period 1 July 2018 to 30 June 2028, the income expected for the year to 30 June 2028, and a Funding Impact Statement for each group.



# CITY ENVIRONMENT

## WHAT WE DO

We work to develop an urban environment that will enhance the city's image, attracting people, businesses and investment, and meet our community's needs and aspirations now and into the future, while recognising the important role of our heritage and features.

We do this by:

- developing, reviewing, implementing and monitoring the District Plan
- advocating for good long term spatial and urban form solutions through expert design advice
- preserving and protecting our heritage buildings, reflecting and enhancing our distinctive character and identity

## WHY WE DO IT

This activity is fundamental to achieving a clean, healthy, attractive and sustainable environment. We recognise that our urban design and infrastructure must support our changing business and community environment. We manage and develop Hutt City's public spaces and preserve our heritage buildings because this benefits both businesses and our community. It contributes to our point of difference from other cities, supporting local cultures and enhancing how we identify ourselves.

## EFFECTS ON COMMUNITY WELLBEING

The City Environment activity promotes social, economic, environmental and cultural wellbeing in particular through our District Plan, strategies for growth and development, our Heritage Policy, our CBD Making Places and Riverlink projects. It contributes to all community outcomes. Looking at the potential for negative effects associated with this activity, the City Environment activity could result in temporary disruptions during any construction phase and be interpreted by the users of those services as causing costs and delays.

## THE SERVICES WE PROVIDE

A portion of this activity is regulatory in nature and many have an operational focus involving timeframes set out in legislation. We provide advice and policy options to the Council on how we can meet our statutory requirements while reflecting the desires of the community. The main piece of legislation covering Environmental Policy is the Resource Management Act 1991.

However, in addition to the regulatory component, we also provide design advice and promote best design outcomes for the city including projects associated with the Heritage Policy, CBD Making Places, and Suburban Shopping Centres Improvement Fund.



## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Making Places: RiverLink Project					
Lodgement of Resource Consent	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	January 2019	Management report
Start construction	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	February 2020	Management report
Residents feel a sense of pride in the way the city looks and feels	82%	76% <sup>1</sup>	≥ previous results	≥ previous results	Key Research
Residents' satisfaction with:					Key Research
• litter control	77%	86% <sup>1</sup>	≥ 86% of those expressing an opinion	≥ 86% of those expressing an opinion	
• recycling	86%	88% <sup>1</sup>	≥ 86% of those expressing an opinion	≥ 86% of those expressing an opinion	
Percentage of households that have used the recycling service in the previous 12 months	84%	Not measured in 2016/17	86% of households	86% of households	Key Research
Tonnes of recycling per annum	7,357	7,619	Increasing	Increasing	Monthly Management report
Percentage of Plan Changes and Notices of Requirements processed within statutory requirements	100%	100%	100% processed within statutory requirements	100% processed within statutory requirements	Section 32 Report

Notes:

1. Resident satisfaction survey results are not comparable to the previous year or target due to a different research provider and methodology. Refer to section on 'Customer Research' later in this document

## MAJOR PROJECTS PLANNED: CITY ENVIRONMENT

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital Projects To Improve Level Of Service</b>																				
Civic Events Centre Improvements	1,700	75		150					240					225						
Making Places Investigations for Future Projects	200																			
Making Places Projects	1,000																			
Riverlink - Promenade & Urban Improvements		3,000	3,000	3,000	3,000	2,500			1,750	1,750	1,750	1,750	1,000	1,000	1,000	1,000				
Riverlink - Footbridge						500	3,000	3,000												
Riverlink - Strategic Property Purchases	5,675																			
Suburban Shopping Centres Improvements	300		300		300		300		300		300		300		300		300		300	
<b>Capital Projects To Replace Existing Assets</b>																				
Civic Events Centre Maintenance		20	80		80		100		100			100		100		100				
<b>Operating Projects</b>																				
Heritage Incentives	52	52	52																	
Sculpture Trust	50	50	50																	
Petone 2040	150	50	50																	
Local CBD Revitalisation	50																			

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: CITY ENVIRONMENT

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	52	112	159	224	310	516	541	567	596	626	660
Operating subsidies & grants	-	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	50	102	104	107	109	111	114	117	120	123
<b>Total revenue</b>	<b>52</b>	<b>162</b>	<b>261</b>	<b>328</b>	<b>417</b>	<b>625</b>	<b>652</b>	<b>681</b>	<b>713</b>	<b>746</b>	<b>783</b>
<b>EXPENDITURE</b>											
Employee costs	608	627	640	654	668	683	699	715	732	750	770
Operating costs	2,173	2,023	1,556	603	620	582	599	617	635	655	676
Support costs/internal charges	530	495	503	512	518	533	563	569	580	603	623
Interest expenditure	1,218	1,712	1,842	1,686	1,437	1,324	792	676	601	599	597
Depreciation	507	747	1,374	1,406	1,482	1,565	1,647	1,715	1,808	1,837	1,930
<b>Total expenditure</b>	<b>5,036</b>	<b>5,604</b>	<b>5,915</b>	<b>4,861</b>	<b>4,725</b>	<b>4,687</b>	<b>4,300</b>	<b>4,292</b>	<b>4,356</b>	<b>4,444</b>	<b>4,596</b>
<b>DEFICIT BEFORE TAX</b>	<b>(4,984)</b>	<b>(5,442)</b>	<b>(5,654)</b>	<b>(4,533)</b>	<b>(4,308)</b>	<b>(4,062)</b>	<b>(3,648)</b>	<b>(3,611)</b>	<b>(3,643)</b>	<b>(3,698)</b>	<b>(3,813)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>28,764</b>	<b>8,875</b>	<b>3,157</b>	<b>3,523</b>	<b>3,356</b>	<b>3,680</b>	<b>3,341</b>	<b>3,874</b>	<b>3,500</b>	<b>2,858</b>	<b>2,147</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(4,984)	(5,442)	(5,654)	(4,533)	(4,308)	(4,062)	(3,648)	(3,611)	(3,643)	(3,698)	(3,813)
Add capital contributions	-	-	-	-	-	-	-	-	-	-	-
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(4,984)</b>	<b>(5,442)</b>	<b>(5,654)</b>	<b>(4,533)</b>	<b>(4,308)</b>	<b>(4,062)</b>	<b>(3,648)</b>	<b>(3,611)</b>	<b>(3,643)</b>	<b>(3,698)</b>	<b>(3,813)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	(28,764)	(8,875)	(3,137)	(3,440)	(3,356)	(3,593)	(3,341)	(3,760)	(3,500)	(2,738)	(2,147)
Capital to replace existing assets	-	-	(20)	(83)	-	(87)	-	(114)	-	(120)	-
Less capital contributions	-	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	507	747	1,374	1,406	1,482	1,565	1,647	1,715	1,808	1,837	1,930
Less asset sales	-	-	-	-	-	-	-	2,279	2,333	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>(28,257)</b>	<b>(8,128)</b>	<b>(1,783)</b>	<b>(2,117)</b>	<b>(1,874)</b>	<b>(2,115)</b>	<b>(1,694)</b>	<b>120</b>	<b>641</b>	<b>(1,021)</b>	<b>(217)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(33,241)</b>	<b>(13,570)</b>	<b>(7,437)</b>	<b>(6,650)</b>	<b>(6,182)</b>	<b>(6,177)</b>	<b>(5,342)</b>	<b>(3,491)</b>	<b>(3,002)</b>	<b>(4,719)</b>	<b>(4,030)</b>



# CITY DEVELOPMENT

## WHAT WE DO

We take a lead role in promoting Hutt City to develop and grow by:

- creating a business-friendly environment
- facilitating the expansion and creation of local businesses and employment
- increasing tourism and events in Hutt City
- contributing to regional growth through regional economic development
- providing quality online and digital experiences to our customers
- managing an integrated year-round events calendar.

## WHY WE DO IT

Attracting and providing services for business and visitors is necessary for the city's economic development. By supporting the business sector and promoting Hutt City as a business location and vibrant city, we generate benefits for local enterprises and our residents. Major events make the city a more vibrant and interesting place, and attract visitors from outside the city.

## EFFECTS ON COMMUNITY WELLBEING

The City Development activity promotes economic wellbeing in particular through our Economic Development Plan. Our events are set out to provide excitement within our city and appeal to a diverse audience. The activity contributes primarily to our community outcomes of a strong and diverse economy, an accessible and connected city, and strong and inclusive communities. Looking at the potential for negative effects associated with this activity, any focus on low value economic sectors could divert attention and resources from those that have the potential to provide greater long term value for the city and our events may cause delays through traffic diversions and road closures.

## THE SERVICES WE PROVIDE

We help people starting out in business or starting new businesses with free advice, connections to local business people, and guidance through any consent, permitting or licensing requirements. We work with businesses of all sizes to help them grow, and we support innovation in business. We're implementing the action plan in the city's Economic Development Plan to stimulate jobs and opportunities for residents. We have a major and a minor event fund, differentiated in essence by events we manage and those to which we offer support.





## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Urban Growth Strategy	0.3% Achieved prior to 2015-16	1.4% Estimate change 2015-16 (latest available)	≥ 0.6% per annum (to achieve population increase of 110,000 by 2032)	≥ 0.6% per annum (to achieve population increase of 110,000 by 2032)	Statistics New Zealand Estimates
<ul style="list-style-type: none"> <li>• population growth</li> <li>• number of new homes</li> </ul>	232 new homes	325 new homes <sup>1</sup>	≥ 250 new homes per annum first five years and approx 300 per annum for remaining years (to achieve 6000 new homes by 2032)	≥ 328 new homes per annum (to achieve 6000 new homes by 2032)	Building consents with Code of Compliance Certificates
Hutt City's economic performance:					
<ul style="list-style-type: none"> <li>• Number of businesses in Lower Hutt</li> <li>• Employment in medium/high-tech sector</li> <li>• Medium/high tech businesses as a percentage of total business numbers in Lower Hutt</li> <li>• Number of businesses in medium and high-tech sector</li> </ul>	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	11,000 by 2028	Infometrics
	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	4,600 by 2028	Infometrics
	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	1,100 by 2028	Infometrics
	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	1,100 by 2028	Infometrics
Major events in Hutt City	104,000 attendees	101,500 attendees	100,000 people attending events supported by the major event fund	100,000 people attending events supported by the major event fund <sup>3</sup>	Hutt City Council Events Team
Minor events in Hutt City	32 events supported	37 events supported	25 diverse events supported through the minor event fund	25 diverse events supported through the event support fund <sup>4</sup>	Hutt City Council Events Team
Commercial event attraction	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	Commercial events will be secured to take place in Lower Hutt with a combined economic benefit to the City of \$1million pa	Hutt City Council Events Team

### Notes:

1. Number of new homes completed closely aligned with building consents in 2014/15 (338).
2. Differences in historic time series for major sectors. There are multiple reasons why historical data changes and therefore it is difficult to identify which is the major source of change. Each year the time series will change given a number various revisions. The time series in each year should be used independently of the previous years. This would apply to many economic data series in New Zealand, especially for indicators which are statistical constructs such as GDP.
3. The major event fund is used for Council owned events, as well as providing support to other events that take place in our city.
4. The event support fund (previously named minor event funds) is a grant fund that community event organisers can apply to for support.



## MAJOR PROJECTS PLANNED: CITY DEVELOPMENT

	LONG TERM PLAN 2018-19 \$000	FORECAST 2019-20 \$000	FORECAST 2020-21 \$000	FORECAST 2021-22 \$000	FORECAST 2022-23 \$000	FORECAST 2023-24 \$000	FORECAST 2024-25 \$000	FORECAST 2025-26 \$000	FORECAST 2026-27 \$000	FORECAST 2027-28 \$000	FORECAST 2028-29 \$000	FORECAST 2029-30 \$000	FORECAST 2030-31 \$000	FORECAST 2031-32 \$000	FORECAST 2032-33 \$000	FORECAST 2033-34 \$000	FORECAST 2034-35 \$000	FORECAST 2035-36 \$000	FORECAST 2036-37 \$000	FORECAST 2037-38 \$000
<b>Capital Projects To Meet Additional Demand</b>																				
Urban Growth Strategy Improvements	2,886	4,968	3,039	538	723	575			171	3,000	4,900									
<b>Operating Projects</b>																				
Jackson Street Programme	136	136	136																	
Events Funding	479	479	479																	
International Co-operating Cities	45	45	45																	
Economic Development Strategy	135	135	135																	
Urban Precinct Placemaking	40	40																		
Love Wainuiomata	100	100	100																	
South High Street Reinvigorate	40																			
Hutt Valley Chamber Of Commerce	100	100	100																	
Seaview Business Association	44	44	44																	
Science & Technology	225	150	70																	
Development Stimulus Package	1,250	1,250	250																	
Development Stimulus Marketing	30	30																		
CBD Place Making	100	100	100																	
Regional Amenities Fund	200	200	200																	
Urban Growth Strategy	100																			
1st Assembly (Start Up Hub)	300	200																		
Technology Valley	260	160	90																	

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: CITY DEVELOPMENT

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	62	62	63	64	66	67	69	70	72	74	76
Operating subsidies & grants	55	55	56	57	59	60	61	63	64	66	67
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Other revenue	750	315	321	328	335	342	350	358	367	376	386
<b>Total revenue</b>	<b>867</b>	<b>432</b>	<b>440</b>	<b>449</b>	<b>460</b>	<b>469</b>	<b>480</b>	<b>491</b>	<b>503</b>	<b>516</b>	<b>529</b>
<b>EXPENDITURE</b>											
Employee costs	1,821	2,110	2,097	2,077	2,016	2,061	2,108	2,156	2,208	2,263	2,322
Operating costs	6,074	4,507	4,174	2,785	2,447	2,228	2,279	2,332	2,388	2,447	2,511
Support costs/internal charges	(1,484)	631	647	663	670	687	709	717	732	759	778
Interest expenditure	1	69	192	266	304	348	401	331	146	64	164
Depreciation	10	14	1,053	2,504	2,814	2,057	1,640	1,313	861	552	438
<b>Total expenditure</b>	<b>6,422</b>	<b>7,331</b>	<b>8,163</b>	<b>8,295</b>	<b>8,251</b>	<b>7,381</b>	<b>7,137</b>	<b>6,849</b>	<b>6,335</b>	<b>6,085</b>	<b>6,213</b>
<b>DEFICIT BEFORE TAX</b>	<b>(5,555)</b>	<b>(6,899)</b>	<b>(7,723)</b>	<b>(7,846)</b>	<b>(7,791)</b>	<b>(6,912)</b>	<b>(6,657)</b>	<b>(6,358)</b>	<b>(5,832)</b>	<b>(5,569)</b>	<b>(5,684)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>-</b>	<b>2,886</b>	<b>5,067</b>	<b>3,168</b>	<b>573</b>	<b>787</b>	<b>640</b>	<b>-</b>	<b>-</b>	<b>204</b>	<b>3,681</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(5,555)	(6,899)	(7,723)	(7,846)	(7,791)	(6,912)	(6,657)	(6,358)	(5,832)	(5,569)	(5,684)
Add capital contributions	-	-	-	-	-	-	-	-	-	-	-
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(5,555)</b>	<b>(6,899)</b>	<b>(7,723)</b>	<b>(7,846)</b>	<b>(7,791)</b>	<b>(6,912)</b>	<b>(6,657)</b>	<b>(6,358)</b>	<b>(5,832)</b>	<b>(5,569)</b>	<b>(5,684)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	(2,886)	(5,067)	(3,168)	(573)	(787)	(640)	-	-	(204)	(3,681)
Capital to improve level of service	-	-	-	-	-	-	-	-	-	-	-
Capital to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Less capital contributions	-	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	10	14	1,053	2,504	2,814	2,057	1,640	1,313	861	552	438
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>10</b>	<b>(2,872)</b>	<b>(4,014)</b>	<b>(664)</b>	<b>2,241</b>	<b>1,270</b>	<b>1,000</b>	<b>1,313</b>	<b>861</b>	<b>348</b>	<b>(3,243)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(5,545)</b>	<b>(9,771)</b>	<b>(11,737)</b>	<b>(8,510)</b>	<b>(5,550)</b>	<b>(5,642)</b>	<b>(5,657)</b>	<b>(5,045)</b>	<b>(4,971)</b>	<b>(5,221)</b>	<b>(8,927)</b>

# CONSENTS AND REGULATORY SERVICES

## WHAT WE DO

This activity includes:

- providing resource management and building consents and inspections
- regular monitoring to ensure compliance with legislative requirements, the District Plan, resource and building consent conditions and bylaw requirements
- inspections of business and food premises, certifications, and liquor licensing bylaw compliance
- pollution and trade waste control
- monitoring beaches to promote and protect public health and safety
- monitoring and controlling noise and hazardous substances
- animal control services
- parking enforcement.

## WHY WE DO IT

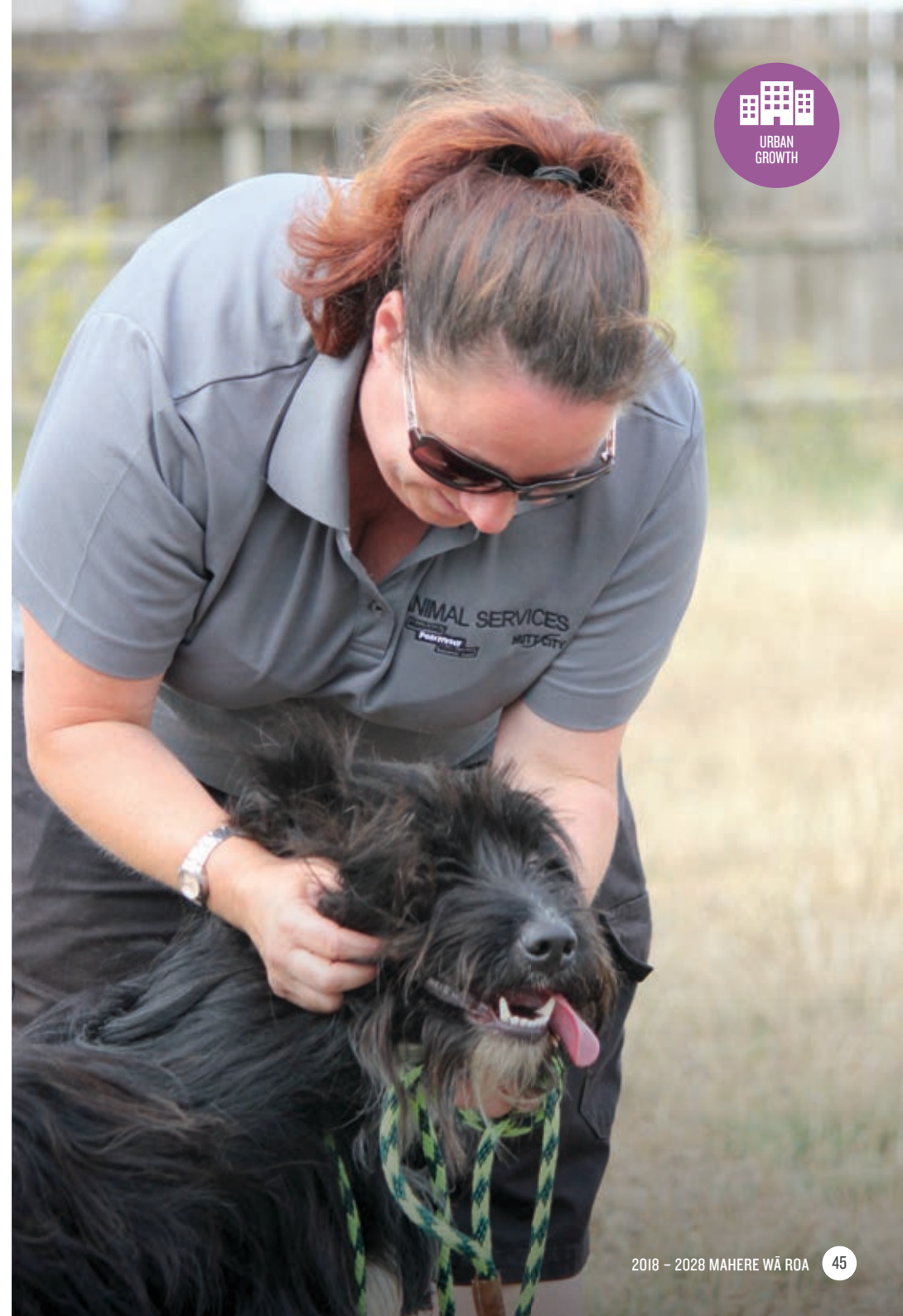
This activity is fundamental to achieving a clean, healthy, attractive and sustainable environment for residents and visitors. It is also a legal requirement for Hutt City Council.

## EFFECTS ON COMMUNITY WELLBEING

Consents and Regulatory Services contributes primarily to our community outcomes of a safe community, a strong and diverse economy, an accessible and connected city, healthy people, a healthy natural environment, and a healthy and attractive built environment. Looking at the potential for negative effects associated with this activity, people's perceptions of personal freedom can be reduced through the need for regulatory activities for the benefit of the wider community and can be interpreted by the users of those services as causing costs and delays.

## THE SERVICES WE PROVIDE

Consents and regulatory services have an operational focus involving timeframes set out in legislation. The main pieces of legislation are the Local Government Act 2002, Food Act 2014, Health Act 1956, Dog Control Act 1996, Litter Act 1979, Bylaws Act 2004, Sale of Alcohol Act 2012, the Wild Animal Control Act 1977, the Gambling Act 2003, Building Act 2004, Resource Management Act 1991, Bylaws Act 1910, Forest and Rural Fires Act 1977, and the Hutt Valley Drainage Act 1967. This is not a complete list as we're also bound by general legislation.





## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Land Information Memoranda (LIMs) processed within 10 working days to comply with statutory requirements	100% processed within nine working days	99% processed within nine working days	≥ 95% processed within nine working days	≥ 95% processed within nine working days	Computer Database Records
Building consent/project information and resource consents processed to comply with the Building Code, Resource Management Act 1991 (RMA) and District Plan requirements	91% of building consents processed and 90% of non-notified land use consents processed within 18 working days	95% building consents processed and 81% non-notified land-use resource consents processed within 18 working days	≥ 80% of building and non-notified land use consents processed within 18 working days	≥ 80% of building and non-notified land use consents processed within 18 working days	Computer Database Records
Resource consents are monitored within five working days of being notified that development is commencing or within six months of the consent being granted, whichever is the sooner	100% of resource consents monitored within five working days 100% of resource consents monitored within six months of the consent being granted	100% of resource consents monitored within five working days 90% resource consents monitored within six months of the consent being granted	≥ 90% of resource consents monitored within these timeframes	≥ 90% of resource consents monitored within these timeframes	Computer Database Records
Requests for service referred to RMA monitoring and enforcement team responded to within required timeframes	99% acknowledged within 24 hours	100% acknowledged within 24 hours	100% acknowledged with 24 hours	100% acknowledged with 24 hours	Computer Database Records
Building consents for fireplaces processed in a timely manner	99% processed within five working days	100% processed within five working days	100% processed within five working days	100% processed within five working days	Computer Database Records
Building consents for solar panels processed in a timely manner	100% processed within five working days	100% processed within five working days	100% processed within five working days	100% processed within five working days	Computer Database Records
Code compliance certificates issued within 20 working days to comply with statutory requirements in the Building Act 2004	100% issued 20 working days 96% issued within 18 working days	100% issued 20 working days 98% issued within 18 working days	100% issued 20 working days	80% issued in 18 working days	Computer Database Records
Residents' satisfaction with: <ul style="list-style-type: none"> <li>• animal services</li> <li>• enforcement of parking restrictions</li> </ul>	82% 78%	76% <sup>1</sup> 79% <sup>1</sup>	≥ 82% of those expressing an opinion ≥ 75% of those expressing an opinion	< 80% of those expressing an opinion ≥ 70% of those expressing an opinion	Key Research
Animal services open 300 days per year	100%	100%	100%	100%	Monthly management report
Dog complaints are responded to: <ul style="list-style-type: none"> <li>• At least 95% within 30 minutes for dog attacks</li> <li>• At least 95% within 24 hours for other complaints</li> </ul>	96% 98%	95% 95%	≥ 95% ≥ 95%	≥ 95% ≥ 95%	Monthly management report
Noise complaints responded to within 45 minutes	91%	91%	≥ 85% noise complaints responded to within 45 minutes	≥ 85% noise complaints responded to within 45 minutes	Monthly management report
New food businesses verified within six weeks of the date of registration under the Food Act 2014	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	95%	Computer Database Records
Existing food businesses verified within their agreed timeframes (between 3 to 18 months, depending upon the outcome of their previous verification)	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	95%	Computer Database Records
High risk premises selling liquor are inspected during their peak trading hours to maintain compliance with the Sale and Supply of Alcohol Act 2012	New measure for 2018-19	New measure for 2018-19	New measure for 2018-19	95%	Computer Database Records



## MAJOR PROJECTS PLANNED: CONSENTS AND REGULATORY

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Operating Projects</b>																				
Unreinforced Masonry Buildings Fund	234																			

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: CONSENTS AND REGULATORY SERVICES

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	4,998	5,560	5,671	5,796	5,923	6,053	6,192	6,334	6,486	6,649	6,822
Operating subsidies & grants	-	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Other revenue	1,058	1,132	1,155	1,180	1,206	1,232	1,261	1,290	1,321	1,354	1,389
<b>Total revenue</b>	<b>6,056</b>	<b>6,692</b>	<b>6,826</b>	<b>6,976</b>	<b>7,129</b>	<b>7,285</b>	<b>7,453</b>	<b>7,624</b>	<b>7,807</b>	<b>8,003</b>	<b>8,211</b>
<b>EXPENDITURE</b>											
Employee costs	6,023	6,991	6,960	7,086	7,210	7,368	7,538	7,711	7,896	8,093	8,304
Operating costs	2,195	2,036	1,746	1,785	1,664	1,690	1,729	1,768	1,811	1,856	1,904
Support costs/internal charges	2,013	1,925	2,000	2,020	2,040	2,094	2,150	2,174	2,213	2,280	2,362
Interest expenditure	17	14	13	9	7	8	-	-	-	-	-
Depreciation	84	94	76	62	52	44	37	31	27	22	19
<b>Total expenditure</b>	<b>10,332</b>	<b>11,060</b>	<b>10,795</b>	<b>10,962</b>	<b>10,973</b>	<b>11,204</b>	<b>11,454</b>	<b>11,684</b>	<b>11,947</b>	<b>12,251</b>	<b>12,589</b>
<b>DEFICIT BEFORE TAX</b>	<b>(4,276)</b>	<b>(4,368)</b>	<b>(3,969)</b>	<b>(3,986)</b>	<b>(3,844)</b>	<b>(3,919)</b>	<b>(4,001)</b>	<b>(4,060)</b>	<b>(4,140)</b>	<b>(4,248)</b>	<b>(4,378)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(4,276)	(4,368)	(3,969)	(3,986)	(3,844)	(3,919)	(4,001)	(4,060)	(4,140)	(4,248)	(4,378)
Add capital contributions	-	-	-	-	-	-	-	-	-	-	-
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(4,276)</b>	<b>(4,368)</b>	<b>(3,969)</b>	<b>(3,986)</b>	<b>(3,844)</b>	<b>(3,919)</b>	<b>(4,001)</b>	<b>(4,060)</b>	<b>(4,140)</b>	<b>(4,248)</b>	<b>(4,378)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	-	-	-	-	-	-	-	-	-	-	-
Capital to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Less capital contributions	-	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	84	94	76	62	52	44	37	31	27	22	19
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>84</b>	<b>94</b>	<b>76</b>	<b>62</b>	<b>52</b>	<b>44</b>	<b>37</b>	<b>31</b>	<b>27</b>	<b>22</b>	<b>19</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(4,192)</b>	<b>(4,274)</b>	<b>(3,893)</b>	<b>(3,924)</b>	<b>(3,792)</b>	<b>(3,875)</b>	<b>(3,964)</b>	<b>(4,029)</b>	<b>(4,113)</b>	<b>(4,226)</b>	<b>(4,359)</b>



## FUNDING IMPACT STATEMENT FOR THE YEAR ENDING 30 JUNE: CITY GROWTH

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	14,680	16,572	17,206	16,222	15,797	14,744	14,154	13,873	13,455	13,351	13,707
Targeted rates	135	137	140	143	146	149	152	156	160	164	168
Subsidies and grants for operating purposes	55	55	56	57	59	60	61	63	64	66	67
Fees and charges	5,112	5,734	5,893	6,084	6,299	6,636	6,802	6,971	7,154	7,349	7,558
Interest & dividends from investments	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	1,808	1,497	1,578	1,612	1,648	1,683	1,722	1,762	1,805	1,850	1,898
<b>Total operating funding (A)</b>	<b>21,790</b>	<b>23,995</b>	<b>24,873</b>	<b>24,118</b>	<b>23,949</b>	<b>23,272</b>	<b>22,891</b>	<b>22,825</b>	<b>22,638</b>	<b>22,780</b>	<b>23,398</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	18,894	18,294	17,173	14,990	14,625	14,612	14,952	15,299	15,670	16,064	16,487
Finance costs	1,236	1,795	2,047	1,961	1,748	1,680	1,193	1,007	747	663	761
Internal charges and overheads applied	1,059	3,051	3,150	3,195	3,228	3,314	3,422	3,460	3,525	3,642	3,763
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>21,189</b>	<b>23,140</b>	<b>22,370</b>	<b>20,146</b>	<b>19,601</b>	<b>19,606</b>	<b>19,567</b>	<b>19,766</b>	<b>19,942</b>	<b>20,369</b>	<b>21,011</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>601</b>	<b>855</b>	<b>2,503</b>	<b>3,972</b>	<b>4,348</b>	<b>3,666</b>	<b>3,324</b>	<b>3,059</b>	<b>2,696</b>	<b>2,411</b>	<b>2,387</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	28,163	10,906	5,721	2,719	(419)	801	657	(1,464)	(1,529)	651	3,441
Gross proceeds from sale of assets	-	-	-	-	-	-	-	2,279	2,333	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>28,163</b>	<b>10,906</b>	<b>5,721</b>	<b>2,719</b>	<b>(419)</b>	<b>801</b>	<b>657</b>	<b>815</b>	<b>804</b>	<b>651</b>	<b>3,441</b>
<b>Application of capital funding</b>											
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	2,886	5,067	3,168	573	787	640	-	-	204	3,681
- to improve level of service	28,764	8,875	3,137	3,440	3,356	3,593	3,341	3,760	3,500	2,738	2,147
- to replace existing assets	-	-	20	83	-	87	-	114	-	120	-
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>28,764</b>	<b>11,761</b>	<b>8,224</b>	<b>6,691</b>	<b>3,929</b>	<b>4,467</b>	<b>3,981</b>	<b>3,874</b>	<b>3,500</b>	<b>3,062</b>	<b>5,828</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(601)</b>	<b>(855)</b>	<b>(2,503)</b>	<b>(3,972)</b>	<b>(4,348)</b>	<b>(3,666)</b>	<b>(3,324)</b>	<b>(3,059)</b>	<b>(2,696)</b>	<b>(2,411)</b>	<b>(2,387)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# SUSTAINABILITY

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## OUR STRATEGY TO 2045

### WHAT

The Environmental Sustainability Strategy focusses on opportunities and risks we face in regard to our environment. It addresses potential issues, and provides short-term, mid-term and long-term solutions for change. This Strategy guides all future decision-making for Council including:

- taking leadership as an ambassador for environmental best practise
- enhancing community engagement and collaboration
- working in partnership with local businesses and organisations
- managing our own response to environmental issues.

### WHY

Our environment is facing some major challenges, and we recognise that there is insufficient emphasis on the environment in our existing plans. We want to shift the focus from trying to fit the environment around us, to fitting within our environment.

### WHAT WE'VE ALREADY ACHIEVED

We have:

- established a Sustainability and Resilience Team within the Council to deliver on the goals of the Environmental Sustainability Strategy 2015-2045
- continued to work with other councils in the region on initiatives to improve resilience.
- adopted of the Wellington Regional Waste Minimisation and Management Plan 2017-2023, including associated objectives for Hutt City Council.
- committed to working with Wellington Water Limited on “Shaping our Future” to assess risks and improvement options across the water supply, waste water and storm water networks.
- committed to working on a number of environmental challenges including climate change, sea level rise, and natural hazards that impact on our communities and assets.
- held the Kids Connect event with Enviroschools, an organisation that promotes sustainability programmes in schools. The Kids Connect event consisted of a mix of discussions and activities, aimed for the future generation, on sustainability and protecting the environment

- updated our Sustainable Fleet Vehicle Policy.
- continued to provide an Eco Design advice service, including free information and advice for Lower Hutt homeowners on home building projects and existing homes to ensure that their houses are healthier, drier and warmer.
- provided free or discounted consents for a range of environmental sustainability initiatives including domestic solar hot water heating panels, solar water heating systems, hot water systems, hot water heat pump systems, solar photo-voltaic systems, double glazing retrofits on buildings built prior to the year 2000, and rainwater tanks.
- implemented sustainability initiatives for the new Council administration building, including use of solar energy, ground-sourced heating and recycling.

## STRATEGIC OBJECTIVES

GOAL	KEY CONCEPTS	TIMEFRAME
Council demonstrates leadership in environmental stewardship and sustainability	<b>Leadership</b> Council will fill the void to address issues	Short-term / immediate
The city embraces environmental protection and community resilience	<b>Protection</b> The city gains from addressing environmental decline – with Council acting in a facilitative role	Medium-term – but important to start now
The city continuously adapts and enhances its environment	<b>Enhancement</b> The city shifts to actively improving the environment – with Council one participant of many within the community	Long-term – building on momentum gained

## CONTRIBUTION TO LEISURE AND WELLBEING

Sustainability activities also contribute to the Council’s Leisure and Wellbeing Strategy through:

- the Keep Hutt City Beautiful annual campaign
- Eco Design Advisor providing free consultations and advice on green home improvements that enhance residents health and wellbeing
- emergency preparedness advice and education for residents
- supporting the Hutt Valley Emergency Response Team.



## CONTRIBUTION TO URBAN GROWTH

Sustainability activities also contribute to the Council's Urban Growth Strategy through:

- enhancement of cycling and walking opportunities
- investigating initiatives to improve energy efficiency in our new housing stock
- ensuring the development and implementation of District Plan changes and reviews ensure that sustainable and environmental protection measures are fully considered and included where appropriate
- encourage inclusion of open amenity areas within new developments.

## CONTRIBUTION TO INFRASTRUCTURE

Sustainability activities also contribute to Council's Infrastructure Strategy through:

- providing access and connections to core infrastructure through new developments
- enhancement of cycling and walking opportunities
- provide and promote city-wide weekly refuse and recycling collection service
- discuss and provide for the supply and management of emergency water.

## OPERATIONAL OBJECTIVES

Sustainability activities are responsible for developing the environmental wellbeing of the city including environmental education.

The activity City Resilience falls under Sustainability.

This City Resilience contributes mainly to the following high level goals for the city's wellbeing, also referred to as 'community outcomes':

- **A safe community** – we live in a safe city, free from crime and injury. Our city is prepared for emergencies.
- **An accessible and connected city** – a city that is easy to move about with well-designed roads, cycleways and footpaths; members of our community are connected to the digital world.
- **Healthy people** – we live healthy lives, and our city's services help to protect our health and our environment.

- **A healthy natural environment** – we value and protect the natural environment and promote a sustainable city; resources are used efficiently and there is minimal waste and pollution.
- **Actively engaged in community activities** – members of our community participate in arts, cultural, sports and other recreational and leisure activities; the city provides for and encourages participation in these activities.
- **A healthy and attractive built environment** – our built environment enhances our quality of life; our city is vibrant, attractive, healthy and well-designed; we promote development that is sustainable, and that values and protects our built heritage and the natural environment.

A number of operational policies and plans reflect how these activity work towards Council's strategic objectives related to sustainability, including:

- **CBD Making Places** – we want our CBD to be attractive to both residents of Hutt City and visitors alike. The CBD Making Places programme to 2030 sets out how this will be achieved in the long term and includes a number of different projects such as public transport improvements and the development of a riverside promenade.
- **Economic Development Plan** – this Plan focusses on ways in which Hutt City's economic growth can be improved. This will be achieved through more business activity in the city, continued investment in current and new business activities, an available skilled workforce and more sustainable business and economy. The goals and targets presented in this plan align with our overall growth targets in our Urban Growth Strategy.
- **Walk and Cycle the Hutt Plan 2014-2019** – our plan to promote greater levels of walking and cycling within the Hutt. This will have a number of benefits including improved health and wellbeing for residents, reduced congestion, vehicle emissions and operating costs.
- **Waste Management and Minimisation Plan 2017-2023** – a regional joint plan outlining Councils' commitment to work together to promote an efficient waste management and minimisation. It outlines the strategy for the region, a regional action plan, individual council action plans, and supporting information.

For every activity we have provided a description of what we do, why we do it, the effects of that activity on community wellbeing, the services we provide, how we measure the success of our services, the major projects we have planned for the period 1 July 2018 to 30 June 2028, the income expected for the year to 30 June 2028, and a Funding Impact Statement for each group.

# CITY RESILIENCE

## WHAT WE DO

We take a lead role in supporting our city and its residents to be sustainable now and in the future. This activity includes our work with the Civil Defence and Emergency Management (CDEM) Group under the CDEM Act of 2002. From 1 July 2012 all emergency management staff and resources have been pooled together with the expectation of improved effectiveness from increased scale and coordination, as well as efficiencies from the centralised provision of services such as training and public education. We are also working as part of the Wellington Region Climate Change Working Group to address various climate change challenges, such as sea level rising.

This activity includes:

- implementing environmental policies and plans for Hutt City's sustainable development, including environmental education and promotion
- delivering on the goals within our Environmental Sustainability Strategy
- running an annual waste minimisation programme to promote the concept of 'reduce, reuse, recycle' to businesses and residents.
- educating people about the risks they face and how to prepare for emergency events
- maintaining the Wellington Region CDEM Group's Emergency Operation Centres so they can be quickly activated to manage an emergency event
- working with central government, emergency services, welfare groups, lifeline utilities and a wide range of interested and affected organisations on emergency management issues
- improving city resilience in light of sea level rise.

## WHY WE DO IT

We live in a beautiful natural environment but our environment is facing some challenges and needs to be valued. Our work in this activity promotes the sustainability of our natural environment through implementation of our Environmental Sustainability Strategy. The strategy recognises that our dependence on the environment is fundamental to many aspects of our lives, and that proper care is essential if the city and our communities are to prosper.

We manage our waste (through promoting recycling and waste reduction) to maintain our community's health and quality of life. Our approach to emergency management is based on the principles of reduction of risk, readiness, response and recovery.

## EFFECTS ON COMMUNITY WELLBEING

The City Resilience activity promotes economic and social wellbeing in particular through encouraging sustainable practices and preparedness to cope in the event of a Civil Defence emergency. It contributes primarily to our community outcomes of a safe community, a healthy natural environment, healthy people and strong and inclusive communities. Looking at the potential for negative effects associated with this activity, some sustainability practices may seem expensive and time consuming to some. Emergency management response and recovery activities may also have a temporary adverse effect on community and environmental wellbeing while social systems and infrastructure are being rebuilt following an emergency event. Ineffective sustainability initiatives could lead to increased resource usage, waste and detrimental impact on the environment.

## THE SERVICES WE PROVIDE

We encourage people to live more sustainably by facilitating community actions, in areas as diverse as waste minimisation, energy efficiency, and climate change adaptation.

Emergency Management activities are carried out to meet the requirements of the Civil Defence Emergency Management Act 2002. The Act promotes the sustainable management of hazards, the safety of the public and protection of property. It also provides for planning and preparation for emergencies and for response and recovery in emergencies. The Act also requires local authorities to coordinate regional planning, programmes and activities, provides for the integration of national and local emergency management planning and activity, and encourages a coordinated approach.



## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Percentage of households that are prepared for a civil defence emergency	81%	22% <sup>1,2</sup>	≥ 75% of those expressing an opinion	2018-19 ≥ 30% 2019-20 ≥ 40% 2020-22 ≥ 50% 2022-28 ≥ 60%	Key Research
Time to activate Emergency Operations Centres (EOC)	Achieved	Achieved	EOC activated within one hour of any incident or notification of a likely threat	EOC activated within one hour of any incident or notification of a likely threat	Monthly management reports and debrief notes
Community Response Plans are developed, maintained, and agreed	75%	75%	Covering 100% of the geographical area	Covering 90% of the geographical area	Wellington Regional Rural Fire Committee

Notes:

1. Resident satisfaction survey results are not comparable to the previous year or target due to a different research provider and methodology. Refer to section on 'Customer Research' later in this document
2. Supporting residents to be resilient and prepared for a civil defence emergency is a priority for Council. Past measures have not provided a realistic view on the percentage of households prepared for a civil defence emergency as the interpretation of "prepared" was not defined. In 2016-17 a new question was asked – "In the event of a natural disaster that resulted in all services being unavailable, how many days would you be able to survive on emergency food and water provisions in your own home?" to provide a more realistic view. Our definition of "prepared" is based on guidelines issued by Wellington Regional Emergency Management Office and our recent earthquake experience in November 2016. According to these guidelines, all households in the Wellington region should have enough food and water to last them at least seven days in the event of an emergency. According to this definition, nearly a quarter (22%) of households are prepared. However, a higher proportion (70%) indicated they had enough emergency food and water provisions at home to last more than three days. This is consistent with guidelines issued by National Civil Defence who recommend households should have enough food and water to last at least three days.

## MAJOR PROJECTS PLANNED: CITY RESILIENCE

	LONG TERM PLAN 2018-19 \$000	FORECAST 2019-20 \$000	FORECAST 2020-21 \$000	FORECAST 2021-22 \$000	FORECAST 2022-23 \$000	FORECAST 2023-24 \$000	FORECAST 2024-25 \$000	FORECAST 2025-26 \$000	FORECAST 2026-27 \$000	FORECAST 2027-28 \$000	FORECAST 2028-29 \$000	FORECAST 2029-30 \$000	FORECAST 2030-31 \$000	FORECAST 2031-32 \$000	FORECAST 2032-33 \$000	FORECAST 2033-34 \$000	FORECAST 2034-35 \$000	FORECAST 2035-36 \$000	FORECAST 2036-37 \$000	FORECAST 2037-38 \$000
<b>Operating Projects</b>																				
School Programmes	5	5	5																	
Waste Minimisation Projects	301	301	301																	
Environmental Sustainability Projects	120	116	116																	
Resilience Projects	50	50	50																	
Sea Level Mapping & Consultation		200																		
Keep Hutt Beautiful	15	15	15																	

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: CITY RESILIENCE

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	-	-	-	-	-	-	-	-	-	-	-
Operating subsidies & grants	-	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Other revenue	310	411	419	428	438	447	458	468	479	491	504
<b>Total revenue</b>	<b>310</b>	<b>411</b>	<b>419</b>	<b>428</b>	<b>438</b>	<b>447</b>	<b>458</b>	<b>468</b>	<b>479</b>	<b>491</b>	<b>504</b>
<b>EXPENDITURE</b>											
Employee costs	328	267	272	278	284	291	297	304	312	319	328
Operating costs	936	1,211	1,328	1,149	1,158	1,184	1,211	1,239	1,269	1,300	1,334
Support costs/internal charges	230	152	150	154	153	160	181	180	182	195	200
Interest expenditure	5	1	1	1	-	-	-	-	-	-	-
Depreciation	18	3	3	2	2	1	1	1	1	1	1
<b>Total expenditure</b>	<b>1,517</b>	<b>1,634</b>	<b>1,754</b>	<b>1,584</b>	<b>1,597</b>	<b>1,636</b>	<b>1,690</b>	<b>1,724</b>	<b>1,764</b>	<b>1,815</b>	<b>1,863</b>
<b>DEFICIT BEFORE TAX</b>	<b>(1,207)</b>	<b>(1,223)</b>	<b>(1,335)</b>	<b>(1,156)</b>	<b>(1,159)</b>	<b>(1,189)</b>	<b>(1,232)</b>	<b>(1,256)</b>	<b>(1,285)</b>	<b>(1,324)</b>	<b>(1,359)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(1,207)	(1,223)	(1,335)	(1,156)	(1,159)	(1,189)	(1,232)	(1,256)	(1,285)	(1,324)	(1,359)
Add capital contributions	-	-	-	-	-	-	-	-	-	-	-
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(1,207)</b>	<b>(1,223)</b>	<b>(1,335)</b>	<b>(1,156)</b>	<b>(1,159)</b>	<b>(1,189)</b>	<b>(1,232)</b>	<b>(1,256)</b>	<b>(1,285)</b>	<b>(1,324)</b>	<b>(1,359)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	-	-	-	-	-	-	-	-	-	-	-
Capital to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Less capital contributions	-	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	18	3	3	2	2	1	1	1	1	1	1
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>18</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(1,189)</b>	<b>(1,220)</b>	<b>(1,332)</b>	<b>(1,154)</b>	<b>(1,157)</b>	<b>(1,188)</b>	<b>(1,231)</b>	<b>(1,255)</b>	<b>(1,284)</b>	<b>(1,323)</b>	<b>(1,358)</b>



FUNDING IMPACT STATEMENT FOR THE YEAR ENDING 30 JUNE: ENVIRONMENTAL SUSTAINABILITY

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	1,207	1,223	1,335	1,156	1,159	1,189	1,232	1,256	1,285	1,324	1,359
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Interest & dividends from investments	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	310	411	419	428	438	447	458	468	479	491	504
<b>Total operating funding (A)</b>	<b>1,517</b>	<b>1,634</b>	<b>1,754</b>	<b>1,584</b>	<b>1,597</b>	<b>1,636</b>	<b>1,690</b>	<b>1,724</b>	<b>1,764</b>	<b>1,815</b>	<b>1,863</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	1,264	1,478	1,600	1,427	1,442	1,475	1,508	1,543	1,581	1,619	1,662
Finance costs	5	1	1	1	-	-	-	-	-	-	-
Internal charges and overheads applied	230	152	150	154	153	160	181	180	182	195	200
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,499</b>	<b>1,631</b>	<b>1,751</b>	<b>1,582</b>	<b>1,595</b>	<b>1,635</b>	<b>1,689</b>	<b>1,723</b>	<b>1,763</b>	<b>1,814</b>	<b>1,862</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>18</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(18)	(3)	(3)	(2)	(2)	(1)	(1)	(1)	(1)	(1)	(1)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(18)</b>	<b>(3)</b>	<b>(3)</b>	<b>(2)</b>	<b>(2)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>
<b>Application of capital funding</b>											
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve level of service	-	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(18)</b>	<b>(3)</b>	<b>(3)</b>	<b>(2)</b>	<b>(2)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# INFRASTRUCTURE



## OUR STRATEGY TO 2048

### WHAT

Our long-term approach is to ensure that infrastructure is built and maintained to perform at a high standard, to ensure we are meeting all our legislative requirements and the needs and the expectations of our community, now and into the future. The strategy enables and informs asset management planning and ensures decisions are made in the most efficient and effective way possible.

### WHY

The future presents both challenges and opportunities for our infrastructure. The strategy focusses on where improvements can be made in response to the key challenges and opportunities we face:

- natural hazards and the effects of climate change
- changing demand for services stemming from population growth, an ageing population and shifts in preferences
- technological advancements
- sustainability and public health, and
- management practices.

The Strategy goes beyond the scope of our asset management plans and provides a strategic view of the Council's infrastructure by setting vision, principles and goals, and maintaining consistency across different asset groups, including:

- roading and footpaths
- water supply
- wastewater (sewage treatment and disposal)
- stormwater drainage including flood protection.

### WHAT WE'VE ALREADY ACHIEVED

We have:

- completed the Wainuiomata Hill Summit Pukeatua Bridge
- committed to completing three major cycle ways/shared paths as part of Government's

Urban Cycleway Programme covering the Wainuiomata Hill, the Eastern Bays and the Beltway. Construction has begun on the Wainuiomata Shared path

- continued to investigate and design the Cross Valley Link designed to improve access from State Highway 2 at Petone to Seaview and related suburb
- continued work on our major renewal of wastewater pipes in Wainuiomata, Naenae, Alicetown and Point Howard
- completed work on the Wise St extension in Wainuiomata
- renewed the Central Hutt and Oxford Terrace water mains
- strengthened Konini and Kingsley Reservoirs as part of our earthquake resilience programme
- completed Stage 1 (outer path network and internal drive) and Stage 2 (playground) of Avalon Park upgrade.

## STRATEGIC OBJECTIVES

Building on the infrastructure vision, Council has developed the following long-term targets:

- To ensure infrastructure supports the growth of our safe, healthy, liveable and vibrant city.
- To increase the resilience, sustainability and long term adaptability of the infrastructure.
- To improve the design, development and management of infrastructure to serve the community needs, desires and aspirations.
- To upgrade the infrastructure to reinforce the growth of our strong, diverse and innovative economy.
- To strengthen the reliability, efficiency and effectiveness of the infrastructure networks.

Significant issues and opportunities, options for managing the issues and the implications of these options are outlined in the 2018-2048 Infrastructure Strategy included in this Plan.

## CONTRIBUTION TO LEISURE AND WELLBEING

Infrastructure activities also contribute to the Council's Leisure and Wellbeing Strategy through:

- improving the infrastructure resilience by seismic strengthening of assets, providing back up networks, and robust emergency preparedness
- enhancing of cycling and walking opportunities through increased funding and support for active travel



- supporting health and safety initiatives in schools and across the city
- enhancing accessibility for the ageing population
- provision of parks, gardens, neighbourhood reserves, sport grounds and playgrounds
- refurbishment of the wharves.

## CONTRIBUTION TO URBAN GROWTH

Infrastructure activities contribute to the Council's Urban Growth Strategy through:

- adapting and developing infrastructure for and in high demand areas
- providing water to new residential, industrial and commercial units
- improvements to stormwater and drainage in targeted areas
- developing new cycleways, roads and footpaths
- improving streetscapes and walkability across the city
- maintaining a good quality roading network that encourages residential and business development.

## CONTRIBUTION TO ENVIRONMENTAL SUSTAINABILITY

Infrastructure activities also contribute to the Environmental Sustainability Strategy through:

- providing quality potable water to residents and addressing contaminants in receiving waters
- water conservation and efficiency programmes
- safe disposal of wastewater
- waste management and minimisation programmes and gas collection at landfills
- providing recycling opportunities around the city
- provision of walkways and cycleways and encouraging use of public transport
- enhancing roading network efficiency
- considerate land use in infrastructure design and developments.

## OPERATIONAL OBJECTIVES

Infrastructure activities are responsible for managing the community's infrastructural assets in the form of the roading, water supply, wastewater and stormwater networks, and landfill activities.

The following activities fall under Infrastructure:

- Roading and accessways.
- Water Supply.
- Wastewater.
- Stormwater.
- Solid Waste.

Infrastructure activities play a broad role in meeting the current and future needs of our communities for good quality local infrastructure, local public services and performance of regulatory functions.

These activities contribute mainly to the following high level goals for the city's wellbeing, also referred to as 'community outcomes':

- **A safe community** – we live in a safe city; our city is prepared for emergencies.
- **A strong and diverse economy** – a city that grows existing businesses and attracts new business activity, with a focus on the research and development sector; all members of our community benefit from a strong economy.
- **An accessible and connected city** – a city that is easy to move about with well-designed roads, cycleways and footpaths.
- **Healthy people** – we live healthy lives, and our city's services help to protect our health and our environment.
- **A healthy natural environment** – we value and protect the natural environment and promote a sustainable city; resources are used efficiently and there is minimal waste and pollution.
- **A healthy and attractive built environment** – our built environment enhances our quality of life; our city is vibrant, attractive, healthy and well-designed; we promote development that is sustainable, and that values and protects our built heritage and the natural environment.

A number of operational policies and plans reflect how these activities work towards Council's strategic objectives related to infrastructure, including:

- **Asset Management Plans** – we have asset management plans in place for all activities that have a significant asset base. This includes Transport Activity Management Plan, and Water, Wastewater and Stormwater Service Plans. These plans are essential in improving the design, development and management of infrastructure and setting out how we will deliver these services in a cost effective and sustainable manner.
- **Water Conservation and Efficiency Plan** – water is a fundamental need for people and businesses and Council ensures that there is a steady supply of clean, safe, drinkable water for all. This Plan looks at ways we can use our water more effectively that will help in protecting our environment and promoting a sustainable city.
- **Walk and Cycle the Hutt Plan 2014-2019** – our plan to promote greater levels of walking and cycling within the Hutt. This will have a number of benefits including improved health and wellbeing for residents, reduced congestion, vehicle emissions and operating costs.
- **Waste Management and Minimisation Plan 2017-2023** – a regional joint plan outlining Councils' commitment to work together to promote efficient waste management and minimisation. It outlines the strategy for the region, a regional action plan, individual council action plans, and supporting information.

For every activity we have provided a description of what we do, why we do it, the effects of that activity on community wellbeing, the services we provide, how we measure the success of our services, the major projects we have planned for the period 1 July 2018 to 30 June 2028, the income expected for the year to 30 June 2028, and a Funding Impact Statement for each group.





# ROADING AND ACCESSWAYS

## WHAT WE DO

Our Roading and Accessways activity includes:

- the professional and technical work involved in managing the city’s roading network
- the 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.

We support this work through policy development, forward planning, road safety coordination and various quality and safety management systems.

## WHY WE DO IT

Having the road corridor in public ownership ensures that all our residents have appropriate access to property and freedom of travel throughout Hutt City. We provide sealed roads, footpaths and streetlights so that motor vehicles, bicycles and pedestrians can travel efficiently and safely.

## EFFECTS ON COMMUNITY WELLBEING

The Roading and Traffic activity promotes economic and cultural wellbeing in particular through our strategies for growth and development, Infrastructure Strategy, Asset Management Plan and our CBD Making Places project. It contributes primarily to our community outcomes of a safe community, a strong and diverse economy, an accessible and connected city, healthy people, and a healthy and attractive built environment.

Looking at the potential for negative effects associated with this activity, the potential environmental effects of growing transport demand include intensification of water runoff due to road construction, water runoff pollution from road traffic, particulates from heavy road vehicles, air emissions from road transport and associated health impacts, traffic noise and vibration, community severance relating to heavy traffic on strategic and arterial routes, loss of productive and recreational land taken for transport infrastructure, visual intrusion of roads and degradation of amenity values, and public health risks associated with traffic accidents. Transport planning considers, and includes actions to mitigate, these adverse effects.

In addition, we carry out crash reduction studies and remedial work on those areas with a high number of crashes. Works are undertaken every year to minimise traffic delays and hence air pollution. We are also active in promoting alternative means of transport.

## THE SERVICES WE PROVIDE

We define our customer groups and the level of service provided as:

CUSTOMER GROUP	SERVICE PROVIDED
Pedestrians and mobility assisted users	Footpaths that are smooth and free of hazards
Crossings that are safe and easy to negotiate for all users	Medium-term – but important to start now
Cyclists	Cycling lanes that give separation from heavy traffic and safer access for cyclists around the city
Motorists	A roading network that enables easy and comfortable movement for vehicles throughout the city with a high level of safety and a low level of delays
Heavy vehicle drivers	Roads suitable for heavy transport over all main routes including routes for over-dimensional vehicles
Utility users	The allocation of alignment and the coordination of works for utilities within the road corridor
Residents and businesses	A roading network that provides convenient access to property and discourages inappropriate traffic activity in residential areas Planned maintenance work that minimises the impact of road works on residents and businesses
Developers	Advice on servicing of developments
All users	A streetscape that is attractive, safe, clean and well lit at night Parking that is conveniently available throughout the city to meet the needs including those of retailers, shoppers, commuters and visitors

Our customer service standards cover service quality, road safety, service accessibility and responsiveness, and are contained in our Asset Management Plan.

## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Residents' satisfaction with: <ul style="list-style-type: none"> <li>street lighting</li> <li>roads and gutters being free of litter</li> <li>city free of graffiti</li> <li>traffic control</li> <li>footpaths</li> <li>roads</li> <li>parking in and around Hutt City</li> </ul>	90%	81% <sup>1</sup>	Better than our historical average or the average of our peer councils, whichever is the higher, for each of these measures	<ul style="list-style-type: none"> <li>≥ 81%</li> <li>≥ 72%</li> <li>≥ 91%</li> <li>≥ 80%</li> <li>≥ 82%</li> <li>≥ 92%</li> <li>≥ 65%</li> </ul>	Key Research
'Road Condition Index', which measures the condition of the road surface Note: 1. A lower number indicates an improved rating 2. Effectively half of the city is surveyed each year, consequently the results from alternate years should be referred to for comparison	1.7	1.5	Hold or improve rating	Hold or improve rating	Data from the Road Assessment and Maintenance Management System (RAMM)
The average quality of ride on a sealed local road network, measured by smooth travel exposure Note: 1. A higher percentage indicates an improved rating 2. Effectively half of the city is surveyed each year, consequently the results from alternate years should be referred to for comparison	79.05%	80.88%	Hold or improve rating	Hold or improve rating	Data from RAMM
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	135 Note: this measure covers the natural year, not the financial year	139 <sup>2</sup>	Contribute to a reducing trend over 10 years	Contribute to a reducing trend over 10 years	Data from NZTA
Response to service requests – percentage of customer service requests relating to roads and footpaths which are responded to within the timeframe specified in the Long Term Plan	92.08%	93.30%	≥ 94%	≥ 94%	Management Report
Percentage of sealed local road network that is resurfaced	5.30%	5.90%	8% is the long-term target, however significant year to year variance is expected	8% is the long-term target, however significant year to year variance is expected	Measured by external provider
Percentage of footpaths that fall within the service standard for footpath condition	97.90%	98.00%	> 98%	> 98%	Measured by external provider



## MAJOR PROJECTS PLANNED: ROADS AND ACCESSWAYS

	LONG TERM PLAN 2018-19 \$000	FORECAST 2019-20 \$000	FORECAST 2020-21 \$000	FORECAST 2021-22 \$000	FORECAST 2022-23 \$000	FORECAST 2023-24 \$000	FORECAST 2024-25 \$000	FORECAST 2025-26 \$000	FORECAST 2026-27 \$000	FORECAST 2027-28 \$000	FORECAST 2028-29 \$000	FORECAST 2029-30 \$000	FORECAST 2030-31 \$000	FORECAST 2031-32 \$000	FORECAST 2032-33 \$000	FORECAST 2033-34 \$000	FORECAST 2034-35 \$000	FORECAST 2035-36 \$000	FORECAST 2036-37 \$000	FORECAST 2037-38 \$000	
<b>Capital Projects To Meet Additional Demand</b>																					
Riverlink - East Access Route			3,500																		
Riverlink - Contribution To Melling Bridge Renewal								6,500													
Road Network Improvements							1,000	33,000	31,000				1,100	3,300	2,200	2,200	3,300	3,300	330	330	330
<b>Capital Projects To Improve Level Of Service</b>																					
Broad Band Ducting	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	
Bridge Renewals - Norton Park Ave / Nelson Cres										950											
Bridge Seismic Strengthening (Cuba St. Overbridge)			820																		
Civic Precinct Parking & Laings Rd Upgrade	500																				
Riverlink - Replacement Riverbank Parking			800																		
Cross Valley Connection - Investigation / Design	900																				
Cycleway/Shared Path Beltway	3,090																				
Cycleway/Shared Path Beltway - Continued		300	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	
Cycleway/Shared Path Eastern Bays	4,240	1,500	1,859	1,769	2,588	2,268															
Cycleway/Shared Path Wainuimata Hill	7,442																				
Local Area Traffic Management	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
Land Purchase for Roads	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	
Network Resilience - Eastern Hutt Road			2,900																		
Pedestrian Crossings New Reconstruction	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	
Improvements - Outyears		80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	
Sub Standard Roads Upgrade	735	250	250	250	280	280	280	280	280	280	280	280	280	280	280	280	280	280	280	280	
School Speed Zone Programme	60	60	60	60	60	60															

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.



MAJOR PROJECTS PLANNED: ROADS AND ACCESSWAYS (CONTINUED)

	LONG TERM PLAN 2018-19 \$000	FORECAST 2019-20 \$000	FORECAST 2020-21 \$000	FORECAST 2021-22 \$000	FORECAST 2022-23 \$000	FORECAST 2023-24 \$000	FORECAST 2024-25 \$000	FORECAST 2025-26 \$000	FORECAST 2026-27 \$000	FORECAST 2027-28 \$000	FORECAST 2028-29 \$000	FORECAST 2029-30 \$000	FORECAST 2030-31 \$000	FORECAST 2031-32 \$000	FORECAST 2032-33 \$000	FORECAST 2033-34 \$000	FORECAST 2034-35 \$000	FORECAST 2035-36 \$000	FORECAST 2036-37 \$000	FORECAST 2037-38 \$000
<b>Capital Projects To Improve Level Of Service</b>																				
Ticketless Parking Meters	104																			
Traffic Safety Improvements	140	400	650	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400
Wheelchair Friendly Footpath Routes	50	50	50	50																
<b>Capital Projects To Replace Existing Assets</b>																				
Area Wide Pavement Treatment	1,950	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250
Carpark Resurfacing	56	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Corrosion Protection - Port Road and Seaview Road Bridges	700																			
Estuary Bridge Corrosion Protection								959											672	
Footpath Resurfacing and Replacement	205	205	205	205	210	210	210	210	210	210	210	210	210	210	210	210	210	210	210	210
Pavement Surfacing	2,100	2,500	2,700	3,200	3,500	3,600	3,700	3,900	4,000	3,900	3,800	3,500	2,800	2,300	1,900	1,900	1,900	1,900	1,900	1,900
Minor Safety Works	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Minor Road and Footpath Construction	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74
Pay & Display Extension									300	300	300			300	300	300				
Pedestrian Crossing Maintenance	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
Road Reconstruction (Out Years)		407	407	407	407	407	407	407	407	407	407	407	407	407	407	407	407	407	407	407
Streetlight Lantern Replacement Programme	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200
Streetlight Standard Replacement	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250
Street Name Sign Replacement	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Traffic Signal Replacement		80	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170
Wainuiomata Hill Road Safety Seal	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
<b>Operating Projects</b>																				
Cycleways Continued Development	100																			
Rapid Response Anti- Graffiti Service	223	223	223																	
Safety Initiatives	20	20	20																	

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: ROADS AND ACCESSWAYS

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	4,961	5,217	5,321	5,438	5,270	5,385	5,509	5,636	5,771	5,915	6,069
Operating subsidies & grants	3,945	3,958	4,102	4,086	4,175	4,267	4,365	4,465	4,572	4,687	4,809
Capital subsidies	10,787	10,775	4,542	9,011	5,373	6,112	6,128	5,555	25,417	24,309	6,076
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	70	70	96	99	93	95	97	99	102	104	107
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	500	500	510	521	533	544	557	570	583	598	613
Other revenue	468	468	477	488	499	510	521	533	546	560	574
<b>Total revenue</b>	<b>20,731</b>	<b>20,988</b>	<b>15,048</b>	<b>19,643</b>	<b>15,943</b>	<b>16,913</b>	<b>17,177</b>	<b>16,858</b>	<b>36,991</b>	<b>36,173</b>	<b>18,248</b>
<b>EXPENDITURE</b>											
Employee costs	1,636	1,644	1,677	1,714	1,752	1,790	1,831	1,873	1,918	1,966	2,018
Operating costs	12,080	12,505	12,287	12,349	12,393	12,666	12,957	13,256	13,574	13,914	14,276
Support costs/internal charges	2,555	2,729	2,779	2,871	2,884	2,949	3,060	3,080	3,147	3,277	3,323
Interest expenditure	1,444	1,715	1,801	2,064	2,284	2,576	2,784	2,563	3,620	4,588	4,908
Depreciation	11,891	12,172	11,539	11,981	12,390	12,543	12,740	12,937	13,082	13,862	14,811
<b>Total expenditure</b>	<b>29,606</b>	<b>30,765</b>	<b>30,083</b>	<b>30,979</b>	<b>31,703</b>	<b>32,524</b>	<b>33,372</b>	<b>33,709</b>	<b>35,341</b>	<b>37,607</b>	<b>39,336</b>
<b>DEFICIT BEFORE TAX</b>	<b>(8,875)</b>	<b>(9,777)</b>	<b>(15,035)</b>	<b>(11,336)</b>	<b>(15,760)</b>	<b>(15,611)</b>	<b>(16,195)</b>	<b>(16,851)</b>	<b>1,650</b>	<b>(1,434)</b>	<b>(21,088)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>23,656</b>	<b>23,882</b>	<b>9,937</b>	<b>19,558</b>	<b>11,613</b>	<b>13,071</b>	<b>13,127</b>	<b>12,029</b>	<b>58,584</b>	<b>49,217</b>	<b>13,506</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(8,875)	(9,777)	(15,035)	(11,336)	(15,760)	(15,611)	(16,195)	(16,851)	1,650	(1,434)	(21,088)
Add capital contributions	(10,857)	(10,845)	(4,638)	(9,110)	(5,466)	(6,207)	(6,225)	(5,654)	(25,519)	(24,413)	(6,183)
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(19,732)</b>	<b>(20,622)</b>	<b>(19,673)</b>	<b>(20,446)</b>	<b>(21,226)</b>	<b>(21,818)</b>	<b>(22,420)</b>	<b>(22,505)</b>	<b>(23,869)</b>	<b>(25,847)</b>	<b>(27,271)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	-	-	(3,647)	-	-	-	(1,139)	(46,057)	(37,045)	-
Capital to improve level of service	(17,570)	(17,445)	(2,880)	(8,396)	(3,401)	(4,346)	(4,090)	(1,532)	(1,592)	(1,632)	(2,815)
Capital to replace existing assets	(6,086)	(6,437)	(7,057)	(7,515)	(8,212)	(8,725)	(9,037)	(9,358)	(10,935)	(10,540)	(10,691)
Less capital contributions	10,857	10,845	4,638	9,110	5,466	6,207	6,225	5,654	25,519	24,413	6,183
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	11,891	12,172	11,539	11,981	12,390	12,543	12,740	12,937	13,082	13,862	14,811
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>(908)</b>	<b>(865)</b>	<b>6,240</b>	<b>1,533</b>	<b>6,243</b>	<b>5,679</b>	<b>5,838</b>	<b>6,562</b>	<b>(19,983)</b>	<b>(10,942)</b>	<b>7,488</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(20,640)</b>	<b>(21,487)</b>	<b>(13,433)</b>	<b>(18,913)</b>	<b>(14,983)</b>	<b>(16,139)</b>	<b>(16,582)</b>	<b>(15,943)</b>	<b>(43,852)</b>	<b>(36,789)</b>	<b>(19,783)</b>

## FUNDING IMPACT STATEMENT FOR THE YEAR ENDING 30 JUNE: ROADS AND ACCESSWAYS

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	19,732	20,622	19,673	20,446	21,226	21,818	22,420	22,505	23,869	25,847	27,271
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	3,945	3,958	4,102	4,086	4,175	4,267	4,365	4,465	4,572	4,687	4,809
Fees and charges	4,961	5,217	5,321	5,438	5,270	5,385	5,509	5,636	5,771	5,915	6,069
Interest & dividends from investments	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	968	968	987	1,009	1,032	1,054	1,078	1,103	1,129	1,158	1,187
<b>Total operating funding (A)</b>	<b>29,606</b>	<b>30,765</b>	<b>30,083</b>	<b>30,979</b>	<b>31,703</b>	<b>32,524</b>	<b>33,372</b>	<b>33,709</b>	<b>35,341</b>	<b>37,607</b>	<b>39,336</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	13,716	14,149	13,964	14,063	14,145	14,456	14,788	15,129	15,492	15,880	16,294
Finance costs	1,444	1,715	1,801	2,064	2,284	2,576	2,784	2,563	3,620	4,588	4,908
Internal charges and overheads applied	2,555	2,729	2,779	2,871	2,884	2,949	3,060	3,080	3,147	3,277	3,323
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>17,715</b>	<b>18,593</b>	<b>18,544</b>	<b>18,998</b>	<b>19,313</b>	<b>19,981</b>	<b>20,632</b>	<b>20,772</b>	<b>22,259</b>	<b>23,745</b>	<b>24,525</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>11,891</b>	<b>12,172</b>	<b>11,539</b>	<b>11,981</b>	<b>12,390</b>	<b>12,543</b>	<b>12,740</b>	<b>12,937</b>	<b>13,082</b>	<b>13,862</b>	<b>14,811</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	10,787	10,775	4,542	9,011	5,373	6,112	6,128	5,555	25,417	24,309	6,076
Development & financial contributions	70	70	96	99	93	95	97	99	102	104	107
Increase (decrease) in debt	908	865	(6,240)	(1,533)	(6,243)	(5,679)	(5,838)	(6,562)	19,983	10,942	(7,488)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>11,765</b>	<b>11,710</b>	<b>(1,602)</b>	<b>7,577</b>	<b>(777)</b>	<b>528</b>	<b>387</b>	<b>(908)</b>	<b>45,502</b>	<b>35,355</b>	<b>(1,305)</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	-	-	3,647	-	-	-	1,139	46,057	37,045	-
- to improve level of service	17,570	17,445	2,880	8,396	3,401	4,346	4,090	1,532	1,592	1,632	2,815
- to replace existing assets	6,086	6,437	7,057	7,515	8,212	8,725	9,037	9,358	10,935	10,540	10,691
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>23,656</b>	<b>23,882</b>	<b>9,937</b>	<b>19,558</b>	<b>11,613</b>	<b>13,071</b>	<b>13,127</b>	<b>12,029</b>	<b>58,584</b>	<b>49,217</b>	<b>13,506</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(11,891)</b>	<b>(12,172)</b>	<b>(11,539)</b>	<b>(11,981)</b>	<b>(12,390)</b>	<b>(12,543)</b>	<b>(12,740)</b>	<b>(12,937)</b>	<b>(13,082)</b>	<b>(13,862)</b>	<b>(14,811)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# WATER SUPPLY

## WHAT WE DO

We provide a sustainable and high-quality water supply to our community for domestic and commercial use. We buy bulk water from Greater Wellington Regional Council (GWRC), then distribute it to the community through our water supply network. We regularly monitor the water quality and plan for the city's future water supply, including any maintenance and upgrades needed to maintain the required service.

Water quality issues, and security of the water supply, have been a major focus of Wellington Water Ltd (acting on behalf of all the Territorial Authorities in the Wellington metropolitan area), both in advance of, and in response to, the Havelock North incident and subsequent enquiry.

The major outcome of that focus and associated work, has been a recognition that water from the Waiwhetu aquifer, previously untreated, could no longer be deemed to be a secure supply, and as a consequence water from that source is now both chlorinated and UV treated.

## WHY WE DO IT

In supplying high-quality, affordable water, we contribute to:

- our community's health
- community safety (through the water supply system's fire-fighting capability)
- industrial and residential development.

## EFFECTS ON COMMUNITY WELLBEING

The Water Supply activity promotes economic and environmental wellbeing in particular through our Infrastructure Strategy, Environmental Sustainability Strategy and Asset Management Plan. It contributes primarily to our community outcomes of a strong and diverse economy, an accessible and connected city, healthy people, a healthy natural environment, and strong and inclusive communities.

Looking at the potential for negative effects associated with this activity, degradation of watercourses due to the rate of extraction of water, and degradation of habitats affected by construction or management requirements for water sources are potentially significant negative effects.

GWRC is responsible for the extraction, treatment and supply of water into the city's water supply system. Extraction is managed to ensure that potential adverse effects are minimised to acceptable levels. We contribute towards managing the demand for water and therefore the requirement to develop new water sources through water conservation programmes, playing a leading role (through Wellington Water Ltd) in regional initiatives to manage the demand for water in the Wellington region, and supporting a bulk water charging system that incorporates incentives for water conservation.

## THE SERVICES WE PROVIDE

We define our customer groups and the service provided as:

CUSTOMER GROUP	SERVICE PROVIDED
Residents and ratepayers	Reticulated water supply Firefighting supply Te Puna Wai Ora natural water supply
Commercial water users	Drinking water supply Firefighting supply
Industrial water users	Drinking water supply Industrial water supply Firefighting supply
Developers	Advice on servicing of developments
Fire and Emergency New Zealand	Firefighting supply

Our customer service standards cover water quality, service availability, courtesy and target response times, and are contained in our Asset Management Plan.

## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Residents' satisfaction with the city water supply	90%	97% <sup>1</sup>	≥ 95% of those expressing an opinion	≥ 95% of those expressing an opinion	Key Research
Does the drinking water supply comply with part 4 of the drinking-water standards (bacteria compliance criteria)	Achieved full compliance	Achieved full compliance	Full compliance	Full compliance	Portable Water Testing Contract Reports
Does the drinking water supply comply with part 5 of the drinking-water standards (protozoal compliance criteria)			Full compliance	Full compliance	
Number of complaints for drinking water per 1000 connections: <ul style="list-style-type: none"> <li>• clarity</li> <li>• taste</li> <li>• odour</li> <li>• pressure or flow</li> <li>• continuity of supply</li> <li>• responsiveness to issues</li> </ul>	Achieved 10.17	Achieved: 12.49	≤ 140 per 1000 connections	≤ 140 per 1000 connections	Wellington Water SLA spreadsheet
Median response time for: <ul style="list-style-type: none"> <li>• attendance for urgent callouts: from the time that the local authority receives notification to the time that service personnel reach the site</li> <li>• resolution of urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption</li> <li>• attendance for non-urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption</li> <li>• resolution of non-urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption</li> </ul>	Achieved: 43 minutes	Achieved: 45 minutes	≤ 60 minutes	≤ 60 minutes	Operations and Maintenance Contract Monthly Report
	Achieved: 2.82 hours	Achieved: 3.38 hours	≤ Four hours	≤ Four hours	
	Achieved: 24.37 hours	Not achieved: 42.12 hours <sup>2</sup>	≤ 36 hours	≤ 36 hours	
	Achieved: 26.48 hours	Achieved: 1.93 days	≤ 15 days	≤ 15 days	
Average drinking water consumption per resident per day	Not achieved - 355 litres per day (Note: Water consumption was higher than usual due to an extended dry period into March, resulting in more outdoor use)	Not achieved: 352 l/p/d	345 litres per day	345 litres per day	Wellington Water SLA spreadsheet
Percentage of real water loss from networked reticulation system Note: the real water loss measurement is the percentage of water that is lost through leakage on the mains, leakage and overflow at reservoirs and leakage on service connections up to the property boundaries	Not achieved - 22.5% (Note: The water loss estimate is likely to include high outdoor use during the extended dry period which may not have been fully reflected in the residential sample meters)	Not achieved: 21.6% <sup>3</sup>	≤ 18%	≤ 18%	Wellington Water SLA spreadsheet

### Notes:

1. Resident satisfaction survey results are not comparable to the previous year or target due to a different research provider and methodology. Refer to section on 'Customer Research' later in this document
2. Following the November earthquake and storm events, there was a higher than usual number of request for callouts. There was a focus on high priority, urgent jobs across the region in November and into December which resulted in an increased median response time to lower priority, non-urgent call-outs.
3. The water loss estimate is above the target and is likely to include high outdoor use during the summer period. This may not have been fully reflected in the residential sample meters.



## MAJOR PROJECTS PLANNED: WATER SUPPLY

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital Projects To Meet Additional Demand</b>																				
Critical Pipelines Seismic Upgrade	140		16	116	105	50	50	50	50	50	60	60	60	60	60	60	60	60	60	60
Reservoir Upgrades	499	439		69	279	893	791	455	305	155	455	35	35	35	35	35	35	35	35	35
<b>Capital Projects To Improve Level Of Service</b>																				
Community Infrastructure Resilience Projects																				
Critical Pipelines Seismic Upgrade	1,260		144	1,040	943	450	450	450	450	450	540	540	540	540	540	540	540	540	540	540
Data Collection Water Supply	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Holborn Booster Pump	300																			
Pump Station Upgrades				150	950															
Reservoir Upgrades	1,163	1,023		161	651	2,082	1,844	1,060	710	360	1,060	80	80	80	80	80	80	80	80	80
Water Supply Risk Reduction	434	300	300	300																
<b>Capital Projects To Replace Existing Assets</b>																				
Distribution Pipe Model Development	50	50	50	50	50	50	50	50	50	50		50		50		50		50		50
Reactive Network Renewals	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150
Reactive Pump Station Renewals	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Reactive Reservoir Renewals	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Control Systems Renewals	105	105	40	167	60	10	10	10	10	10	10	10	10	10	10	40	160	105	112	60
Network Renewals Water Supply	627	1,495	656	3,258	1,740	1,740	1,740	1,740	1,740	1,740	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: WATER SUPPLY

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	2,561	3,135	3,198	3,268	3,340	3,413	3,491	3,572	3,657	3,749	3,846
Operating subsidies & grants	-	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	35	35	69	71	62	63	65	66	68	69	71
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	114	114	116	119	121	124	127	130	133	136	140
Other revenue	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>2,710</b>	<b>3,284</b>	<b>3,383</b>	<b>3,458</b>	<b>3,523</b>	<b>3,600</b>	<b>3,683</b>	<b>3,768</b>	<b>3,858</b>	<b>3,954</b>	<b>4,057</b>
<b>EXPENDITURE</b>											
Employee costs	-	-	-	-	-	-	-	-	-	-	-
Operating costs	12,120	12,785	13,239	13,789	14,278	14,788	15,233	15,693	16,286	16,920	17,481
Support costs/internal charges	395	473	479	507	494	505	537	526	537	574	566
Interest expenditure	464	582	632	591	706	736	851	936	847	953	941
Depreciation	3,545	4,060	4,079	4,061	4,070	4,229	4,372	4,537	4,692	4,690	4,788
<b>Total expenditure</b>	<b>16,524</b>	<b>17,900</b>	<b>18,429</b>	<b>18,948</b>	<b>19,548</b>	<b>20,258</b>	<b>20,993</b>	<b>21,692</b>	<b>22,362</b>	<b>23,137</b>	<b>23,776</b>
<b>DEFICIT BEFORE TAX</b>	<b>(13,814)</b>	<b>(14,616)</b>	<b>(15,046)</b>	<b>(15,490)</b>	<b>(16,025)</b>	<b>(16,658)</b>	<b>(17,310)</b>	<b>(17,924)</b>	<b>(18,504)</b>	<b>(19,183)</b>	<b>(19,719)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>4,703</b>	<b>4,868</b>	<b>3,776</b>	<b>1,559</b>	<b>5,966</b>	<b>5,517</b>	<b>6,198</b>	<b>5,953</b>	<b>4,789</b>	<b>4,310</b>	<b>3,809</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(13,814)	(14,616)	(15,046)	(15,490)	(16,025)	(16,658)	(17,310)	(17,924)	(18,504)	(19,183)	(19,719)
Add capital contributions	(35)	(35)	(69)	(71)	(62)	(63)	(65)	(66)	(68)	(69)	(71)
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(13,849)</b>	<b>(14,651)</b>	<b>(15,115)</b>	<b>(15,561)</b>	<b>(16,087)</b>	<b>(16,721)</b>	<b>(17,375)</b>	<b>(17,990)</b>	<b>(18,572)</b>	<b>(19,252)</b>	<b>(19,790)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	(639)	(448)	(17)	(197)	(418)	(1,050)	(958)	(589)	(424)	(251)
Capital to improve level of service	(2,579)	(3,197)	(1,390)	(504)	(1,801)	(2,813)	(2,865)	(2,659)	(1,808)	(1,435)	(1,043)
Capital to replace existing assets	(2,124)	(1,032)	(1,938)	(1,038)	(3,968)	(2,286)	(2,283)	(2,336)	(2,392)	(2,451)	(2,515)
Less capital contributions	35	35	69	71	62	63	65	66	68	69	71
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	3,545	4,060	4,079	4,061	4,070	4,229	4,372	4,537	4,692	4,690	4,788
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>(1,123)</b>	<b>(773)</b>	<b>372</b>	<b>2,573</b>	<b>(1,834)</b>	<b>(1,225)</b>	<b>(1,761)</b>	<b>(1,350)</b>	<b>(29)</b>	<b>449</b>	<b>1,050</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(14,972)</b>	<b>(15,424)</b>	<b>(14,743)</b>	<b>(12,988)</b>	<b>(17,921)</b>	<b>(17,946)</b>	<b>(19,136)</b>	<b>(19,340)</b>	<b>(18,601)</b>	<b>(18,803)</b>	<b>(18,740)</b>



## FUNDING IMPACT STATEMENT FOR THE YEAR ENDING 30 JUNE: WATER SUPPLY

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	13,849	14,651	15,115	15,561	16,087	16,721	17,375	17,990	18,572	19,252	19,790
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	2,561	3,135	3,198	3,268	3,340	3,413	3,491	3,572	3,657	3,749	3,846
Interest & dividends from investments	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	114	114	116	119	121	124	127	130	133	136	140
<b>Total operating funding (A)</b>	<b>16,524</b>	<b>17,900</b>	<b>18,429</b>	<b>18,948</b>	<b>19,548</b>	<b>20,258</b>	<b>20,993</b>	<b>21,692</b>	<b>22,362</b>	<b>23,137</b>	<b>23,776</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	12,120	12,785	13,239	13,789	14,278	14,788	15,233	15,693	16,286	16,920	17,481
Finance costs	464	582	632	591	706	736	851	936	847	953	941
Internal charges and overheads applied	395	473	479	507	494	505	537	526	537	574	566
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>12,979</b>	<b>13,840</b>	<b>14,350</b>	<b>14,887</b>	<b>15,478</b>	<b>16,029</b>	<b>16,621</b>	<b>17,155</b>	<b>17,670</b>	<b>18,447</b>	<b>18,988</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>3,545</b>	<b>4,060</b>	<b>4,079</b>	<b>4,061</b>	<b>4,070</b>	<b>4,229</b>	<b>4,372</b>	<b>4,537</b>	<b>4,692</b>	<b>4,690</b>	<b>4,788</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	35	35	69	71	62	63	65	66	68	69	71
Increase (decrease) in debt	1,123	773	(372)	(2,573)	1,834	1,225	1,761	1,350	29	(449)	(1,050)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>1,158</b>	<b>808</b>	<b>(303)</b>	<b>(2,502)</b>	<b>1,896</b>	<b>1,288</b>	<b>1,826</b>	<b>1,416</b>	<b>97</b>	<b>(380)</b>	<b>(979)</b>
<b>Application of capital funding</b>											
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	639	448	17	197	418	1,050	958	589	424	251
- to improve level of service	2,579	3,197	1,390	504	1,801	2,813	2,865	2,659	1,808	1,435	1,043
- to replace existing assets	2,124	1,032	1,938	1,038	3,968	2,286	2,283	2,336	2,392	2,451	2,515
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>4,703</b>	<b>4,868</b>	<b>3,776</b>	<b>1,559</b>	<b>5,966</b>	<b>5,517</b>	<b>6,198</b>	<b>5,953</b>	<b>4,789</b>	<b>4,310</b>	<b>3,809</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(3,545)</b>	<b>(4,060)</b>	<b>(4,079)</b>	<b>(4,061)</b>	<b>(4,070)</b>	<b>(4,229)</b>	<b>(4,372)</b>	<b>(4,537)</b>	<b>(4,692)</b>	<b>(4,690)</b>	<b>(4,788)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# WASTEWATER

## WHAT WE DO

We provide a pipe network that takes household and commercial effluent to the Seaview Wastewater Treatment Plant, which treats it to public health and environmental standards. Opened in November 2001, the resource consents under which the treatment plant now operates ensure that all relevant standards are adhered to, and that full compliance with the Resource Management Act 1991 is achieved. The Plant's operation has led to a significant improvement in the environment. We regularly undertake maintenance and upgrades to maintain the required service levels.

## WHY WE DO IT

By collecting, treating and disposing of wastewater, we provide a service to residents and businesses that supports development in the city and protects the physical environment and our community's health.

## EFFECTS ON COMMUNITY WELLBEING

The Wastewater activity promotes economic and environmental wellbeing in particular through our Infrastructure Strategy, Environmental Sustainability Strategy and Asset Management Plan. It contributes primarily to our community outcomes of a strong and diverse economy, an accessible and connected city, healthy people, a healthy natural environment, and strong and inclusive communities.

Looking at the potential for negative effects associated with this activity, the discharge of odours from the wastewater infrastructure, overflows from the wastewater system at variance with cultural values of iwi, and degradation of watercourses due to overflows from the wastewater system, are potentially significant negative effects.

Discharges to air are controlled through the resource consent process and rules in the Regional Air Quality Management Plan. The discharge of odours from the wastewater infrastructure is unlikely to be of an extent that would cause environmental degradation but may be offensive to the community. Odour control systems have been fitted to parts of the wastewater infrastructure where odour problems have been experienced. Reports of odour are monitored through the HCC Request for Service system and through reports from the wastewater system maintenance and operations contractor.

Areas where overflows due to wet weather overloading of the wastewater system have been experienced are being progressively upgraded using a combination of measures.

These include reducing wet weather discharges from private drains, upgrading pipelines and the provision of wet weather storage. Upgrading is carried out through the asset renewal programme, which provides for the replacement of every wastewater pipeline as it reaches the end of its useful life, and through the asset development programme, which reflects long term demand projections for the wastewater system.

## THE SERVICES WE PROVIDE

We define our customer groups and the service provided as:

CUSTOMER GROUP	SERVICE PROVIDED
Residents	Reticulated domestic wastewater disposal
Commercial properties	Reticulated wastewater disposal Commercial (trade waste) wastewater disposal
Industries	Reticulated wastewater disposal Industrial (trade waste) wastewater disposal
Developers	Advice on servicing of developments

Our customer service standards cover service availability, courtesy, responsiveness and environmental protection, and are contained in our Asset Management Plan.



## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Residents' satisfaction with the city wastewater service	98%	96% <sup>1</sup>	≥ 95% of those expressing an opinion	≥ 95% of those expressing an opinion	Key Research
Dry weather wastewater overflows per 1000 connections	Not achieved 5	Not achieved 0.05	0 per 1000 connections	0 per 1000 connections	Wellington Water SLA
Number of complaints per 1000 connections: <ul style="list-style-type: none"> <li>wastewater odour</li> <li>wastewater system faults</li> <li>wastewater system blockages</li> <li>responsiveness to wastewater system issues</li> </ul>	Achieved 13.47	Achieved: 25.42	≤ 30 per 1000 connections	≤ 30 per 1000 connections	Wellington Water SLA
Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: <ul style="list-style-type: none"> <li>attendance time for wastewater overflows: from the time that the territorial authority receives notification to the time that service personnel reach the site</li> <li>resolution time for wastewater overflows: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault</li> </ul>	39 minutes 1.89 hours	Achieved: 35 minutes Achieved: 2.52 hours	≤ 60 minutes ≤ Six hours	≤ 60 minutes ≤ Six hours	Wellington Water SLA
Compliance with resource consents for discharges from wastewater system: <ul style="list-style-type: none"> <li>number of abatement notices</li> <li>number of infringement notices</li> <li>number of enforcement orders</li> <li>number of convictions</li> </ul>	Achieved Nil	Achieved: Nil	No enforcement action	No enforcement action	Compliance reports from GWRC

## MAJOR PROJECTS PLANNED: WASTEWATER

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital Projects To Meet Additional Demand</b>																				
Trunk Type B Asset Development		655	5,236	7,700	539	154	154	154	154	2,310	5,698	154	4,774	4,004	154	154	154	1,617	1,575	1,575
Trunk DBO Type B Network Development	1,120																			
Trunk Main Outfall Pipeline Overflow Mitigation		350	5,232	5,005																
Trunk Type A Asset Development	2,800	140	154	154	154	462	3,542	4,004	154	154	770	770	8,400	154	385	385	385	385	385	385
Trunk DBO Asset Replacement Fund	617	617	987	1,127	979	1,096	1,281	1,125	874	893	1,485	1,612	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314
Trunk DBO Network Cyclic Replacement	210	210	280	280	280	280	280	280	280	280	350	350	350	350	350	350	350	350	350	350
Trunk Non-DBO Sewer Renewals			326																	
Trunk Non-DBO Minor Works	7	218	218	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Trunk Main Outfall Pipeline Renewal				350							154	350	4,200	4,200	11,200	11,200				
Trunk Network Improvement Plan		70	140																	
Trunk Resource Consent Renewals	96								154	105	210	322	217	179		35	35		35	140
<b>Capital Projects To Improve Level Of Service</b>																				
Consenting Waste Water	100				100	100				100	100									200
Trunk Type B Asset Development		280	2,244	3,300	231	66	66	66	66	990	2,442	66	2,046	1,716	66	66	66	693	675	675
Trunk DBO Type B Network Development	479																			
Trunk Main Outfall Pipeline Overflow Mitigation		151	2,243	2,145																
Trunk Type A Asset Development	1,200	60	66	66	66	198	1,518	1,716	66	66	330	330	3,600	66	165	165	165	165	165	165
Wastewater Resilience	100	100	100	100																
<b>Capital Projects To Replace Existing Assets</b>																				
Network Upgrades				600	600	600	600	600	600	600	644	1,044	3,344	3,344	644	644	644	644	644	644
Control Systems Renewals	63	63	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	63	63	10
Trunk DBO Asset Replacement Fund	264	264	423	483	419	470	549	482	374	382	637	691	563	563	563	563	563	563	563	563
Trunk DBO Network Cyclic Replacement	90	90	120	120	120	120	120	120	120	120	150	150	150	150	150	150	150	150	150	150

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.



MAJOR PROJECTS PLANNED: WASTEWATER (CONTINUED)

	LONG TERM PLAN 2018-19 \$000	FORECAST 2019-20 \$000	FORECAST 2020-21 \$000	FORECAST 2021-22 \$000	FORECAST 2022-23 \$000	FORECAST 2023-24 \$000	FORECAST 2024-25 \$000	FORECAST 2025-26 \$000	FORECAST 2026-27 \$000	FORECAST 2027-28 \$000	FORECAST 2028-29 \$000	FORECAST 2029-30 \$000	FORECAST 2030-31 \$000	FORECAST 2031-32 \$000	FORECAST 2032-33 \$000	FORECAST 2033-34 \$000	FORECAST 2034-35 \$000	FORECAST 2035-36 \$000	FORECAST 2036-37 \$000	FORECAST 2037-38 \$000
<b>Capital Projects To Replace Existing Assets</b>																				
Trunk Non-DBO Sewer Renewals			139																	
Trunk Non-DBO Minor Works	3	94	94	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Trunk Main Outfall Pipeline Renewal				151							66	151	1,800	1,800	4,800	4,800				
Trunk Network Improvement Plan		30	60																	
Trunk Resource Consent Renewals	42								66	45	90	138	93	76		15	15		15	60
Pump Station Reactive Renewals	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Wastewater Modelling	800	900	300	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Network Renewals	700	1,693	1,643	3,050	3,050	3,050	3,300	3,300	3,300	3,300	3,325	3,325	3,325	3,325	3,325	3,325	3,325	3,325	3,325	3,325
Pump Station Upgrades					215	215	215									75	75	75	75	75
<b>Operating Projects</b>																				
Wastewater Flow Management Wainuiomata	90	90	90																	
Rising Main Vulnerability Assessment	130	130	130																	

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: WASTEWATER

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	1,037	1,037	1,057	1,080	1,104	1,128	1,154	1,181	1,209	1,239	1,272
Operating subsidies & grants	-	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	2,518	2,518	2,568	2,625	2,682	2,741	2,804	2,869	2,937	3,011	3,089
Development & financial contributions	406	406	838	856	742	759	776	794	813	833	855
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	114	114	116	119	121	124	127	130	133	136	140
Other revenue	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>4,075</b>	<b>4,075</b>	<b>4,579</b>	<b>4,680</b>	<b>4,649</b>	<b>4,752</b>	<b>4,861</b>	<b>4,974</b>	<b>5,092</b>	<b>5,219</b>	<b>5,356</b>
<b>EXPENDITURE</b>											
Employee costs	-	-	-	-	-	-	-	-	-	-	-
Operating costs	11,644	12,036	12,288	12,563	12,854	13,161	13,486	13,822	14,169	14,541	14,936
Support costs/internal charges	865	971	986	1,030	1,021	1,043	1,095	1,089	1,113	1,172	1,171
Interest expenditure	803	763	831	1,206	1,883	2,089	2,344	2,627	2,522	2,208	1,899
Depreciation	6,777	7,683	7,699	7,623	8,317	9,179	9,360	9,546	9,938	10,067	10,238
<b>Total expenditure</b>	<b>20,089</b>	<b>21,453</b>	<b>21,804</b>	<b>22,422</b>	<b>24,075</b>	<b>25,472</b>	<b>26,285</b>	<b>27,084</b>	<b>27,742</b>	<b>27,988</b>	<b>28,244</b>
<b>DEFICIT BEFORE TAX</b>	<b>(16,014)</b>	<b>(17,378)</b>	<b>(17,225)</b>	<b>(17,742)</b>	<b>(19,426)</b>	<b>(20,720)</b>	<b>(21,424)</b>	<b>(22,110)</b>	<b>(22,650)</b>	<b>(22,769)</b>	<b>(22,888)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>6,217</b>	<b>8,741</b>	<b>6,154</b>	<b>20,914</b>	<b>25,728</b>	<b>7,483</b>	<b>7,719</b>	<b>13,382</b>	<b>13,962</b>	<b>7,567</b>	<b>11,613</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(16,014)	(17,378)	(17,225)	(17,742)	(19,426)	(20,720)	(21,424)	(22,110)	(22,650)	(22,769)	(22,888)
Add capital contributions	(406)	(406)	(838)	(856)	(742)	(759)	(776)	(794)	(813)	(833)	(855)
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(16,420)</b>	<b>(17,784)</b>	<b>(18,063)</b>	<b>(18,598)</b>	<b>(20,168)</b>	<b>(21,479)</b>	<b>(22,200)</b>	<b>(22,904)</b>	<b>(23,463)</b>	<b>(23,602)</b>	<b>(23,743)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	(4,850)	(2,303)	(13,107)	(15,581)	(2,137)	(2,230)	(6,001)	(6,503)	(1,943)	(4,605)
Capital to improve level of service	(700)	(1,879)	(603)	(4,848)	(5,976)	(432)	(404)	(1,804)	(2,078)	(158)	(1,418)
Capital to replace existing assets	(5,517)	(2,012)	(3,248)	(2,959)	(4,171)	(4,914)	(5,085)	(5,577)	(5,381)	(5,466)	(5,590)
Less capital contributions	406	406	838	856	742	759	776	794	813	833	855
Less UHCC capital contribution	540	2,187	958	5,572	6,676	852	887	2,616	2,868	774	1,946
Less depreciation	6,777	7,683	7,699	7,623	8,317	9,179	9,360	9,546	9,938	10,067	10,238
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>1,506</b>	<b>1,535</b>	<b>3,341</b>	<b>(6,863)</b>	<b>(9,993)</b>	<b>3,307</b>	<b>3,304</b>	<b>(426)</b>	<b>(343)</b>	<b>4,107</b>	<b>1,426</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(14,914)</b>	<b>(16,249)</b>	<b>(14,722)</b>	<b>(25,461)</b>	<b>(30,161)</b>	<b>(18,172)</b>	<b>(18,896)</b>	<b>(23,330)</b>	<b>(23,806)</b>	<b>(19,495)</b>	<b>(22,317)</b>



## FUNDING IMPACT STATEMENT FOR THE YEAR ENDING 30 JUNE: WASTEWATER

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	16,420	17,784	18,063	18,598	20,168	21,479	22,200	22,904	23,463	23,602	23,743
Subsidies and grants for operating purposes	2,518	2,518	2,568	2,625	2,682	2,741	2,804	2,869	2,937	3,011	3,089
Fees and charges	1,037	1,037	1,057	1,080	1,104	1,128	1,154	1,181	1,209	1,239	1,272
Interest & dividends from investments	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	114	114	116	119	121	124	127	130	133	136	140
<b>Total operating funding (A)</b>	<b>20,089</b>	<b>21,453</b>	<b>21,804</b>	<b>22,422</b>	<b>24,075</b>	<b>25,472</b>	<b>26,285</b>	<b>27,084</b>	<b>27,742</b>	<b>27,988</b>	<b>28,244</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	11,644	12,036	12,288	12,563	12,854	13,161	13,486	13,822	14,169	14,541	14,936
Finance costs	803	763	831	1,206	1,883	2,089	2,344	2,627	2,522	2,208	1,899
Internal charges and overheads applied	865	971	986	1,030	1,021	1,043	1,095	1,089	1,113	1,172	1,171
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>13,312</b>	<b>13,770</b>	<b>14,105</b>	<b>14,799</b>	<b>15,758</b>	<b>16,293</b>	<b>16,925</b>	<b>17,538</b>	<b>17,804</b>	<b>17,921</b>	<b>18,006</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>6,777</b>	<b>7,683</b>	<b>7,699</b>	<b>7,623</b>	<b>8,317</b>	<b>9,179</b>	<b>9,360</b>	<b>9,546</b>	<b>9,938</b>	<b>10,067</b>	<b>10,238</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	540	2,187	958	5,572	6,676	852	887	2,616	2,868	774	1,946
Development & financial contributions	406	406	838	856	742	759	776	794	813	833	855
Increase (decrease) in debt	(1,506)	(1,535)	(3,341)	6,863	9,993	(3,307)	(3,304)	426	343	(4,107)	(1,426)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(560)</b>	<b>1,058</b>	<b>(1,545)</b>	<b>13,291</b>	<b>17,411</b>	<b>(1,696)</b>	<b>(1,641)</b>	<b>3,836</b>	<b>4,024</b>	<b>(2,500)</b>	<b>1,375</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	4,850	2,303	13,107	15,581	2,137	2,230	6,001	6,503	1,943	4,605
- to improve level of service	700	1,879	603	4,848	5,976	432	404	1,804	2,078	158	1,418
- to replace existing assets	5,517	2,012	3,248	2,959	4,171	4,914	5,085	5,577	5,381	5,466	5,590
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>6,217</b>	<b>8,741</b>	<b>6,154</b>	<b>20,914</b>	<b>25,728</b>	<b>7,483</b>	<b>7,719</b>	<b>13,382</b>	<b>13,962</b>	<b>7,567</b>	<b>11,613</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(6,777)</b>	<b>(7,683)</b>	<b>(7,699)</b>	<b>(7,623)</b>	<b>(8,317)</b>	<b>(9,179)</b>	<b>(9,360)</b>	<b>(9,546)</b>	<b>(9,938)</b>	<b>(10,067)</b>	<b>(10,238)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# STORMWATER

## WHAT WE DO

We provide a stormwater drainage pipe network to manage the surface water run-off from urban catchments, providing flood protection and control. Our objective is to achieve the best possible balance between the level of protection and the cost to our community. This includes maintaining and upgrading assets to maintain the required service levels.

## WHY WE DO IT

Most of the development in Hutt City is concentrated on flat valley plains with the potential for flooding. We need to control stormwater to protect our community's health and safety and minimise property damage. A comprehensive stormwater system is the most efficient way to do this.

## EFFECTS ON COMMUNITY WELLBEING

The Stormwater activity promotes economic and environmental wellbeing in particular through our Infrastructure Strategy, Environmental Sustainability Strategy and Asset Management Plan. It contributes primarily to our community outcomes of a safe community, a strong and diverse economy, an accessible and connected city, healthy people, a healthy natural environment, strong and inclusive communities, and a healthy and attractive built environment.

Looking at the potential for negative effects associated with this activity, the discharge of contaminants in stormwater to watercourses, and flooding when the capacity of the stormwater system is exceeded, are potentially significant negative effects.

Pollution prevention programmes, road cleaning programmes and debris pits incorporated in the majority of inlets to the stormwater system all assist in minimising the entry of contaminants, and are supplemented by our monitoring regime. The stormwater system is designed to standards which reflect the level of risk at different locations and are comparable to design standards in other New Zealand cities. The asset development programme progressively addresses gaps between the current levels of protection and target design standards. We also work with GWRC with respect to flooding issues associated with watercourses under Regional Council management.

## THE SERVICES WE PROVIDE

We define our customer groups and the service provided as:

CUSTOMER GROUP	SERVICE PROVIDED
Residents	Reticulated primary stormwater system Minimising the adverse effect of stormwater runoff that exceeds the capacity of the primary stormwater system Managing environmental effects of stormwater discharges
Commercial properties	Reticulated primary stormwater system Minimising the adverse effect of stormwater runoff that exceeds the capacity of the primary stormwater system Managing environmental effects of stormwater discharges
Industries	Reticulated primary stormwater system Minimising the adverse effect of stormwater runoff that exceeds the capacity of the primary stormwater system Managing environmental effects of stormwater discharges
Developers	Advice on servicing of developments

Our customer service standards cover service availability, courtesy, target response times and environmental protection, and are contained in our Asset Management Plan.



## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Residents' satisfaction with the city stormwater service	83%	73% <sup>1</sup>	≥ 80% of those expressing an opinion	≥ 73% of those expressing an opinion	Key Research
Achieve water quality at main recreational beaches	91%	Achieved - each monitored beach open 100% of days during the bathing season	90% of days during the bathing season (1 Dec to 31 Mar) that monitored beaches are suitable for recreational use	90% of days during the bathing season (1 Dec to 31 Mar) that monitored beaches are suitable for recreational use	Operations and Maintenance Contract Monthly Report
Number of flooding events (where stormwater enters a habitable floor)	Achieved - Nil	Not Achieved 1 <sup>2</sup>	0 flooding events	0 flooding events	Wellington Water SLA spreadsheet
Number of habitable floors flooded (compliant with District Plan)	Achieved - Nil	Not Achieved 0.05 <sup>3</sup>	0 out of 1000 connections per flooding event	0 out of 1000 connections per flooding event	Wellington Water SLA spreadsheet
Number of complaints about stormwater system performance	Achieved 1.59	Achieved 11.44	≤ 30 per 1000 connections	≤ 30 per 1000 connections	Wellington Water SLA spreadsheet
The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site	Achieved 49 minutes	Achieved 48 minutes	≤ 60 minutes	≤ 60 minutes	Wellington Water SLA spreadsheet
Compliance with resource consents for discharges from stormwater system: <ul style="list-style-type: none"> <li>• number of abatement notices</li> <li>• number of infringement notices</li> <li>• number of enforcement orders</li> <li>• number of convictions</li> </ul>	Achieved - Nil	Achieved - Nil	No enforcement action	No enforcement action	Compliance Reports from GWRC

### Notes:

1. Resident satisfaction survey results are not comparable to the previous year or target due to a different research provider and methodology. Refer to section on 'Customer Research' later in this document
2. One flooding event on 15 November 2016 following the storm. The storm rated 30-40 years return period, and exceeded the capacity of the network in places.
3. There were two confirmed habitable floors flooded as a result of the storm on 15 November 2016. The affected properties are being managed through the post-event response process to properly identify problems and plan for potential solutions.
4. Hutt River penstock automation works rescope as result of future planned stopbank works by GWRC. 2016/17 rescope work being completed early in 2017/18.



MAJOR PROJECTS PLANNED: STORMWATER

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital Projects To Meet Additional Demand</b>																				
Network Upgrades	259	37	262	63	206	165	239	107	112	118	240	240	110	110	240	240	110	110	240	110
Network Renewals	10	71	6	198	170	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
<b>Capital Projects To Improve Level Of Service</b>																				
Awamutu Stream	52	50	993	2,500																
Beach Stormwater Outlets					75	1,364														
Network Upgrades	2,327	330	2,361	562	1,856	1,485	2,148	966	1,011	1,063	2,160	2,160	990	990	2,160	2,160	990	990	2,160	990
Pump Station Upgrades	100			235	1,004	720	720	1,050	545	330										
Stormwater Consenting Project				25	25															
Storm Water Quality Improvements	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>Capital Projects To Replace Existing Assets</b>																				
Control Systems Renewals	42	42	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	42	42	10
Stormwater Network Modelling	350	550	350	50	50	50	50	50	50	50	50		50		50		50		50	
Network Renewals	90	639	54	1,777	1,532	564	564	564	564	564	564	564	564	564	564	564	564	564	564	564
Pump Station Reactive Renewals	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: STORMWATER

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	12	11	12	12	12	13	13	13	13	14	14
Operating subsidies & grants	8	8	9	9	9	9	9	10	10	10	10
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	50	50	79	80	73	75	77	78	80	82	85
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	114	114	116	119	121	124	127	130	133	136	140
Other revenue	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>184</b>	<b>183</b>	<b>216</b>	<b>220</b>	<b>215</b>	<b>221</b>	<b>226</b>	<b>231</b>	<b>236</b>	<b>242</b>	<b>249</b>
<b>EXPENDITURE</b>											
Employee costs	-	-	-	-	-	-	-	-	-	-	-
Operating costs	3,692	3,705	3,788	3,875	3,972	4,077	4,188	4,303	4,418	4,541	4,672
Support costs/internal charges	296	356	360	373	372	380	396	396	405	424	426
Interest expenditure	319	333	367	436	560	667	800	882	816	801	752
Depreciation	2,866	4,278	4,255	4,199	4,306	4,449	4,583	4,707	4,818	4,785	4,861
<b>Total expenditure</b>	<b>7,173</b>	<b>8,672</b>	<b>8,770</b>	<b>8,883</b>	<b>9,210</b>	<b>9,573</b>	<b>9,967</b>	<b>10,288</b>	<b>10,457</b>	<b>10,551</b>	<b>10,711</b>
<b>DEFICIT BEFORE TAX</b>	<b>(6,989)</b>	<b>(8,489)</b>	<b>(8,554)</b>	<b>(8,663)</b>	<b>(8,995)</b>	<b>(9,352)</b>	<b>(9,741)</b>	<b>(10,057)</b>	<b>(10,221)</b>	<b>(10,309)</b>	<b>(10,462)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>3,210</b>	<b>3,380</b>	<b>1,906</b>	<b>4,364</b>	<b>5,934</b>	<b>5,529</b>	<b>5,090</b>	<b>4,493</b>	<b>3,453</b>	<b>2,995</b>	<b>2,880</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(6,989)	(8,489)	(8,554)	(8,663)	(8,995)	(9,352)	(9,741)	(10,057)	(10,221)	(10,309)	(10,462)
Add capital contributions	(50)	(50)	(79)	(80)	(73)	(75)	(77)	(78)	(80)	(82)	(85)
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(7,039)</b>	<b>(8,539)</b>	<b>(8,633)</b>	<b>(8,743)</b>	<b>(9,068)</b>	<b>(9,427)</b>	<b>(9,818)</b>	<b>(10,135)</b>	<b>(10,301)</b>	<b>(10,391)</b>	<b>(10,547)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	(269)	(109)	(282)	(278)	(414)	(256)	(345)	(200)	(210)	(224)
Capital to improve level of service	(2,052)	(2,579)	(490)	(3,599)	(3,646)	(3,329)	(4,083)	(3,381)	(2,467)	(1,979)	(1,831)
Capital to replace existing assets	(1,158)	(532)	(1,307)	(483)	(2,010)	(1,786)	(751)	(767)	(786)	(806)	(825)
Less capital contributions	50	50	79	80	73	75	77	78	80	82	85
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	2,866	4,278	4,255	4,199	4,306	4,449	4,583	4,707	4,818	4,785	4,861
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>(294)</b>	<b>948</b>	<b>2,428</b>	<b>(85)</b>	<b>(1,555)</b>	<b>(1,005)</b>	<b>(430)</b>	<b>292</b>	<b>1,445</b>	<b>1,872</b>	<b>2,066</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(7,333)</b>	<b>(7,591)</b>	<b>(6,205)</b>	<b>(8,828)</b>	<b>(10,623)</b>	<b>(10,432)</b>	<b>(10,248)</b>	<b>(9,843)</b>	<b>(8,856)</b>	<b>(8,519)</b>	<b>(8,481)</b>

## FUNDING IMPACT STATEMENT FOR THE YEAR ENDING 30 JUNE: STORMWATER

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	7,039	8,539	8,633	8,743	9,068	9,427	9,818	10,135	10,301	10,391	10,547
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	8	8	9	9	9	9	9	10	10	10	10
Fees and charges	12	11	12	12	12	13	13	13	13	14	14
Interest & dividends from investments	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	114	114	116	119	121	124	127	130	133	136	140
<b>Total operating funding (A)</b>	<b>7,173</b>	<b>8,672</b>	<b>8,770</b>	<b>8,883</b>	<b>9,210</b>	<b>9,573</b>	<b>9,967</b>	<b>10,288</b>	<b>10,457</b>	<b>10,551</b>	<b>10,711</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	3,692	3,705	3,788	3,875	3,972	4,077	4,188	4,303	4,418	4,541	4,672
Finance costs	319	333	367	436	560	667	800	882	816	801	752
Internal charges and overheads applied	296	356	360	373	372	380	396	396	405	424	426
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>4,307</b>	<b>4,394</b>	<b>4,515</b>	<b>4,684</b>	<b>4,904</b>	<b>5,124</b>	<b>5,384</b>	<b>5,581</b>	<b>5,639</b>	<b>5,766</b>	<b>5,850</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>2,866</b>	<b>4,278</b>	<b>4,255</b>	<b>4,199</b>	<b>4,306</b>	<b>4,449</b>	<b>4,583</b>	<b>4,707</b>	<b>4,818</b>	<b>4,785</b>	<b>4,861</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	50	50	79	80	73	75	77	78	80	82	85
Increase (decrease) in debt	294	(948)	(2,428)	85	1,555	1,005	430	(292)	(1,445)	(1,872)	(2,066)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>344</b>	<b>(898)</b>	<b>(2,349)</b>	<b>165</b>	<b>1,628</b>	<b>1,080</b>	<b>507</b>	<b>(214)</b>	<b>(1,365)</b>	<b>(1,790)</b>	<b>(1,981)</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	269	109	282	278	414	256	345	200	210	224
- to improve level of service	2,052	2,579	490	3,599	3,646	3,329	4,083	3,381	2,467	1,979	1,831
- to replace existing assets	1,158	532	1,307	483	2,010	1,786	751	767	786	806	825
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>3,210</b>	<b>3,380</b>	<b>1,906</b>	<b>4,364</b>	<b>5,934</b>	<b>5,529</b>	<b>5,090</b>	<b>4,493</b>	<b>3,453</b>	<b>2,995</b>	<b>2,880</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(2,866)</b>	<b>(4,278)</b>	<b>(4,255)</b>	<b>(4,199)</b>	<b>(4,306)</b>	<b>(4,449)</b>	<b>(4,583)</b>	<b>(4,707)</b>	<b>(4,818)</b>	<b>(4,785)</b>	<b>(4,861)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## SOLID WASTE

### WHAT WE DO

We manage contracts for the collection of the city's refuse and recycling, and own and operate a landfill at which people and businesses can dispose of residual waste.

### 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.

### EFFECTS ON COMMUNITY WELLBEING

The Solid Waste activity promotes environmental wellbeing in particular through our Environmental Sustainability Strategy and the regional Waste Management and Minimisation Plan. It contributes primarily to our community outcomes of healthy people and a healthy natural environment.

Looking at the potential for negative effects associated with this activity, environmental effects caused through failure to comply with resource consent conditions has been identified as a possible risk that is addressed through our management techniques and best practice standards. Failure to provide effective recycling and refuse collection services could lead to increased littering.

### THE SERVICES WE PROVIDE

We provide a weekly kerbside collection service for general waste and recycling. We also provide a landfill on Reynolds Bach Drive, Silverstream, and a cleanfill on Coast Road, Wainuiomata. Community recycling stations are currently located in Alicetown, Kelson, Naenae, Wainuiomata and a facility at Seaview.

## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Residents' satisfaction with:					Key Research
• rubbish collection	94%	95% <sup>1</sup>	≥ 93% of those expressing an opinion	≥ 93% of those expressing an opinion	
• refuse disposal	88%	85% <sup>1</sup>	≥ 91% of those expressing an opinion	≥ 85% of those expressing an opinion	
No resource consent-related infringement notices received from GWRC	100% compliance	100% compliance	100% compliance	100% compliance	Compliance Reports from GWRC

Notes:

1. Resident satisfaction survey results are not comparable to the previous year or target due to a different research provider and methodology. Refer to section on 'Customer Research' later in this document



MAJOR PROJECTS PLANNED: SOLID WASTE

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital Projects To Improve Level Of Service</b>																				
Silverstream Landfill Building Improvements	250																			
Cleanfill Site Development	5	5	5	5	5	5	5	5												
Silverstream Landfill Stage 2 Design & Construction	2,841	3,846	3,873	823	4,886	427	3,663	7,170	3,052	349	2,711	398	420	325	3,050	250	300	1,000	2,000	1,000

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: SOLID WASTE

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	13,680	13,970	14,249	14,562	14,882	15,209	15,558	15,916	15,947	16,347	16,772
Operating subsidies & grants	-	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Other revenue	5	255	515	526	538	550	562	575	589	604	620
<b>Total revenue</b>	<b>13,685</b>	<b>14,225</b>	<b>14,764</b>	<b>15,088</b>	<b>15,420</b>	<b>15,759</b>	<b>16,120</b>	<b>16,491</b>	<b>16,536</b>	<b>16,951</b>	<b>17,392</b>
<b>EXPENDITURE</b>											
Employee costs	-	-	-	-	-	-	-	-	-	-	-
Operating costs	6,837	7,222	7,367	7,528	7,694	7,863	8,044	8,229	8,412	8,623	8,847
Support costs/internal charges	408	300	305	333	314	321	353	334	341	377	359
Interest expenditure	254	337	417	477	464	593	543	608	658	666	690
Depreciation	896	996	1,048	1,119	1,220	1,241	1,376	1,387	1,492	1,663	1,755
<b>Total expenditure</b>	<b>8,395</b>	<b>8,855</b>	<b>9,137</b>	<b>9,457</b>	<b>9,692</b>	<b>10,018</b>	<b>10,316</b>	<b>10,558</b>	<b>10,903</b>	<b>11,329</b>	<b>11,651</b>
<b>DEFICIT BEFORE TAX</b>	<b>5,290</b>	<b>5,370</b>	<b>5,627</b>	<b>5,631</b>	<b>5,728</b>	<b>5,741</b>	<b>5,804</b>	<b>5,933</b>	<b>5,633</b>	<b>5,622</b>	<b>5,741</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>4,669</b>	<b>3,096</b>	<b>3,928</b>	<b>4,042</b>	<b>882</b>	<b>5,325</b>	<b>482</b>	<b>4,179</b>	<b>8,370</b>	<b>3,650</b>	<b>428</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	5,290	5,370	5,627	5,631	5,728	5,741	5,804	5,933	5,633	5,622	5,741
Add capital contributions	-	-	-	-	-	-	-	-	-	-	-
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>5,290</b>	<b>5,370</b>	<b>5,627</b>	<b>5,631</b>	<b>5,728</b>	<b>5,741</b>	<b>5,804</b>	<b>5,933</b>	<b>5,633</b>	<b>5,622</b>	<b>5,741</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	(4,669)	(3,096)	(3,928)	(4,042)	(882)	(5,325)	(482)	(4,179)	(8,370)	(3,650)	(428)
Capital to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Less capital contributions	-	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	896	996	1,048	1,119	1,220	1,241	1,376	1,387	1,492	1,663	1,755
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>(3,773)</b>	<b>(2,100)</b>	<b>(2,880)</b>	<b>(2,923)</b>	<b>338</b>	<b>(4,084)</b>	<b>894</b>	<b>(2,792)</b>	<b>(6,878)</b>	<b>(1,987)</b>	<b>1,327</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>1,517</b>	<b>3,270</b>	<b>2,747</b>	<b>2,708</b>	<b>6,066</b>	<b>1,657</b>	<b>6,698</b>	<b>3,141</b>	<b>(1,245)</b>	<b>3,635</b>	<b>7,068</b>



## FUNDING IMPACT STATEMENT FOR THE YEAR ENDING 30 JUNE: SOLID WASTE

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	(6,627)	(6,707)	(6,991)	(7,024)	(7,152)	(7,196)	(7,292)	(7,456)	(7,192)	(7,220)	(7,380)
Targeted rates	1,337	1,337	1,364	1,393	1,424	1,455	1,488	1,523	1,559	1,598	1,639
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	13,680	13,970	14,249	14,562	14,882	15,209	15,558	15,916	15,947	16,347	16,772
Interest & dividends from investments	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	5	255	515	526	538	550	562	575	589	604	620
<b>Total operating funding (A)</b>	<b>8,395</b>	<b>8,855</b>	<b>9,137</b>	<b>9,457</b>	<b>9,692</b>	<b>10,018</b>	<b>10,316</b>	<b>10,558</b>	<b>10,903</b>	<b>11,329</b>	<b>11,651</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	6,837	7,222	7,367	7,528	7,694	7,863	8,044	8,229	8,412	8,623	8,847
Finance costs	254	337	417	477	464	593	543	608	658	666	690
Internal charges and overheads applied	408	300	305	333	314	321	353	334	341	377	359
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>7,499</b>	<b>7,859</b>	<b>8,089</b>	<b>8,338</b>	<b>8,472</b>	<b>8,777</b>	<b>8,940</b>	<b>9,171</b>	<b>9,411</b>	<b>9,666</b>	<b>9,896</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>896</b>	<b>996</b>	<b>1,048</b>	<b>1,119</b>	<b>1,220</b>	<b>1,241</b>	<b>1,376</b>	<b>1,387</b>	<b>1,492</b>	<b>1,663</b>	<b>1,755</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	3,773	2,100	2,880	2,923	(338)	4,084	(894)	2,792	6,878	1,987	(1,327)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>3,773</b>	<b>2,100</b>	<b>2,880</b>	<b>2,923</b>	<b>(338)</b>	<b>4,084</b>	<b>(894)</b>	<b>2,792</b>	<b>6,878</b>	<b>1,987</b>	<b>(1,327)</b>
<b>Application of capital funding</b>											
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve level of service	4,669	3,096	3,928	4,042	882	5,325	482	4,179	8,370	3,650	428
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>4,669</b>	<b>3,096</b>	<b>3,928</b>	<b>4,042</b>	<b>882</b>	<b>5,325</b>	<b>482</b>	<b>4,179</b>	<b>8,370</b>	<b>3,650</b>	<b>428</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(896)</b>	<b>(996)</b>	<b>(1,048)</b>	<b>(1,119)</b>	<b>(1,220)</b>	<b>(1,241)</b>	<b>(1,376)</b>	<b>(1,387)</b>	<b>(1,492)</b>	<b>(1,663)</b>	<b>(1,755)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# GOVERNANCE, ENGAGEMENT AND ORGANISATION

The group that delivers organisational support activities works alongside all the other activities of Council, and includes elected members and the associated secretariat services, strategy and policy development, communications and marketing, customer services, financial services, risk and audit, information services, legal services and human resources.

Organisational support activities support the social, cultural, environmental and economic wellbeing of the city, and include organisation-wide strategies covering Best Local Government Services.

## STRATEGIC OBJECTIVES

Providing local government services is what we do. We want Hutt City Council to be the best at doing this so that we can provide services at the highest standard for customers, make it easier for them to do business with us and have staff who know they are doing a great job and are part of a successful organisation. Council management, through its Strategic Leadership Team, has identified four priority areas for the organisation:

PRIORITY AREA	ORGANISATIONAL OBJECTIVE
Sustainable economic growth and thriving environment	We can make Hutt City a prosperous place for businesses and families, while we all actively improve the environment and strengthen our community's resilience
Brighter futures for those most in need	Our services and partnerships with others will enhance wellbeing and identity through physical achievement, culture, creativity, learning, social interaction and other life changing experiences
World-class community infrastructure, facilities and places	This will enable the City's success and growth, and drive greater community participation and pride
Best local government services	We will provide the best local government services and all who work here will know they are part of a successful organisation delivering great results for our customers and for Hutt City.

## CONTRIBUTION TO ENVIRONMENTAL SUSTAINABILITY

Organisational activities also contribute to the Council's Environmental Sustainability Strategy through:

- waste and recycling provisions at Council facilities
- Eco Design Advisor providing free consultations and advice on green home improvements

- electronic access to official records reducing paper usage
- Sustainable Fleet Vehicle Policy
- energy efficiency in Council operated buildings.

## CONTRIBUTION TO OTHER STRATEGIES

Organisational activities also contribute to all of Council's key strategies through:

- enhancing collaboration and engagement
- working in partnership with local businesses and organisations
- providing the corporate support that assists with the delivery of all Council activities.

## OPERATIONAL OBJECTIVES

The following activities fall under organisational support:

- City Governance.
- City Leadership.

These activities contribute to all the high level goals for the city's wellbeing, also referred to as 'community outcomes':

- **A safe community** – we live in a safe city; our city is prepared for emergencies.
- **A strong and diverse economy** – a city that grows existing businesses and attracts new business activity, with a focus on the research and development sector; all members of our community benefit from a strong economy, and we attract increasing numbers of visitors.
- **An accessible and connected city** – a city that is easy to move about with well-designed roads, cycleways and footpaths; members of our community are connected to the digital world.
- **Healthy people** – we live healthy lives, and our city's services help to protect our health and our environment.
- **A healthy natural environment** – we value and protect the natural environment and promote a sustainable city; resources are used efficiently and there is minimal waste and pollution.

- **Actively engaged in community activities** – members of our community participate in arts, cultural, sports and other recreational and leisure activities; the city provides for and encourages participation in these activities.
- **Strong and inclusive communities** – people feel a sense of belonging and are included in the community; our city is built on strong communities that value diversity and support newcomers.
- **A healthy and attractive built environment** – our built environment enhances our quality of life; our city is vibrant, attractive, healthy and well-designed; we promote development that is sustainable, and that values and protects our built heritage and the natural environment.
- **A well-governed city** – all members of our community are empowered to participate in decision-making and to contribute to society; their values and ideas are reflected in the decisions Council makes.

A number of operational policies and plans reflect how these activities work towards Council's strategic objectives related to organisational support, including our Community Engagement Strategy and Safe Hutt Valley. Community engagement is one of the most important responsibilities we have as a local government agency. We must ensure that our methods of engagement are wide reaching and encourage the public to participate in the decision-making process.

We take the health and safety of our employees and residents seriously. We work hard to make Lower Hutt the safest community in New Zealand. Safe Hutt Valley, was formed late in 2008. It is made up of senior representatives from agencies working in the community safety space (Police, Hutt City Council, Upper Hutt City Council, ACC, Regional Public Health to name a few). Its work allowed Hutt Valley to receive international accreditation as a safe community in 2010 from the World Health Organisation. Safe Hutt Valley also obtained re-accreditation for the Hutt Valley in 2015 after meeting stringent criteria set by the Safer Communities Foundation NZ. We've developed a Safe Hutt Valley strategy, with work streams in injury prevention, crime prevention, road safety, family violence prevention, and alcohol harm minimisation. Other health and safety initiatives include the installation of a Community Safety Camera System, Crime Prevention Through Environmental Design (based upon the principle that the environment can affect both the level of crime and the fear of crime in an area), safe city ambassadors who patrol the street at nights and Hutt Safe City Awards.

We track our performance through a number of surveys including:

- Resident Satisfaction Survey (Key Research) – this is an independent study undertaken by Key Research that measures our residents' satisfaction with our services and elected members annually.
- Best Workplaces Survey – this annual survey provides Council with important information on how staff view Council, and how this compares with other organisations.

**Outlined below for each of our activities is a description of what we do, why we do it, the effects of that activity on community wellbeing, the services we provide, how we measure the success of our services, the major projects we have planned for the period 1 July 2018 to 30 June 2028, the income expected for the year to 30 June 2028, and a Funding Impact Statement for each group.**

# CITY GOVERNANCE

## WHAT WE DO

This activity comprises the processes that govern our city and support decision-making. It includes elected members (the Mayor and Councillors), strategic planning, policy development and monitoring and reporting. The elected members have an important role in the community. They:

- provide a governance role for the city
- set Council's strategic direction, including determining the activities we undertake (within legal parameters)
- monitor our performance on behalf of the city's residents and ratepayers.

Our governance structure includes community boards and community committees, which provide local input into our decision-making.

## WHY WE DO IT

Under the Local Government Act 2002, Council has two purposes:

- To enable democratic local decision-making and action by, and on behalf of, communities; and
- To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

The elected members, processes and professional advice support the Council to fulfil its first obligation to sound governance and robust decision-making for the city.

## EFFECTS ON COMMUNITY WELLBEING

City Governance promotes social, economic, environmental and cultural wellbeing through contributing to projects across all of Council, and contributes to all community outcomes. Looking at the potential for negative effects associated with this activity, there is a risk that some portions of the population may not be represented adequately. This is mitigated through our consultation and engagement practices.

## THE SERVICES WE PROVIDE

All meetings of Council, its committees and subcommittees and community boards/committees are open to the public, apart from discussion on any items to be considered with the public excluded, as provided for in legislation. At the start of each meeting there is time set aside for public comment where anyone can speak for three minutes on any item included on the order paper for the meeting. This excludes hearings, where only submitters may speak. Council officers provide free and frank, professional advice to the Council, its committees and subcommittees, and community boards/committees. This enables transparent decision-making and provides assurance that rigorous analysis underpins council processes and decisions.

## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Residents' satisfaction with the Mayor's and councillors' performance	96%	78% <sup>1</sup>	≥ 90% of those expressing an opinion	≥ 78% of those expressing an opinion	Key Research
Residents' satisfaction with the way we spend their rates	89%	71% <sup>1</sup>	≥ 83% of those expressing an opinion	≥ 71% of those expressing an opinion	Key Research
Residents' satisfaction with our public consultation	88%	71% <sup>1</sup>	Improvement on previous year	≥ 71% of those expressing an opinion	Key Research
Councillors are satisfied or more than satisfied with the formal advice they receive from officers	93%	96%	≥ 80% of those expressing an opinion	≥ 80% of those expressing an opinion	Survey of Elected and Appointed Members
Councillors are satisfied or more than satisfied with responses to requests for help from officers	86%	98%	≥ 80% of those expressing an opinion	≥ 80% of those expressing an opinion	Survey of Elected and Appointed Members
Community board and community committee members are satisfied or more than satisfied with the formal advice they receive from officers	82%	92%	≥ 80% of those expressing an opinion	≥ 80% of those expressing an opinion	Survey of Elected and Appointed Members
Community board and community committee members are satisfied or more than satisfied with responses to requests for help from officers	82%	84%	≥ 80% of those expressing an opinion	≥ 80% of those expressing an opinion	Survey of Elected and Appointed Members

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: CITY GOVERNANCE

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	-	-	-	-	-	-	-	-	-	-	-
User charges	-	-	-	-	-	-	-	-	-	-	-
Operating subsidies & grants	-	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-	-
Dividends from LATEs	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	204	-	-	218	-	-	233	-	245
<b>Total revenue</b>	-	-	<b>204</b>	-	-	<b>218</b>	-	-	<b>233</b>	-	<b>245</b>
<b>EXPENDITURE</b>											
Employee costs	-	-	10	-	-	11	-	-	12	-	13
Operating costs	1,221	1,303	1,618	1,311	1,340	1,727	1,401	1,433	1,850	1,504	1,946
Support costs/internal charges	4,327	3,419	3,376	3,462	3,511	3,610	3,673	3,773	3,838	3,959	4,050
Interest expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditure</b>	<b>5,548</b>	<b>4,722</b>	<b>5,004</b>	<b>4,773</b>	<b>4,851</b>	<b>5,348</b>	<b>5,074</b>	<b>5,206</b>	<b>5,700</b>	<b>5,463</b>	<b>6,009</b>
<b>DEFICIT BEFORE TAX</b>	<b>(5,548)</b>	<b>(4,722)</b>	<b>(4,800)</b>	<b>(4,773)</b>	<b>(4,851)</b>	<b>(5,130)</b>	<b>(5,074)</b>	<b>(5,206)</b>	<b>(5,467)</b>	<b>(5,463)</b>	<b>(5,764)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	-	-	-	-	-	-	-	-	-	-	-
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	(5,548)	(4,722)	(4,800)	(4,773)	(4,851)	(5,130)	(5,074)	(5,206)	(5,467)	(5,463)	(5,764)
Add capital contributions	-	-	-	-	-	-	-	-	-	-	-
Rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(5,548)</b>	<b>(4,722)</b>	<b>(4,800)</b>	<b>(4,773)</b>	<b>(4,851)</b>	<b>(5,130)</b>	<b>(5,074)</b>	<b>(5,206)</b>	<b>(5,467)</b>	<b>(5,463)</b>	<b>(5,764)</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	-	-	-	-	-	-	-	-	-	-	-
Capital to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Less capital contributions	-	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	-	-	-	-	-	-	-	-	-	-	-
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(5,548)</b>	<b>(4,722)</b>	<b>(4,800)</b>	<b>(4,773)</b>	<b>(4,851)</b>	<b>(5,130)</b>	<b>(5,074)</b>	<b>(5,206)</b>	<b>(5,467)</b>	<b>(5,463)</b>	<b>(5,764)</b>

# CITY LEADERSHIP

## WHAT WE DO

City Leadership incorporates the organisation-wide support functions that help us to provide our other activities efficiently to lead and deliver services for the community.

## WHY WE DO IT

The City Leadership activity supports all our activities by providing business, legal and support services and tools.

## HOW WE MEASURE THE SUCCESS OF OUR SERVICES

MEASURE	ACHIEVED 2015-16	ACHIEVED 2016-17	TARGET 2017-18	TARGET 2018-19 TO 2027-28	SOURCE OF INFORMATION
Budget management	Operating: 3.0M favourable variance. Capital: \$28.1M favourable variance	Operating: \$15.5M favourable variance. Capital: \$42.3M favourable variance	All activities are expected to operate within net capital and operating budgets	All activities are expected to operate within net capital and operating budgets	Management report
Customer satisfaction – the percentage who are satisfied (6-10 out of 10) with the overall performance of Hutt City Council	89%	88%	Greater or equal to previous year result.	Greater or equal to previous year result.	Key Research
Staff perceptions	HCC: 68% Local Government benchmark: 62%	HCC: 68% Local Government benchmark: 63%	Greater than Local Government benchmark	Greater than Local Government benchmark	IBMs Best Workplaces Survey
Project completion – the percentage of completed projects	66%	65%	80% completed	80% completed	Management report
Work-related accident	Nil	Nil	No more than four resulting in time off work	No more than four employee injuries resulting in medically approved time off work	Management report

MAJOR PROJECTS PLANNED: CITY LEADERSHIP

	LONG TERM PLAN 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28	FORECAST 2028-29	FORECAST 2029-30	FORECAST 2030-31	FORECAST 2031-32	FORECAST 2032-33	FORECAST 2033-34	FORECAST 2034-35	FORECAST 2035-36	FORECAST 2036-37	FORECAST 2037-38
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital Projects To Improve Level Of Service</b>																				
Administration Leased Accommodation Fitout	15			15																
Mobile Devices	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80
Other (IT) Projects	210	325	325	325	325	325	325	325	325	325	325	325	325	325	325	325	325	325	325	325
Internet Online Services	150	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200
The Pavilion Improvements	10				300			130			90					65				
Vehicle Purchase		20		20		20				20				20				20		
<b>Capital Projects To Replace Existing Assets</b>																				
Civic Administration Building Maintenance		30			30			25	500			50	300				50	150	150	150
Network Storage/ Server Hardware & PC Replacement Programme	375	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350
Pavilion Maintenance	10		15				20		80			140		30		85			50	50
System Maintenance	40	180	180	280	180	180	180	280	180	180	180	280	180	180	180	280	180	155	155	155
System Upgrades	2,415	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250
Telecommunications		40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
<b>Operating Projects</b>																				
Social Development Projects	100	100	100																	
Quality of Life Study	25		25																	
Research - Monitoring & Evaluation Of Outcome	50	50	50																	
Smoke Free Signage	14																			
Homelessness Strategy	105																			

Note: Amounts for all years are shown in today's dollars, no adjustments has been made for inflation.

PROSPECTIVE INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE: CITY LEADERSHIP

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
General rates & other rate charges	102,559	105,123	108,067	110,768	114,311	118,537	122,921	127,588	131,804	136,282	141,054
User charges	954	944	963	984	1,006	1,028	1,052	1,076	1,102	1,129	1,159
Operating subsidies & grants	-	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Upper Hutt CC operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Interest earned	686	968	982	995	1,018	1,037	1,052	1,073	1,088	1,103	1,123
Dividends from LATEs	-	-	-	-	213	218	334	342	467	478	491
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Other revenue	207	207	211	215	220	225	230	235	241	247	253
<b>Total revenue</b>	<b>104,406</b>	<b>107,242</b>	<b>110,223</b>	<b>112,962</b>	<b>116,768</b>	<b>121,045</b>	<b>125,589</b>	<b>130,314</b>	<b>134,702</b>	<b>139,239</b>	<b>144,080</b>
<b>EXPENDITURE</b>											
Employee costs	9,164	9,579	9,686	9,899	10,116	10,338	10,576	10,819	11,078	11,355	11,651
Operating costs	2,299	2,750	2,514	2,768	2,581	2,634	2,789	2,624	2,622	2,891	2,707
Support costs/internal charges	(15,696)	(16,290)	(16,625)	(17,079)	(17,197)	(17,646)	(18,244)	(18,434)	(18,801)	(19,521)	(19,902)
Interest expenditure	918	1,148	1,107	1,110	1,140	1,195	1,241	1,224	1,210	1,255	1,292
Depreciation	1,775	1,568	1,709	1,638	1,626	1,645	1,701	1,721	1,749	1,777	1,902
<b>Total expenditure</b>	<b>(1,540)</b>	<b>(1,245)</b>	<b>(1,609)</b>	<b>(1,664)</b>	<b>(1,734)</b>	<b>(1,834)</b>	<b>(1,937)</b>	<b>(2,046)</b>	<b>(2,142)</b>	<b>(2,243)</b>	<b>(2,350)</b>
<b>DEFICIT BEFORE TAX</b>	<b>105,946</b>	<b>108,487</b>	<b>111,832</b>	<b>114,626</b>	<b>118,502</b>	<b>122,879</b>	<b>127,526</b>	<b>132,360</b>	<b>136,844</b>	<b>141,482</b>	<b>146,430</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>1,997</b>	<b>3,305</b>	<b>1,505</b>	<b>1,501</b>	<b>1,662</b>	<b>1,910</b>	<b>1,609</b>	<b>1,646</b>	<b>1,983</b>	<b>2,397</b>	<b>1,773</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>											
<b>RATES FUNDING REQUIREMENT</b>											
Surplus/(deficit)	105,946	108,487	111,832	114,626	118,502	122,879	127,526	132,360	136,844	141,482	146,430
Add capital contributions	-	-	-	-	-	-	-	-	-	-	-
Rate funded debt repayment	14,803	13,415	10,289	5,733	5,473	3,563	1,106	(1,876)	(3,262)	(4,407)	(5,438)
<b>Total rates funding requirement</b>	<b>120,749</b>	<b>121,902</b>	<b>122,121</b>	<b>120,359</b>	<b>123,975</b>	<b>126,442</b>	<b>128,632</b>	<b>130,484</b>	<b>133,582</b>	<b>137,075</b>	<b>140,992</b>
<b>LOAN FUNDING REQUIREMENT</b>											
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	(765)	(465)	(638)	(631)	(682)	(985)	(696)	(689)	(881)	(723)	(767)
Capital to replace existing assets	(1,232)	(2,840)	(867)	(870)	(980)	(925)	(913)	(957)	(1,102)	(1,674)	(1,006)
Less capital contributions	-	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-	-
Less depreciation	1,775	1,568	1,709	1,638	1,626	1,645	1,701	1,721	1,749	1,777	1,902
Less asset sales	-	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	(14,803)	(13,415)	(10,289)	(5,733)	(5,473)	(3,563)	(1,106)	1,876	3,262	4,407	5,438
<b>Total loan (funding)/repayment</b>	<b>(15,025)</b>	<b>(15,152)</b>	<b>(10,085)</b>	<b>(5,596)</b>	<b>(5,509)</b>	<b>(3,828)</b>	<b>(1,014)</b>	<b>1,951</b>	<b>3,028</b>	<b>3,787</b>	<b>5,567</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>105,724</b>	<b>106,750</b>	<b>112,036</b>	<b>114,763</b>	<b>118,466</b>	<b>122,614</b>	<b>127,618</b>	<b>132,435</b>	<b>136,610</b>	<b>140,862</b>	<b>146,559</b>



FUNDING IMPACT STATEMENT FOR THE YEAR ENDING 30 JUNE: GOVERNANCE, ENGAGEMENT & ORGANISATION

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	(12,642)	(12,057)	(9,254)	(4,818)	(4,813)	(2,775)	(637)	2,310	3,689	4,670	5,826
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	954	944	963	984	1,006	1,028	1,052	1,076	1,102	1,129	1,159
Interest & dividends from investments	15,696	16,290	16,625	17,079	17,197	17,646	18,244	18,434	18,801	19,521	19,902
Local authorities fuel tax, fines, infringement fees, and other receipts	893	1,175	1,397	1,210	1,451	1,698	1,616	1,650	2,029	1,828	2,112
<b>Total operating funding (A)</b>	<b>4,901</b>	<b>6,352</b>	<b>9,731</b>	<b>14,455</b>	<b>14,841</b>	<b>17,597</b>	<b>20,275</b>	<b>23,470</b>	<b>25,621</b>	<b>27,148</b>	<b>28,999</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	12,684	13,632	13,828	13,978	14,037	14,710	14,766	14,876	15,562	15,750	16,317
Finance costs	918	1,148	1,107	1,110	1,140	1,195	1,241	1,224	1,210	1,255	1,292
Internal charges and overheads applied	4,327	3,419	3,376	3,462	3,511	3,610	3,673	3,773	3,838	3,959	4,050
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>17,929</b>	<b>18,199</b>	<b>18,311</b>	<b>18,550</b>	<b>18,688</b>	<b>19,515</b>	<b>19,680</b>	<b>19,873</b>	<b>20,610</b>	<b>20,964</b>	<b>21,659</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(13,028)</b>	<b>(11,847)</b>	<b>(8,580)</b>	<b>(4,095)</b>	<b>(3,847)</b>	<b>(1,918)</b>	<b>595</b>	<b>3,597</b>	<b>5,011</b>	<b>6,184</b>	<b>7,340</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	15,025	15,152	10,085	5,596	5,509	3,828	1,014	(1,951)	(3,028)	(3,787)	(5,567)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>15,025</b>	<b>15,152</b>	<b>10,085</b>	<b>5,596</b>	<b>5,509</b>	<b>3,828</b>	<b>1,014</b>	<b>(1,951)</b>	<b>(3,028)</b>	<b>(3,787)</b>	<b>(5,567)</b>
<b>Application of capital funding</b>											
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve level of service	765	465	638	631	682	985	696	689	881	723	767
- to replace existing assets	1,232	2,840	867	870	980	925	913	957	1,102	1,674	1,006
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,997</b>	<b>3,305</b>	<b>1,505</b>	<b>1,501</b>	<b>1,662</b>	<b>1,910</b>	<b>1,609</b>	<b>1,646</b>	<b>1,983</b>	<b>2,397</b>	<b>1,773</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>13,028</b>	<b>11,847</b>	<b>8,580</b>	<b>4,095</b>	<b>3,847</b>	<b>1,918</b>	<b>(595)</b>	<b>(3,597)</b>	<b>(5,011)</b>	<b>(6,184)</b>	<b>(7,340)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

FUNDING IMPACT STATEMENT FOR THE YEAR ENDING 30 JUNE: WHOLE OF COUNCIL

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	70,818	71,214	73,385	75,073	76,486	78,733	81,706	85,015	88,050	91,666	95,714
Targeted rates	31,741	33,909	34,682	35,695	37,825	39,804	41,215	42,573	43,754	44,616	45,340
Subsidies and grants for operating purposes	6,631	6,798	6,861	6,906	7,057	7,211	7,376	7,547	7,727	7,922	8,127
Fees and charges	35,241	38,663	39,607	39,391	40,216	41,298	42,207	43,149	43,847	44,961	46,149
Interest & dividends from investments	686	968	982	995	1,231	1,255	1,386	1,415	1,555	1,581	1,614
Local authorities fuel tax, fines, infringement fees, and other receipts	5,662	5,711	5,871	5,792	5,153	5,483	5,386	5,510	5,876	5,784	6,179
<b>Total operating funding (A)</b>	<b>150,779</b>	<b>157,263</b>	<b>161,388</b>	<b>163,852</b>	<b>167,968</b>	<b>173,784</b>	<b>179,276</b>	<b>185,209</b>	<b>190,809</b>	<b>196,530</b>	<b>203,123</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	123,565	123,716	122,646	117,988	118,828	121,478	124,130	126,908	130,517	133,843	137,639
Finance costs	7,193	8,781	9,730	10,478	11,404	11,958	11,945	11,723	11,808	12,302	12,555
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>130,758</b>	<b>132,497</b>	<b>132,376</b>	<b>128,466</b>	<b>130,232</b>	<b>133,436</b>	<b>136,075</b>	<b>138,631</b>	<b>142,325</b>	<b>146,145</b>	<b>150,194</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>20,021</b>	<b>24,766</b>	<b>29,012</b>	<b>35,386</b>	<b>37,736</b>	<b>40,348</b>	<b>43,201</b>	<b>46,578</b>	<b>48,484</b>	<b>50,385</b>	<b>52,929</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	11,327	12,962	5,500	14,583	12,049	6,964	7,015	8,171	28,285	25,083	8,022
Development & financial contributions	561	561	1,082	1,106	970	992	1,015	1,037	1,063	1,088	1,118
Increase (decrease) in debt	46,734	33,088	13,459	23,226	12,925	(682)	(7,796)	(7,313)	24,213	3,497	(11,570)
Gross proceeds from sale of assets	9,600	1,250	510	-	-	-	-	2,279	2,333	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>68,222</b>	<b>47,861</b>	<b>20,551</b>	<b>38,915</b>	<b>25,944</b>	<b>7,274</b>	<b>234</b>	<b>4,174</b>	<b>55,894</b>	<b>29,668</b>	<b>(2,430)</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	8,644	7,927	20,221	16,629	3,756	4,176	8,443	53,349	39,826	8,761
- to improve level of service	68,432	46,179	24,233	36,827	22,644	22,070	17,736	19,687	26,490	14,998	17,439
- to replace existing assets	19,811	17,804	17,403	17,253	24,407	21,796	21,523	22,622	24,539	25,229	24,299
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>88,243</b>	<b>72,627</b>	<b>49,563</b>	<b>74,301</b>	<b>63,680</b>	<b>47,622</b>	<b>43,435</b>	<b>50,752</b>	<b>104,378</b>	<b>80,053</b>	<b>50,499</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(20,021)</b>	<b>(24,766)</b>	<b>(29,012)</b>	<b>(35,386)</b>	<b>(37,736)</b>	<b>(40,348)</b>	<b>(43,201)</b>	<b>(46,578)</b>	<b>(48,484)</b>	<b>(50,385)</b>	<b>(52,929)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# CUSTOMER RESEARCH

Providing the best local government services is a key priority for Council. To achieve this we need to know how satisfied our customers are, how we can do better and what is most important to our customers so we can prioritise and deliver better value for the community. To answer these questions we changed our research approach and provider in 2016-17. The key changes in our approach were:

- A more thorough and comprehensive questionnaire so we can really get to the root of what we are doing well and the areas for improvement. The change in questionnaire design also included a new 10-point satisfaction scale rather than the previous 3-point scale so that our customers have more room to express how they are feeling.
- Quarterly surveying rather than a single point-in-time survey to give a more accurate measure of actual customer experience. Rather than asking our customers to recall experiences that may have happened 12 months ago, more regular surveying means the experience is fresher in our customers' minds. It also helps to iron out any seasonal trends.

While we believe the change has delivered the answers we need to build on the service we already offer, it has meant the 2016-17 results are not directly comparable to previous years' results or some targets. This has resulted in us not achieving some of the targets sourced from customer research in 2016-17.

To assist with the transition between the two research approaches we conducted parallel testing in 2016. This involved conducting two different surveys using both research providers and questionnaires. Overall we have found the results reported in the 2016-17 Annual Report to be similar to those collected in 2016 using the new research provider and questionnaire as part of our parallel testing. This supports the belief that the change in results is due to the change in research approach and provider, rather than a change in performance.



# OTHER STRATEGIES AND POLICIES

## 2018 FINANCIAL STRATEGY

Council has adopted and followed consistent financial strategies for more than 10 years. The financial strategies have had similar aims:

- strengthening Council's financial position in anticipation of projects and programmes that may need funding in the next 20-30 years
- ensuring rates were affordable to our community and competitive when compared to local authorities with a similar population and a significant urban centre
- delivering services more efficiently than our peer local authorities.

Our Financial Strategy promotes the sustainable funding of services. We maintain \$1.4 billion worth of assets from an annual income of \$158 million - borrowing money to pay for new facilities and infrastructure, and to maintain or upgrade existing facilities.

This means we can spread the costs to both present and future ratepayers who will benefit from these facilities. At the same time, we recognise that affordability of rates is a major issue for many people.

Our limits on rate increases and borrowing were most recently reviewed and agreed with the community in June 2017. Changes were made to the Financial Strategy in order for the programme of rejuvenation and revitalization that commenced in 2014, to continue and to provide greater budgetary flexibility. A more sustainable debt strategy linked to affordability was implemented. Changing the borrowing limits allowed rate increases to be held to the level of inflation while retaining a AA credit rating.

The inflation index to which increases in rates would be limited, was changed from the Consumer Price

Index (CPI) to the Local Government Cost Index (LGCI), measured each year by BERL. This is because LGCI is a measure which broadly represents the items that a typical council spends money on – things such as maintenance and replacement of pipelines, roads and footpaths and community facilities, water supply and waste management - whereas CPI represents general expenditure items of typical New Zealand households like food, clothing, healthcare, appliances and fuel.

The table below shows the limits, how they will be measured, and the targets. The graphs that follow show current levels and the budgeted and forecast levels for each of those limits.

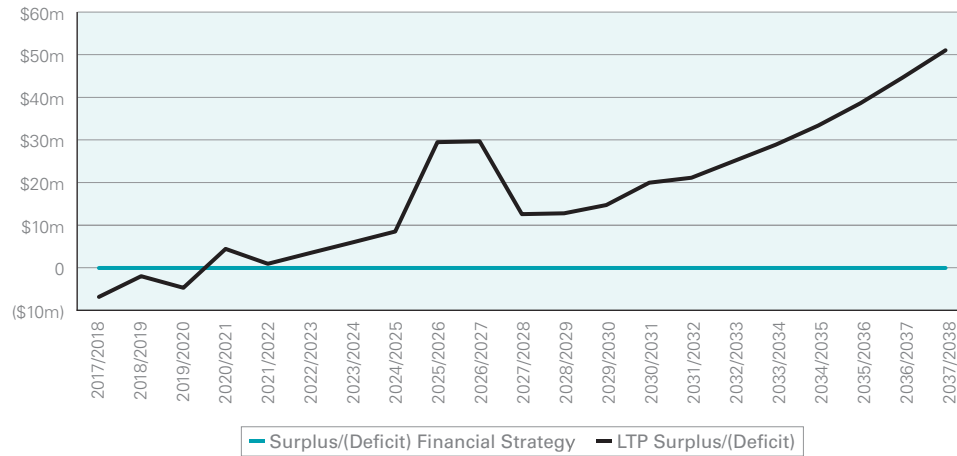


LIMITS	MEASURE	TARGET	2019-20	2020-21	2021-22	2022-23	YEARS 5-10
Overall operating result	Surplus each year	Budgeted surplus					
Limits on revenue	Increase in rates revenue	Maximum annual rates income increase (%)	No more than (Local Government Cost Index) LGCI after allowing for estimated average growth of 1%*				
		Maximum rates income (\$ millions)**	\$108.07	\$110.77	\$114.31	\$118.54	\$659.65
Limits on borrowing	Net interest to revenue	Below 10%					
	Net debt maxima	Years 1-3 : less than 150% of total revenue Years 4-6 : less than 130% of total revenue Years 7-12 : less than 110% of total revenue Years 13+ : less than 90% of total revenue Net debt can be increased to a maximum of 170% of total revenue at any time, only provided that this is due to a significant natural disaster.					

\* Growth is determined by the actual and forecast increase in rateable property in the city.

\*\* Subject to adjustment for actual LGCI and growth in rateable property for previous year ended 30 June.

## SURPLUS / DEFICIT

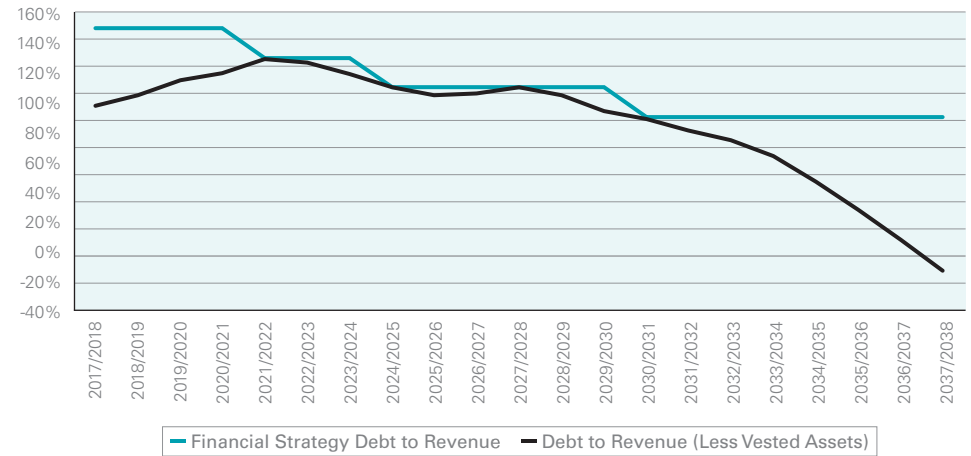


## OVERALL OPERATING RESULT

Council’s strategy is to produce financial surpluses each year. The above graph shows a deficit in 2017-2018 to 2019-2020. The deficits are due to grants being paid to the Community Facilities Trust (CFT) that are required to be treated as operating expenditure but are for capital works carried out by the CFT.

The peaks in 2025-2026 and 2026-2027 are due to additional subsidies for Roothing Network Improvements that are programmed for these years.

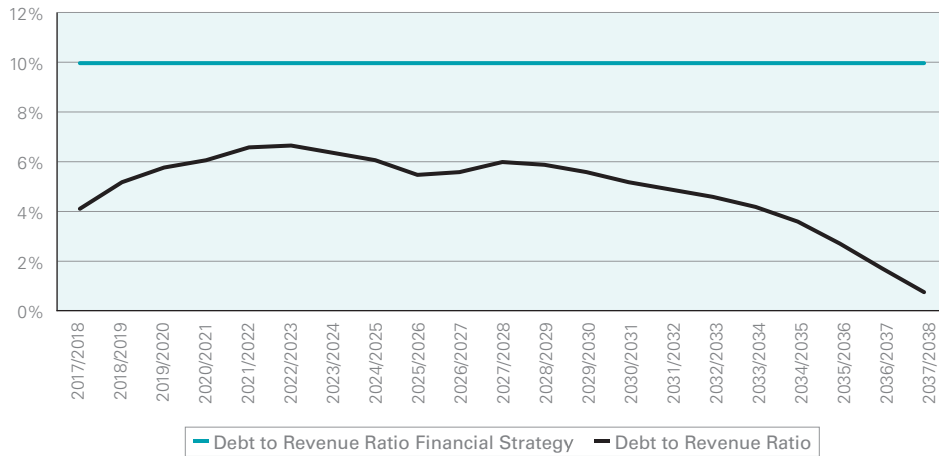
## DEBT TO REVENUE RATIO



## LIMITS ON BORROWING - NET DEBT TO REVENUE

Council’s financial strategy is to maintain debt within limits expressed as a percentage of revenue. Debt is not to exceed; 150% of total revenue in years 1 to 3 of the plan, 130% of total revenue in years 4 to 6, 110% of total revenue in years 7 to 12, and 90% of total revenue in year 13 and beyond.

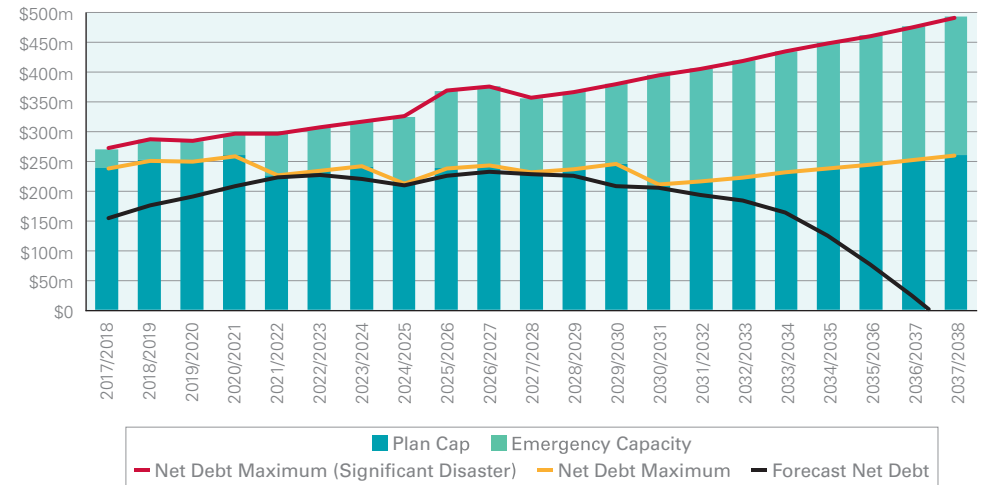
### INTEREST EXPENSE TO REVENUE RATIO



### LIMITS ON BORROWING - NET INTEREST TO REVENUE

Council’s financial strategy is to maintain interest costs within limits expressed as a percentage of revenue. Interest expense is not to exceed 10% of total revenue.

### DEBT



### LIMITS ON BORROWING - NET DEBT MAXIMA

Council’s financial strategy is to maintain debt within limits expressed as a percentage of revenue. Debt is not to exceed; 150% of total revenue in years 1 to 3 of the plan, 130% of total revenue in years 4 to 6, 110% of total revenue in years 7 to 12, and 90% of total revenue in year 13 and beyond.

## 2018 FINANCIAL STRATEGY

The targets in the Financial Strategy represent firm goals for Council. However, there may be instances when the targets are not achieved. There could be several reasons for this.

For example:

- a major adverse event, such as an earthquake or flood, requiring substantial additional expenditure by Council
- economic conditions change such that there is a significant increase in Council costs, or significant reduction in Council revenue
- there are significant new initiatives or projects that have community support despite funding implications.

In any instance such as the above examples, Council will consider alternative options before proposing any temporary breach of Financial Strategy targets. This would include options such as deferring expenditure, surplus asset sales and cost reductions. Ultimately, Council will make all its financial decisions in the best interests of the community.

Affordability remains a top priority for Council. We have a diverse population with varying socio-economic indicators.

## OUR LEGAL OBLIGATIONS

The Local Government Act 2002 requires us to manage our revenues, expenses, assets, liabilities, investments and general financial dealings prudently. In doing so we're aware of the impact our costs and funding decisions have on our community. We're particularly concerned about the affordability of Council services, and have considered this in proposing our rates, net debt and other limits. We also carefully consider the level of fees and charges.

Our Revenue and Financing Policy helps us identify and distribute the costs and benefits of Council services across the different sectors of our community.

We're also required to provide a balanced budget. Revenue raised in the current year should be enough to meet our expenses for that year. Balancing the budget helps allocate the burden of rates and charges between today's ratepayers and those of tomorrow. We also look to fairly allocate development costs between current and future beneficiaries through our development and financial contributions policies.

## PLANNING FOR GROWTH

In 2017, the total population of Lower Hutt was estimated to be 104,700 people. This indicates an increase of 3,500 people compared to 2013, when it was estimated to be 101,200 people. The recent growth, started with the inception of Council's Urban Growth Strategy (2012-32), is expected to be consistent, reaching 110,000 people by 2032. The ageing population of the city, together with limited greenfield and intensification opportunities for residential development, are expected to slow down the growth to an average of 0.2% per annum after this period. The internal population projection indicates that Lower Hutt population will increase to about 114,000 by 2048.

## ECONOMIC GROWTH IN THE CITY HAS BEEN MODEST

Council has responded to this consideration by adopting an Urban Growth Strategy and an Economic Development Plan. The population growth in the last few years has been greater than the population that Statistics New Zealand is projecting, as a result of the initiatives introduced through the Urban Growth Strategy. This higher population growth is expected to continue, resulting in more development and other economic activities. Therefore, the Long Term Plan includes an assumption that population growth and extra development will drive an increase in the rates base of the city by an average of 1% per annum over the duration of the plan. If this level of growth and additional

rates income is not achieved the Council will be able to reduce growth related expenditure.

## MANAGING OUR ASSETS AND DEBT

A major part of our business involves managing over \$1.4 billion of assets from annual income of approximately \$158 million. We use other funding sources such as debt and capital subsidies to fund the maintenance and development of our infrastructure and other assets.

We use asset management practices to sustainably maintain service levels to at least current levels. We balance the wants and needs of today with the demands and replacements required for the future; ensuring we fulfil legal requirements.

Council continues its commitment to encouraging a strong, diverse, enterprising business community and protecting the environment through sustainable management of waste, transport, energy, water, urban environment and biodiversity.

We plan to spend approximately \$607 million over the next ten years to maintain and improve existing assets and create some new assets. Capital expenditure to 2038 rises to approximately \$1,201 million due to inflation and some large projects, including significant roading network improvements and upgrading the main wastewater pipeline to Pencarrow.

Delays to the timing of projects may impact on service through reducing asset lives or increasing maintenance in any one year. Advancement of the timing of projects may positively impact service levels, but increase debt servicing costs.

We continue to set target levels to restrict net debt. Debt servicing levels are kept at affordable percentages of total operational spend. These targets also seek to fairly apportion funding costs between current and future ratepayers.

This strategy places reliance on retaining existing sources of funding of capital, through debt, subsidies, development contributions and other revenue. We have facilities in place as a safeguard against an inability to refinance existing debt.

We place reliance on a strong financial position to ensure we have capacity to borrow, both for forecast expenditure needs and any unforeseen requirements that may arise. We do this through ensuring appropriate levels of debt in accordance with our strategy limits, with no significant concentrations of debt repayment in any one year, ensuring working capital is maintained to meet ongoing commitments and surplus cash is invested or used to repay debt. We also focus on collection of monies owed to ensure no concentrations of credit risk exist.

## MANAGING OUR REVENUE

We've managed to achieve a net surplus from our operations almost every year. We'll continue to do this and use our surplus to help repay or limit borrowings and to fund our capital programme. In recent years we've used asset sales to reduce the amount of new debt and this will continue but at a reducing level.

Revenue is expected to increase over the next 20 years, in accordance with inflation. This will be sufficient to sustain the current levels of service.

We fund operating expenditure from the following sources: general rates, targeted rates, fees and charges, interest and dividends from investments, grants and subsidies, and other operating revenue.

## GENERAL RATES

We use capital value as the basis for gathering general rates. Generally, the higher the value of the property, the higher the rates paid by the property owner.

General rates are assessed on a differential basis, with a differential applied to Businesses and Utility Networks, reflecting a higher share of the benefits of Council services.

Differentials are also applied to Community Facilities and Rural sectors to reflect their ability to pay and the relative levels of service received. These are incorporated into the Revenue and Financing Policy, which is reviewed regularly.

## TARGETED RATES

If Council decides that the cost of a service should be met by a particular group of ratepayers, it may use targeted rates. Council's targeted rate charges include water, wastewater, Jackson Street and recycling.

## FEES AND CHARGES

Council levies charges to contribute to the cost of services. Direct benefits attributed to service users are considered a private funding component and are recovered through a fee or charge for that service.

A schedule of fees and charges is published on the Council website.

## INTEREST AND DIVIDENDS FROM INVESTMENTS

Council obtains specialist advice when considering financial investments and structure. We invest surplus cash from operations on call overnight and gain interest revenue from such investing. Council also gains interest revenue from lending within its group to its Council Controlled Organisations (CCOs). Council charges a market interest rate for this lending. Council may also gain dividend income from shares held in company holdings.

## SUBSIDIES

Council receives subsidies of both an operating and a

capital nature to partially fund services and contribute to the cost of capital projects. Council receives government grants to provide services.

## DEVELOPMENT AND FINANCIAL CONTRIBUTIONS

Development contributions are used to fairly allocate the costs of growth to ensure equity between developers and ratepayers. Financial contributions are required where individual developments give rise to capital expenditure that is not included in the Long Term Plan and for reserves.

Other revenue includes, but is not limited to, proceeds from the sale of assets and other miscellaneous income.

## COUNCIL'S POLICY ON GIVING SECURITIES FOR ITS BORROWING

Council secures borrowing by way of a Debenture Trust Deed which provides security over rating income.

## COUNCIL'S OBJECTIVES FOR HOLDING AND MANAGING FINANCIAL INVESTMENTS

Council maintains liquidity and credit facilities to minimise financial risk and have secure and cost effective funding sources to meet financial needs.

Council obtains surplus daily cash from its rates instalments and other revenue generating activities. In managing its liquidity, Council looks to apply surplus cash to reduce its short term borrowings, while ensuring cash requirements until the next rates instalment are provided for. Council will place surplus cash on call or term deposits as appropriate.

Interest Rate Swaps are held to smooth impacts of fluctuating interest rates.

Council lends money to its CCOs at a commercial rate of



return. This is typically set at between 50 and 100 basis points above the cost to Council.

## COUNCIL'S OBJECTIVES FOR HOLDING AND MANAGING EQUITY INVESTMENTS

Council has investments in several CCOs.

### WELLINGTON WATER LIMITED (ASSOCIATE)

This company is owned by Wellington, Hutt City, Upper Hutt City and Porirua City Councils, and Greater Wellington Regional Council.

The nature of the business of the company is to jointly manage the water services for these councils. Our objective for this company is for it to manage, for the long term, the provision of water, wastewater and stormwater services and to operate as a successful business.

A formal return on investment is not anticipated in the near future as the business is managed on a non-profit basis.

### SEAVIEW MARINA LIMITED (100% OWNED CCO)

Council holds 100% of the shares issued by Seaview Marina Limited. Council's objective is for it to operate a successful and profitable marina providing berth and associated services, and providing public marine recreation facilities for the enjoyment of the Lower Hutt community, without compromising its commercial objectives and environmental responsibilities.

Return on investment is 5% before tax on shareholders' funds, in accordance with the company's Statement of Intent. This return is reinvested within the company.

### URBAN PLUS LIMITED (100% OWNED CCO)

Council's objectives for this company are for it to own and operate a portfolio of rental housing, develop property in

preparation for sale or lease, and manage Council property and building assets.

Returns are forecast in the company's Statement of Intent.

### HUTT CITY COMMUNITY FACILITIES TRUST (CFT)

Council established this charitable trust to manage and develop its leisure and community facilities.

Our objective for CFT is for it to enhance the health and wellbeing of the city's communities through the effective and efficient provision, development and operation of leisure and community facilities throughout Hutt City. This will include securing funding to enable investment and improvement of community facilities, developing new or enhancing existing facilities, administering any facilities vested in CFT, and providing strategic direction, expert advice and championing ongoing investment and development.

No financial return on investment is anticipated at this stage.

### CIVIC ASSURANCE

With over \$1.4 billion in assets, Council needs to have appropriate safeguards in place to protect their value. Appropriate levels of insurance are maintained to safeguard Council from significant loss.

The recent global events have impacted on the stability of the insurance market. Historically, councils have struggled to obtain adequate levels of insurance and many years ago Civic Assurance was created to fill a gap in the market and provide some level of surety for local government. While the organisation suffered loss through the New Zealand events in Christchurch, Council considers continued investment in Civic Assurance beneficial to provide the sector an alternative to the other insurance options.

The return expected is a dividend as approved by the Board of Directors in addition to providing an avenue for Council to insure its assets. A formal return on investment

is not anticipated in the near future while the company rebuilds an equity base.

### LOCAL GOVERNMENT FUNDING AGENCY (LGFA)

Debt is a significant funding source for many local authorities. Interest costs are a major item of expenditure for these councils. Hutt City Council has invested in LGFA to help the sector achieve a reduction in the costs of borrowing. While Hutt City Council's debt levels are relatively low, the LGFA provides an additional borrowing source and savings in interest costs.

In addition, the LGFA will provide local authorities with increased certainty of access to funding, including the potential access to longer funding terms.

The return anticipated is through lower borrowing costs and security of longer term funding rather than a formal dividend.

As a shareholder or guarantor Council will have increased exposure to liability for repayment of debt.

### SMARTLINX3

Part of the Council's Economic Development Plan included the undertaking of a survey of businesses completed in early 2003, to understand broadband infrastructure needs in Hutt City. The survey indicated a large number of businesses had ongoing issues with either or both access to and the cost of broadband.

An outcome of the survey was the establishment of a business led, Council supported company (Smartlinx3). It was representative of businesses in Hutt City, Upper Hutt City and Porirua City, and the three councils.

Smartlinx3 has deployed broadband assets in the three cities and provided some competition to pricing of broadband services. However, the value of Council's investment in the company has diminished over time. A formal return on investment is not anticipated in the near future.

# REVENUE AND FINANCING POLICY

## INTRODUCTION

A wide number of funding sources are available to Council to help fund its activities, ranging from general and targeted rates through to fees and user charges.

This policy outlines Council's approach to funding its activities. It provides information on what funding tools are used and who pays, as well as describing the process used to make these decisions.

The policy sets target funding bands for the two main funding sources (Public and Other) for each activity. The funding bands are:

- high 80-100%
- medium / high 60-79%
- medium 40-59%
- medium / low 20-39%
- low 0-19%.

This policy should be read in conjunction with the Funding Impact Statement contained elsewhere in this Long Term Plan (and in Council's Annual Plan in later years). The Funding Impact Statement is the mechanism used to implement the Revenue and Financing Policy and provides detail on how rates are set.

## HOW DOES COUNCIL DECIDE WHAT IS FUNDED FROM WHERE?

Appropriate funding sources are determined using a two-step process on an activity by activity basis.

### Step one

The funding needs of Council must be met from what

Council determines to be the most appropriate funding source for each activity following consideration of:

- The community outcomes to which the activity contributes.
- The distribution of benefits between the community as a whole and any identifiable parts of the community and individuals.
- The period over which the benefits are expected to occur.
- The extent to which the action or inaction of particular individuals or groups contributes to the need for the activity to take place.
- The costs and benefits of funding an activity distinctly from other activities.

A more detailed discussion of the use of different funding tools and the reasons for the allocation of costs to various sectors of the community for each activity is provided in Appendix 1.

### Step two

The second step in the process is for Council to apply its judgement to the overall impact on the community. In exercising this judgement Council considers the following:

- The impact of rates and rates increases on residential properties, and in particular on the affordability of rates and rates increases for low, average and fixed income households.
- The impact of rates and rates increases on businesses and on the competitiveness of Hutt City as a business location.
- The fairness of rates (and changes in rates) relative to the benefits received for "stand-out" properties with unusually high capital values.

- The special characteristics of particular classifications of property - including their purpose and proximity to the city.
- The complexity of the rating system and the desirability of improving administrative simplicity.

Shifting the "differential factor" for each sector's share of the city's overall capital value is the principal means of achieving the desired overall rates impact on the wider community.

## FUNDING OF OPERATING EXPENDITURE

### GENERAL RATES

General rates, together with targeted rates, are the largest source of funding for Council.

General rates are used to help fund activities that exhibit strong or dominant public good characteristics. A public good/service is defined as one that demonstrates the following characteristics:

- Non-rival – the enjoyment by one person does not prevent the benefit from being enjoyed by others. An example is street lighting.
- Non-excludable – no person or group can easily be prevented from enjoying the benefit. An example is a beach or park.

In these cases, all ratepayers pay towards the cost of the activity. Where the activity also provides private benefits, rates are used to fund the balance of costs after the potential for user charges has been exhausted.

Council sets general rates based on the capital value of properties. Capital value is used because, in the main, it reflects ability to pay better than the alternatives of land value or annual value.

What each ratepayer pays depends on the capital value of their property relative to the value of other properties, and on the share of the general rate that has been allocated to each sector of the community (Residential, Business, Utilities, Rural and Community Facilities). Council has determined that for most activities, the general rates funded costs should be allocated to each sector of the community in line with each sector's percentage share of the capital value of the city. For most activities, there is little evidence to support alternative approaches where one sector should be carrying a greater or lesser proportional share.

However there are two exceptions.

1. Roading and Traffic - general rates are weighted towards the business and utility sectors because of the particularly high use of the roads (or road space) by these sectors. Trip generation data is used as an indicator of the cause and benefit of this activity's costs – this data shows that the business/utility and residential sector trip generation is 72% and 28% respectively. The share of general rates costs are allocated accordingly.
2. Stormwater - is weighted towards the business/utility sector to reflect the fact that it accounts for approximately 37% of the city's impervious area (after making an allowance for roads). The share of general rates for Stormwater are allocated on this basis.

To achieve the desired weighting of general rates allocation towards the business and utility sectors in these cases Council increases each sector's assumed share of the overall capital value of the city.

Appendix 2 provides more detail of Council's operating costs and the allocation of general rates costs to various

sectors of the community.

### UNIFORM ANNUAL GENERAL CHARGES

Council also has the option to levy a uniform annual general charge (UAGC). A UAGC recovers a portion of general rates costs as a fixed amount per property. Such fixed charges tend to have a disproportionate impact on low income households as the charges make up a higher proportion of such a household's income. For this reason, Council does not currently propose using a UAGC. Council does, however, use fixed charges for some targeted rates.

### TARGETED RATES

Targeted rates are used where Council has decided that the cost of a service or function should be met by a particular group of ratepayers (possibly even all ratepayers) or in order to provide greater transparency about the use of the funding. There is considerable scope to set rates for a specific function (e.g. water) or target a rate on a specific geographic area (e.g. Jackson Street) or set different levels of rates for different property types (e.g. promotion levy targeted on business central properties). The targeted rates charged by Hutt City Council are:

- water supply, per property
- wastewater services, per pan
- Jackson Street upgrade project, per business property in Jackson Street
- recycling, per property.

### FEES AND CHARGES

User charges are used where there are strong private benefits from an activity and it is feasible to collect fees.

User charges contribute to the cost of some facilities (such as swimming pools) and also fully or partly meet the cost of regulatory services, such as those under the Building and Resource Management Acts.

Similarly, Council has the ability to fine people and businesses for certain rule infringements. The amount of income derived through these fines depends on the level of noncompliance and the amount of effort Council puts into enforcement activities.

### OTHER FUNDING SOURCES

The other main funding sources for operating expenditure are grants and subsidies. New Zealand Transport Agency funding assistance for road maintenance makes up the majority of this funding.

Council does not use borrowing, proceeds from asset sales or development or reserve contributions to help fund operating expenditure.

## FUNDING OF CAPITAL EXPENDITURE

Council funds capital expenditure mainly from borrowing and then spreads the repayment of that borrowing over several years. This enables Council to better match funding with the period over which benefits will be derived from assets and helps ensure intergenerational equity. Borrowing and repayments are managed within the framework specified in the Liability Management section of the Treasury Risk Management Policy.

In some cases other funds are available to finance capital expenditure. Such other funds include:

- Council reserves, including reserves comprising development contributions under the LGA, and financial

contributions under the Resource Management Act 1991 (see Council's Development Contributions Policy).

- Contributions towards capital expenditure from other parties such as the New Zealand Transport Agency (in relation to certain roading projects) and Upper Hutt City Council (in relation to joint wastewater activities).
- Annual revenue collected through rates to cover depreciation charges.
- Proceeds from the sale of assets, not otherwise used for debt reduction.
- Operating surpluses.

## DIFFERENTIAL FACTOR

The general rate payable on each category of property is expressed as a rate in the dollar of capital value. The different rates in the dollar for different categories of property are determined as a result of the review described above. These different rates in the dollar for different property categories are known as "differential factors" and are agreed following the completion of step two of the process (which is designed to allow the Council to apply its judgement on the overall impact on the community).

Following a Revenue and Financing Policy review undertaken by Council in 2012, it determined the following differential factors for each category of property:

- Residential: 1.0
- Business: 2.3
- Business Central: 2.3
- Utility Networks: 2.3
- Rural: 0.8
- Community Facilities 1: 1.0

- Community Facilities 2: 0.5
- Community Facilities 3: 2.3.

In 2012 Council commenced a 10 year shift in the differential to achieve these ratios.

The underlying objectives of the transition are to:

- Lower the allocation of rates to the rural sector to a level where the rural differential is equal to 0.8. This change has been made on the basis that rural properties often experience a lower level of service because of the longer distances between rural properties and Council facilities.
- Provide two special categories of community facilities and rate them at a lower differential to recognise the community benefits provided by such facilities. The two categories are Community Facilities 1 and Community Facilities 2 and are defined in the Funding Impact Statement, along with the differential to apply to each. A third category of Community Facilities is also defined but no adjustment has been made to the differential to be levied on this category.
- Standardise the differential for all other non-residential properties so that such properties are rated on the same basis.

For 2017-18, Council agreed to freeze the differential transition for one year and extend the transition period by a year, to reduce the rates impact on residential ratepayers caused by the significant increase in residential property values following the three yearly revaluation of properties (for rating purposes), in October 2016.

The differential policy was reviewed by Councillors during the preparation of this Long Term Plan. Council decided to continue with the differential transition plan from 1 July 2018 so that from 1 July 2023 the business rate would be

no more than 2.29 times (previously 2.3 times), greater than the rate of a residential property of the same value.

## REVIEW

The overall Revenue and Financing Policy (including the differential factors) will be reconsidered every three years as part of the Long Term Plan preparation.

## APPENDIX I: REVENUE AND FINANCING POLICY

ACTIVITY	OUTCOME	FUNDING SOURCE PROPORTION	FUNDING RATIONALE [ LGA 2002 SECTION 101(3) (A)] Who benefits (community as a whole, or individuals, group or users, exacerbators), intergenerational benefits, reasons for funding the activity separately)
<p><b>Integrated Community Services</b></p> <p>Council provides, maintains and manages eight libraries in the city, two of which are located in Community Hubs. These are run as a single city-wide service. Their primary role is to provide written and recorded material such as books, audiovisual resources and access to online information. Library services are used for many purposes including learning, research and entertainment.</p> <p>Council operates two museums. The Dowse 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.</p> <p>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.</p> <p>Integrated community hubs or facilities are a core part of Council's Leisure and Wellbeing Strategy. Council currently has two hubs which provide core community and other council services, and are focussed on providing communities with opportunities for social and leisure activities, practical help and advice, and contributing to growing social capital.</p>	<p>This activity contributes primarily to the following Community Outcomes:</p> <ul style="list-style-type: none"> <li>• A safe community</li> <li>• A strong and diverse economy</li> <li>• An accessible and connected city</li> <li>• Healthy people</li> <li>• Actively engaged in community activities</li> <li>• Strong and inclusive communities.</li> </ul>	<p>Libraries and Community Hubs: Museums: Public – High Other – Low Aquatics and Recreation: Public – medium Other – medium</p>	<p><b>Who benefits:</b> <i>Libraries:</i> While there are identifiable private benefits from the provision of library services, the Council views the open and low cost access to information and books as being in the best interest of the city as a whole. The library system is an efficient way for the community to pool their reading and information resources and it is unlikely it could continue to exist if it operated on a strictly user pays system. Rather charges are levied for late returns, internet access and DVD hire, but these contribute only a small amount towards total operating cost.</p> <p><i>Museums:</i> The Council believes that the support of the arts, recognition of our social history and cultural endeavours is an important component in making the city a vibrant and attractive city, as well as providing a means for the community to express a sense of self and place. While individual visitors to these facilities do gain private benefits, collecting an entry fee would be inefficient due to the costs associated with establishing and operating a door charge system. Council recognises the contribution the Dowse Foundation and donors are making to the city through the extensive community fundraising activities.</p> <p><i>Aquatics and Recreation:</i> Fees and charges contribute a significant portion of the income for this activity. This reflects the fact that individuals benefit from the personal fitness and enjoyment they derive from using the facilities. However it is also recognises that there are positive benefits for the community when the population is fit and actively engaged. The pool also provides quality and accessible tuition in essential water safety and life skills, which produces both private and public benefits. To this extent funding from general rates is a key source of income for this activity.</p> <p><i>Community Hubs:</i> While there are identifiable private benefits from the provision of core Council services, programmes, recreational and leisure activities, and advice at Councils community hubs, Council views the open access to community hubs as being in the best interest of the city as a whole.</p> <p><b>Who pays:</b> No particular sector or group is considered to drive or benefit from these costs beyond those groups that can be targeted by user fees. The public good portion of this activity cost is therefore allocated in proportion to each sector's share of the total capital value of the city.</p>

ACTIVITY	OUTCOME	FUNDING SOURCE PROPORTION	FUNDING RATIONALE [ LGA 2002 SECTION 101(3)(A) ] Who benefits (community as a whole, or individuals, group or users, exacerbators), intergenerational benefits, reasons for funding the activity separately)
<p><b>Parks and Reserves</b></p> <p>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 retaining areas in their natural state. This activity also includes Council's cemeteries.</p>	<p>This activity contributes primarily to the following Community Outcomes:</p> <ul style="list-style-type: none"> <li>• Healthy people</li> <li>• A healthy natural environment</li> <li>• Actively engaged in community activities</li> <li>• A healthy and attractive built environment.</li> </ul>	<p>Public – High Other – Low</p>	<p><b>Who benefits:</b> <i>Parks and Reserves:</i> Council views the active participation of residents in outdoor activities as beneficial to the whole community. Some degree of user charging is appropriate, however affordability for sporting clubs is now a factor in limiting participation. The actions of sports codes contribute to the need for Council to undertake the maintenance of sports fields. This is therefore an example of the exacerbator principle.</p> <p><i>Cemeteries:</i> There is a significant private benefit in this service to the families of deceased people where burials and interment services are provided. There is also an ongoing community benefit in providing for the respectful treatment of deceased people who form part of the community's heritage and whakapapa.</p> <p>While it is recognised that the rural sector often provides its own recreational land, Council considers that this sector is also a beneficiary from this activity and should share the general rates cost.</p> <p>Lands purchased for sports grounds and reserves provide substantial intergenerational benefits.</p> <p><b>Who pays:</b> No particular sector or group is considered to derive benefit from these costs beyond those groups that can be targeted by user fees. The public good portion of this activity cost is therefore allocated in proportion to each sector's share of the total capital value of the city.</p>
<p><b>Community Facilities and Development</b></p> <p>Council has underway a significant rejuvenation plan and programme for its community facilities. It plans to develop strategic and integrated community hubs across the city. The developments are predominantly aimed at increasing community participation and improving the wellbeing of Hutt City residents.</p> <p>Community Facilities Development are generally being done through the Community Facilities Trust, for which Council contributes funding by way of annual grant funding.</p>	<p>This activity contributes primarily to the following Community Outcomes:</p> <ul style="list-style-type: none"> <li>• A safe community</li> <li>• A strong and diverse economy</li> <li>• An accessible and connected city</li> <li>• Healthy people</li> <li>• Actively engaged in community activities</li> <li>• Strong and inclusive communities.</li> </ul>	<p>Public – High Other – Low</p>	<p><b>Who benefits:</b> While there are identifiable private benefits from the provision of community facilities, Council views the open and low cost access to community facilities as being in the best interest of the city as a whole.</p> <p><b>Who pays:</b> No particular sector or group is considered to drive or benefit from these costs beyond those groups that can be targeted by user fees. The public good portion of this activity cost is therefore allocated in proportion to each sector's share of the total capital value of the city.</p>

ACTIVITY	OUTCOME	FUNDING SOURCE PROPORTION	FUNDING RATIONALE [ LGA 2002 SECTION 101(3) (A)] Who benefits (community as a whole, or individuals, group or users, exacerbators), intergenerational benefits, reasons for funding the activity separately)
<p><b>Consents and Regulatory Services</b></p> <p>The Regulatory Services team provides inspection, auditing, enforcement and education that ensures Council's policies and regulations are being complied with.</p> <p>The Environmental Consents Division is responsible for the regulatory consents and compliance functions for building work in Lower Hutt, for general advice to the public on consenting matters, for coordinating LIM applications for Council and for advice on environmentally sustainable residential design and products.</p>	<p>This activity contributes primarily to the following Community Outcomes:</p> <ul style="list-style-type: none"> <li>• A safe community</li> <li>• A strong and diverse economy</li> <li>• An accessible and connected city</li> <li>• Healthy people</li> <li>• A healthy natural environment</li> <li>• A healthy and attractive built environment.</li> </ul>	<p>Public – Medium Other – Medium</p>	<p><b>Who benefits:</b> <i>Environmental Inspections &amp; Enforcement:</i> 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.</p> <p><i>Animal Control:</i> Animal control is primarily the dog control function with a small amount of service involved with general livestock control. Dog registration fees are a targeted form of cost recovery for this activity. An animal control function is necessary in order to ensure the public is safe from the negative effects of animal ownership. At one level, the activity can be considered an exacerbator issue, as the actions of animal owners create the need for the service. Often, it can be hard to track down an animal's owner – or the animal may be a stray – so recouping the costs of this activity is difficult.</p> <p><i>Environmental Consents:</i> The environmental consents activity is undertaken to ensure that public welfare is not jeopardised by the actions of individuals or groups now or in the future.</p> <p><i>Building Consents:</i> Current charges for building consents are already considered to be significant. High charges may restrict development activity in the city.</p> <p><b>Who pays:</b> These activities protect the public interests of both residents and business. After maximising user charges, the public good portion of this activity cost is allocated in proportion to each sector's share of the total capital value of the city.</p>
<p><b>City Resilience</b></p> <p>Council develops and implements city-wide emergency management plans, and promotes community preparedness for emergencies. Plans are also in place for dealing with and preventing rural fires. Council maintains the in-house capacity to co-ordinate responses to both civil defence and rural fire emergencies. There is a legal requirement under the Forest and Rural Fires Act and the Civil Defence Act for Council to perform these functions.</p>	<p>This activity contributes primarily to the following Community Outcomes:</p> <ul style="list-style-type: none"> <li>• A safe community</li> <li>• Strong and inclusive communities.</li> </ul>	<p>Public – High Other – Low</p>	<p><b>Who benefits:</b> The whole community benefits from this activity. It is triggered where the disruption to community life is such that a coordinated community response is required.</p> <p>The work regarding rural fire response and prevention applies largely to Council-owned land and therefore any benefits apply to the community. A rural fire response is necessary to deal with fires lit accidentally or deliberately. Where the person responsible for starting a rural fire is identified, they are dealt with through the courts and compensation is obtained where possible.</p> <p>Revenue is collected from Upper Hutt City Council as an operating contribution towards the shared service and this is reflected in the 'other' funding source category.</p> <p><b>Who pays:</b> No particular sector or group is considered to drive or benefit from these costs beyond those groups that can be targeted by user fees. The public good portion of this activity cost is therefore allocated in proportion to each sector's share of the total capital value of the city.</p>

ACTIVITY	OUTCOME	FUNDING SOURCE PROPORTION	FUNDING RATIONALE [ LGA 2002 SECTION 101(3)(A) ] Who benefits (community as a whole, or individuals, group or users, exacerbators), intergenerational benefits, reasons for funding the activity separately)
<p><b>Roading and Accessways</b></p> <p>The roading and accessways 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.</p> <p>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.</p>	<p>This activity contributes primarily to the following Community Outcomes:</p> <ul style="list-style-type: none"> <li>• A safe community</li> <li>• A strong and diverse economy</li> <li>• An accessible and connected city</li> <li>• Healthy people</li> <li>• A healthy and attractive built environment.</li> </ul>	<p>Public – Medium/high</p> <p>Other – Medium/low</p>	<p><b>Who benefits:</b> <i>Roading:</i> Many of the benefits of roading networks accrue to individuals or businesses. To a large extent, this is reflected in the subsidies received by Council from government for roading, which are ultimately funded from fuel excise, road user charges, and vehicle registration charges. However, for the balance of costs which Council must cover, Council has no direct means to charge individual users of the local network on a user-pays basis. Consequently, rates revenue is used to fund Council's share of these costs. Most roading expenditure in the city relates to the ongoing maintenance of the existing network and assets, with only moderate expenditure on improvements. Most of the expenditure is therefore funded directly from rates revenue (and government subsidies) rather than through borrowing. However, major projects with benefits over several decades, or very high costs, will be debt funded, along with an approximate contribution from development contributions charges where possible. This helps ease the immediate burden on rates, helps to ensure intergenerational equity, and ensure growth costs are borne by developers.</p> <p><i>Street Cleaning:</i> Street cleaning has a range of benefits widely dispersed amongst the community, and for which there is little ability or sense in charging individuals for the benefits they receive. The need to undertake street cleaning is partially caused by the actions of individuals littering or dumping and is thus an exacerbator issue. However, it is very difficult to police this activity, and consequently few costs are able to be recovered this way.</p> <p><i>Parking:</i> The benefits of on-street parking largely accrue to the individuals or groups involved. However charging and actively monitoring parking in most areas, such as most urban neighbourhoods, is simply not practical or cost effective – although some time restrictions may still apply. Consequently, a large proportion of the cost is simply absorbed into the roading budget, and funded accordingly. In areas with a high concentration of parking demand, it becomes necessary and cost-effective to manage parking, allowing much of the cost associated with these parks to be recouped through parking charges and/or fines.</p> <p>The benefits of road facilities are ongoing and spread over the long term. These intergenerational benefits support the ongoing use of debt financing for associated capital works.</p> <p><b>Who pays:</b> Trip generation is used as an indicator of both the cause and benefit of this activity's costs. Trip generation of the business / utility and residential sectors is estimated at 72%/28% respectively. The shares of general rates costs are allocated to these sectors on this same basis.</p>
<p><b>Water Supply</b></p> <p>This activity involves the supply of high quality drinkable water for domestic and commercial use. Council purchases bulk water from Greater Wellington Regional Council, and this accounts for 56% of the total cost of water supply to the city. Water is then distributed around the city through the local pipe network. Council's ownership of the pipe network is historical. There is a legal requirement for Council to retain control of these assets.</p>	<p>This activity contributes primarily to the following Community Outcomes:</p> <ul style="list-style-type: none"> <li>• A strong and diverse economy</li> <li>• An accessible and connected city</li> <li>• Healthy people</li> <li>• A healthy natural environment</li> <li>• Strong and inclusive communities.</li> </ul>	<p>Public – Low</p> <p>Other – High</p>	<p><b>Who benefits:</b> Much of the benefit from this activity is considered to be private to the people who obtain and use the water. Public health benefits arise out of the treatment of water borne diseases. Water leakage and unaccounted for water accounts for a portion of total water use. This cost is spread evenly across all users.</p> <p>There are ongoing benefits as long as infrastructure is maintained. These intergenerational benefits support the ongoing use of debt financing for associated capital works.</p> <p><b>Who pays:</b> In the absence of metering, targeted rates can be seen as a proxy for user charges. All connections are charged the targeted rate, 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.</p>



ACTIVITY	OUTCOME	FUNDING SOURCE PROPORTION	FUNDING RATIONALE [ LGA 2002 SECTION 101(3) (A)] Who benefits (community as a whole, or individuals, group or users, exacerbators), intergenerational benefits, reasons for funding the activity separately)
<p><b>Wastewater</b></p> <p>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.</p>	<p>This activity contributes primarily to the following Community Outcomes:</p> <ul style="list-style-type: none"> <li>• A strong and diverse economy</li> <li>• An accessible and connected city</li> <li>• Healthy people</li> <li>• A healthy natural environment</li> <li>• Strong and inclusive communities.</li> </ul>	<p>Public – Low Other – High</p>	<p><b>Who benefits:</b> The removal of wastewater largely benefits the person whose wastewater is removed. However the public also benefits through improved public health and an unpolluted environment. The operation of many social and commercial activities would be curtailed if raw effluent was not properly dealt with.</p> <p>There is also a significant exacerbator component to the treatment of wastewater, as people cause costs through their action (for example commercial businesses that produce trade waste) or inaction (for example not installing a dual flush toilet).</p> <p>Some revenue is collected from the Upper Hutt City Council as an operating contribution towards the shared service.</p> <p>The benefits of wastewater services are ongoing and spread over the long term. These intergenerational benefits support the ongoing use of debt financing for associated capital works.</p> <p><b>Who pays:</b> In the absence of metering of water supplied as a proxy for water discharged, targeted rates can be seen as a proxy for user charges.</p>
<p><b>Stormwater</b></p> <p>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. There is a legal requirement for Council to retain control of these assets.</p>	<p>This activity contributes primarily to the following Community Outcomes:</p> <ul style="list-style-type: none"> <li>• A safe community</li> <li>• A strong and diverse economy</li> <li>• An accessible and connected city</li> <li>• Healthy people</li> <li>• A healthy natural environment</li> <li>• Strong and inclusive communities</li> <li>• A healthy and attractive built environment.</li> </ul>	<p>Public – High Other – Low</p>	<p><b>Who benefits:</b> Stormwater reticulation, watercourses, major storm events and watercourse quality management, addressed under this activity, are partly for private benefit but mainly for public benefit. This is in terms of dealing with public spaces and the public stormwater system, minimising damage from severe flooding and conducting monitoring and pollution control for the community at large. Economies of scale associated with the provision of the overall system are also recognised.</p> <p>Buildings and pavements increase the necessity for stormwater management and in this respect the built-up areas can be considered to exacerbate the problem.</p> <p>The benefits accrue over a long period, and hence costs need to be appropriately allocated between current and future users. These intergenerational benefits support the ongoing use of debt financing for associated capital works.</p> <p><b>Who pays:</b> The business sector is estimated to represent around 37% of the city's impervious area after allowing for a proportion of road stormwater allocated to the business sector on the same basis as the roading activity. General rates allocation to the business sector is twice this sector's share of the city capital value.</p>

ACTIVITY	OUTCOME	FUNDING SOURCE PROPORTION	FUNDING RATIONALE [ LGA 2002 SECTION 101(3)(A) ] Who benefits (community as a whole, or individuals, group or users, exacerbators), intergenerational benefits, reasons for funding the activity separately)
<p><b>Solid Waste</b></p> <p>Council contracts out the collection of residential solid waste and household recycling. It also owns a landfill for the disposal of the city's refuse.</p> <p>Council wishes to promote recycling and waste reduction and to provide for the disposal of the city's solid waste.</p> <p>Commercial operators also provide waste and recycling collection services so that ratepayers have options other than Council services.</p>	<p>This activity contributes primarily to the following Community Outcomes:</p> <ul style="list-style-type: none"> <li>• Healthy people</li> <li>• A healthy natural environment.</li> </ul>	<p>Public – Low Other – High</p>	<p><b>Who benefits:</b> The primary benefits of this activity are private benefits to people whose refuse is disposed of, and this is the classic example of polluter pays.</p> <p>Council provides kerbside recycling which is funded through a targeted rate. Recycling produces public benefits through sustainable resource use and through the deferral of costs involved in replacing landfills.</p> <p>There are also public benefits in ensuring that refuse is disposed of appropriately. The consequences of poorly dealt with waste are immediate public health effects. Longer term health effects can also result from interaction with contaminated sites.</p> <p>The benefits of this activity are ongoing and spread over a long period. These intergenerational benefits support the ongoing use of debt financing for associated capital works.</p> <p><b>Who pays:</b> The solid waste function makes an overall surplus, particularly as a result of landfill activities. This return on investment compensates Council as a whole and the whole ratepayer base for the long-term business risks of landfill operation and aftercare. Any surplus is therefore used to offset general rates.</p>
<p><b>City Environment</b></p> <p>Council develops district plan policy and makes changes to the district plan in line with national and regional policy changes and also in line with expectations of the local community. The district plan provides the "rules" by which individuals and businesses can build and undertake activity within the city.</p> <p>Council aims to develop an urban environment that will help to attract people and investment and enhance the city's image. 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 both the community as a whole and the owner or occupier. Council purchases the public benefit of this on behalf of the community.</p>	<p>This activity contributes to all Community Outcomes.</p>	<p>Public – High Other – Low</p>	<p><b>Who benefits:</b> <i>Environmental Policy:</i> District planning has a mix of private and public benefits, as well as encouraging optimal resource use over time. The District 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.</p> <p><i>Local Urban Environment:</i> Council aims to carry out improvements to public areas to improve the amenity value of the city. Most of the benefits from this activity accrue to the community as a whole. Certain parts of the community, such as business owners, may gain distinct private benefits as a result of council work in shopping areas etc. Benefits are ongoing, and work particularly around the preservation of heritage elements is intended for the benefit of future generations. These intergenerational benefits support the ongoing use of debt financing for associated capital works.</p> <p><b>Who pays:</b> These activities protect the public interests of both residents and business. After maximising user charges (which are minimal and in some years non-existent), the public good portion of this activity cost is allocated in proportion to each sector's share of the total capital value of the city.</p>

ACTIVITY	OUTCOME	FUNDING SOURCE PROPORTION	FUNDING RATIONALE [ LGA 2002 SECTION 101(3) (A)] Who benefits (community as a whole, or individuals, group or users, exacerbators), intergenerational benefits, reasons for funding the activity separately)
<p><b>City Development</b></p> <p>Council has a leading role in fostering the city's growth in a number of ways.</p> <p>These are through creating a businessfriendly 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. 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.</p> <p>Council undertakes a number of activities in this area including external communications (eg to residents and businesses), marketing and promotions, web based information and local and national level events. Council does this to ensure that all parts of the community have the information they require about Council, are aware of what is happening in the city, can do business with us online and have access to community and other events.</p>	<p>This activity contributes to all Community Outcomes.</p>	<p>Public – Med/High Other – Med/Low</p>	<p><b>Who benefits:</b> <i>Economic Development:</i> These projects are targeted at regional cooperation and growth industries. The general economic development function of Council aims to increase jobs and wealth for the benefit of the whole city in the long term.</p> <p><i>City Promotions:</i> The beneficiaries of this activity are the people, businesses and organisations in the city who benefit from having access to information, doing business on line with us and who attend or are part of events.</p> <p><b>Who pays:</b> The City applies for and receives some grant funding to help with specific events in the city. No particular sector or group is considered to drive or benefit from these costs beyond those groups that can be targeted by user fees (minimal). The public good portion of this activity cost is therefore allocated in proportion to each sector's share of the total capital value of the city.</p>
<p><b>City Governance</b></p> <p>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 Community Committees are part of Council and provide local input into governance issues. Council is required by law to have elected members.</p> <p>This activity also 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. Professional advice and support are necessary to assist the community and their representatives on Council, Community Boards and Community Committees to make informed decisions on behalf of the community.</p>	<p>This activity contributes to all Community Outcomes.</p>	<p>Public – High Other – Low</p>	<p><b>Who benefits:</b> The beneficiaries of this activity are the people and organisations in the city who benefit through the democratic governance of the city's affairs.</p> <p><b>Who pays:</b> No particular sector or group is considered to drive or benefit from these costs beyond those groups that can be targeted by user fees. The public good portion of this activity cost is therefore allocated in proportion to each sector's share of the total capital value of the city.</p>

ACTIVITY	OUTCOME	FUNDING SOURCE PROPORTION	FUNDING RATIONALE [ LGA 2002 SECTION 101(3)(A) ] Who benefits (community as a whole, or individuals, group or users, exacerbators), intergenerational benefits, reasons for funding the activity separately)
<p><b>City Leadership</b></p> <p>This activity incorporates the organisational support functions that help Council to provide its other activities in the most efficient and effective manner. It includes:</p> <ul style="list-style-type: none"> <li>• Human Resources Management</li> <li>• Financial Management</li> <li>• Corporate Strategy and Risk</li> <li>• General Counsel</li> <li>• Communication &amp; Marketing</li> <li>• Information Services.</li> </ul>	<p>This activity contributes to all Community Outcomes.</p>	<p>Public – High Other – Low</p>	<p><b>Who benefits:</b> The entire community benefits from Council being run as an efficient organisation.</p> <p><b>Who pays:</b> No particular sector or group is considered to drive or benefit from these costs beyond those groups that can be targeted by user fees. The public good portion of this activity cost is therefore allocated in proportion to each sector's share of the total capital value of the city.</p>



# INFRASTRUCTURE STRATEGY 2018-2048

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## FOREWORD

I am pleased to present Hutt City Council's 'Infrastructure Strategy 2018-2048'.

Infrastructure underpins the quality of life we value. It helps to support a safe, healthy, liveable and vibrant city for all. Essential services that are often taken for granted such as drinking water, wastewater, stormwater, flood protection, roads and footpaths ensure that the daily lives of our residents, visitors, businesses and communities are supported and protected, and provide the foundation for a multitude of activities to occur – from housing to manufacturing, recreation to public transport.

The future presents both challenges and opportunities. This 'Infrastructure Strategy' takes into account three key issues: natural hazards and the effects of climate change, demand variations as our population grows and changes, and technological advancements.

Strengthening at risk infrastructure to mitigate the impact of natural hazards is crucial. Ensuring robust emergency preparedness and continual monitoring of our infrastructure is central to responding to the challenges we face from natural hazards and climate change.

As our population grows and ages, our infrastructure will need to meet different community needs, desires and preferences. It needs to be adaptable and flexible to take into account this changing demand and it needs to be developed with the future in mind, to make the most of the opportunities presented as technology advances.

By properly managing and maintaining our infrastructure we will ensure it reflects the needs of the community now and into the future. This strategy plots a pathway for achieving this outcome.

“INFRASTRUCTURE UNDERPINS THE QUALITY OF LIFE WE VALUE. IT HELPS TO SUPPORT A SAFE, HEALTHY, LIVEABLE AND VIBRANT CITY FOR ALL.”



*Ray Wallace*

Ray Wallace

Mayor — Lower Hutt, June 2018

# OVERVIEW OF INFRASTRUCTURE STRATEGY 2018-2048

**CORE INFRASTRUCTURE NETWORKS:**

- Water Supply
- Wastewater
- Stormwater
- Roading

**VISION**  
INFRASTRUCTURE THAT MEETS THE NEEDS OF TODAY AND TOMORROW

**GOALS**

- To ensure infrastructure supports the growth of our safe, healthy, liveable and vibrant city
- To increase the resilience, sustainability, and long term adaptability of the infrastructure
- To improve the design, development and management of infrastructure to serve the community needs, desires and aspirations
- To upgrade the infrastructure to reinforce the growth of our strong, diverse and innovative economy
- To strengthen the reliability, efficiency and effectiveness of the infrastructure networks

**UNDERPINNING PRINCIPLES**

- Protect people property and the environment
- Ensure infrastructure is resilient in the long term and adaptable to changing circumstances
- Maintain an overarching community understanding and awareness of infrastructure services and the issues facing them
- Ensure robust information underpins long-term infrastructure decisions
- Maintain strong collaboration with stakeholders and partners
- Ensure infrastructure complies with all appropriate regulations and standards

**MANAGEMENT PRACTICES**

- Communication and engagement
- Levels of service
- Service delivery
- Spatial planning
- Asset management planning
- Sustainability and public health
- Risk management

KEY ISSUES AND OPPORTUNITIES		
I. Natural hazards and the effects of climate change	2. Growth and demand variations	3. Technological advancement
<p><b>PRINCIPAL MANAGEMENT OPTIONS</b></p> <ul style="list-style-type: none"> <li>Strengthening at risk infrastructure</li> <li>Robust emergency preparedness</li> <li>Providing back up networks</li> <li>Developing protective infrastructure</li> <li>Regulation and monitoring</li> </ul>	<p><b>PRINCIPAL MANAGEMENT OPTIONS</b></p> <ul style="list-style-type: none"> <li>Promotion of alternative travel options</li> <li>Demand management</li> <li>Enhance accessibility for the aging population</li> <li>Adapting and developing infrastructure for and in high demand areas</li> </ul>	<p><b>PRINCIPAL MANAGEMENT OPTIONS</b></p> <ul style="list-style-type: none"> <li>Development of modelling and monitoring</li> <li>Effective optimisation and renewal</li> <li>Openness to the opportunities of new technology</li> </ul>
<p><b>ALTERNATIVE OPTIONS NOT UNDER CONSIDERATION</b></p> <ul style="list-style-type: none"> <li>Borehole water</li> <li>Desalinated water</li> </ul>	<p><b>ALTERNATIVE OPTIONS NOT UNDER CONSIDERATION</b></p> <ul style="list-style-type: none"> <li>Altering funding mechanisms</li> </ul>	<p><b>ALTERNATIVE OPTIONS NOT UNDER CONSIDERATION</b></p> <ul style="list-style-type: none"> <li>Status quo</li> </ul>

**KEY PROJECTS INCORPORATED INTO THE LONG TERM PLAN**

- Critical water supply network seismic and reservoir upgrades and water main renewals
- Seaview Wastewater Treatment Plant seismic strengthening, sewer and storage tank upgrades, main Outfall pipeline overflow mitigation, and trunk main Outfall pipeline renewal
- Stormwater network and pump station upgrades, and Awamutu Stream improvements
- Supervisory Control and Data Acquisition (SCADA) upgrade to improve real time monitoring of water networks and better compatibility with regional SCADA network
- Bridge seismic strengthening, road network resilience, Eastern Bays and Wainuiomata Hill shared path, Cycleway network development, and other road network improvements

**SIGNIFICANT DECISIONS COUNCIL EXPECTS TO MAKE**

Decisions are to be made about water quality improvements, flood planning controls, network developments to support growth, Riverlink: CBD promenade development, Melling Bridge replacement, walkways and cycleways improvements, East West Connection, and transport network resilience improvements

# I. CONTEXT

## INTRODUCTION

Infrastructure plays a crucial role in people's lives and provides an important base for many of the activities we pursue. Infrastructure provides the foundation for our economy to prosper, our people to be healthy and our city to be safe. Due to the physical size, long life and financial cost, infrastructure plays a leading role in how our city looks, functions and operates. This Infrastructure Strategy presents an excellent opportunity for Council to assess where it has excelled and where improvements can be made, how it wishes to develop moving forward and what it wishes to prioritise.

A key theme of this *'Infrastructure Strategy'* is to identify significant infrastructure challenges and opportunities for Lower Hutt over the next 30 years. The principal options for managing or responding to these challenges and opportunities are explained in the significant infrastructure issues and opportunities section. Decisions made in regard to the most likely option for responding to these issues are reflected in budgets incorporated into the '2018-28 Long Term Plan' (LTP).

The capital investment needed for infrastructure assets often requires substantial expenditure when they need replacing or require significant maintenance. However, the long life of most infrastructures means that significant peaks in expenditure are typically followed by long periods where relatively low expenditure is required. This Strategy reflects on what has already been done and considers the best way to move forward to ensure efficient and effective management of these assets to achieve the recognised goals, given the community's values and principles.

At a national level while there is broadly a good infrastructure base despite historic underinvestment, there are significant future challenges, particularly pertaining to ageing infrastructure networks that will require renewing<sup>1</sup>. However, for Hutt City the situation is less pressing – our core infrastructure has been well managed and we therefore do not anticipate the occurrence of significant unplanned investment over the next thirty years.

1. National Infrastructure Unit (2015). *The Thirty Year New Zealand Infrastructure Plan 2015*.

## INFRASTRUCTURE VISION AND PRINCIPLES

Council has an important stewardship role for city infrastructure over the long term. The infrastructure vision incorporated within this strategy is:

**"Infrastructure that meets the needs of today and tomorrow"**

The underpinning principles for guiding the strategic management of infrastructure are to:

- Protect people, property and the environment.
- Ensure infrastructure is resilient in the long-term and adaptable to changing circumstances.
- Maintain an overarching community understanding and awareness of infrastructure services and issues facing them.
- Ensure robust information underpins long-term infrastructure decisions.
- Maintain strong collaboration with stakeholders and partners.
- Ensure infrastructure complies with all appropriate regulations and standards.

This Infrastructure Strategy covers a period of thirty years. It is likely that during this time substantial changes in the operating environment will occur. It is accepted that natural hazards, the effects of which are predicted to worsen with climate change, present as a significant issue. Hence, Council will need to prioritise ensuring the resilience of infrastructure, and where possible pursue sustainability focused options. Moreover, changes in the overall population size and the demography of the residents living in Hutt City may affect demand and service delivery. Technology is also an area that is likely to experience radical change over the next thirty years. Some technological changes will be anticipated and some -particularly technological innovations- will not. While robust predictions can be made for much of the short to medium term factors and expected impacts, it inherently becomes increasingly uncertain over time, therefore infrastructure decisions need to be flexible to changing circumstances and ensure that they are robust over a range of possible future scenarios.



## INFRASTRUCTURE GOALS

Building on the infrastructure vision, Council has developed the following long-term goals in order to realise the vision of this strategy:

- To ensure infrastructure supports the growth of our safe, healthy, liveable and vibrant city.
- To increase the resilience, sustainability and long term adaptability of the infrastructure.
- To improve the design, development and management of infrastructure to serve the community needs, desires and aspirations.
- To upgrade the infrastructure to reinforce the growth of our strong, diverse and innovative economy.
- To strengthen the reliability, efficiency and effectiveness of the infrastructure networks.

The goals are explored in the following table.

GOALS	WHAT DOES SUCCESS LOOK LIKE?
To ensure infrastructure supports the growth of our safe, healthy, liveable and vibrant city.	<p>Infrastructure plays a significant role in accommodating the growth of the city while making the city attractive and vibrant.</p> <p>Core infrastructure is in place to protect people, property and the environment from natural hazards, public health and other risks.</p> <p>Appropriate infrastructure is developed and managed to protect and improve the health of members of our community by effectively providing essential services such as reliable quality water supply which meets New Zealand drinking water standards, wastewater and stormwater treatment that prevents exposure to untreated water and safe multimodal transport facilities that encourage health enhancing modes of transportation.</p> <p>Infrastructure improves our quality of life by ensuring that the city is accessible and connected through an extended multi-modal transport network and by ensuring the effectiveness of waste and stormwater networks.</p>
To increase the resilience, sustainability and long term adaptability of the infrastructure.	<p>Core infrastructure networks are able to withstand social, economic, and environmental shocks.</p> <p>The infrastructure is improved to meet sustainability standards and have minimal negative impacts on the environment, following the recommendations and guidelines provided in the Environmental Sustainability Strategy. The management of the infrastructure strives to create a positive environmental impact wherever possible.</p> <p>Infrastructure solutions promote environmentally sustainable practices such as minimising water wastage through both regular maintenance and demand management, and actively supporting and encouraging alternative means of travel to private vehicle such as walking or cycling.</p> <p>Long term adaptability requires a future focused approach to planning coupled with flexibility to changing circumstances or context. Technological advancements, such as the use of hydraulic models to enhance the understanding of the performance of the three water networks, are considered for potential improvement opportunities they offer.</p>
To improve the design, development and management of infrastructure to serve the community needs, desires and aspirations.	<p>The design and management of infrastructure aligns with the values of the community in which it is situated. Sound management of these assets is ensured and supported through comprehensive activity/asset management or service plans which follow best practice guidelines.</p>
To upgrade the infrastructure to reinforce the growth of our strong, diverse and innovative economy.	<p>Infrastructure is improved and upgraded to meet the demands of various industrial and commercial businesses, in particular in fast-growing high-tech areas, and supports them to achieve economic growth.</p>
To strengthen the reliability, efficiency and effectiveness of the infrastructure networks.	<p>Fit for purpose transport infrastructure ensures that people are able to travel to their destinations as efficiently as possible and minimises the delays created through poor design or failure of the assets.</p> <p>Reliable, efficient and effective water networks and management systems are developed so residents and businesses are provided with clean and safe water supply, with minimal service disruptions. Limited overflows of wastewater are assured and adequate stormwater network capacity is in place to respond to increased rainfall events effectively and prevent flood related damage.</p>

## THIS STRATEGY

Our long-term approach is to ensure that our infrastructure is maintained to perform at a high standard, to ensure we are meeting all our legislative requirements and the needs and the expectations of our community, now and into the future. This Strategy takes a 'multi-asset' approach – looking across different types of infrastructure, rather than within a single category – to ensure that Hutt City is managing and building the right long-term infrastructure in the right place, at the right price.

The purpose of this strategy is to inform decision making regarding building and management of infrastructure in the most efficient and effective way possible taking into account the timing, costing and placement of these investment decisions.

This is particularly important given the growth planned in the Council's Urban Growth Strategy. This Infrastructure Strategy aims to achieve this purpose by providing a strategic view of the Council's infrastructure enabling and informing long term asset management planning. This is achieved through setting vision, principles and goals, and maintaining consistency across asset groups while being transparent and accountable. This Strategy also provides an assessment of a range of infrastructure issues and opportunities and the principal and alternative options Council will consider to address these issues, including:

- natural hazards and the effects of climate change
- changing demand for services stemming from population growth, an ageing population and shifts in preferences
- technological advancements
- sustainability and public health, and
- management practices.

The direction provided through this Strategy – alongside other key Council strategies – will have significant implications for the city's future and affect decision-making within Council and across the city. The following strategies and plans may be impacted by this strategy:

- Long Term Plan and Annual Plans.
- Activity Management and Service Plans
- Financial Strategy, and
- District Plan.

This Strategy has been designed to be useful to a wide range of interested parties and is enhanced by our commitment to work closely and collaboratively with appropriate organisations and stakeholders. Operational issues related to each category of infrastructure are addressed in the Council's Transport Activity Management Plan or the Wellington Water's Regional Service Plan – collectively called Asset Management Plans (AMPs).

### SCOPE OF THIS STRATEGY

This Strategy includes all of the mandatory categories required under the Local Government Act (LGA):

- Water supply
- Wastewater (sewage treatment and disposal)
- Stormwater drainage and flood protection
- Roads and footpaths.

Infrastructure networks in Hutt City are not isolated from activity occurring at a regional and national level, and some of our infrastructure is shared or co-managed with other councils in the region, in particular with Wellington Water and New Zealand Transport Agency (NZTA). Hutt City Council works in collaboration with these organisations to ensure consistency, efficiency and effectiveness in our respective work. Council has elected to only include the mandatory categories of infrastructure in this Strategy. Council has

plans and policies in place to ensure other assets owned or managed by Council are properly managed.

Categories of infrastructure that are not included within this Strategy include:

- Council owned/managed: Parks and gardens, playgrounds, swimming pools, community facilities such as libraries, halls and integrated hubs, and assets and properties owned by Council-controlled organisations other than Wellington Water.
- Regionally owned/managed: 'Bulk' water supply infrastructure, flood protection, public transport, coastal management, emergency management services.
- Government owned/managed: Rail corridors, state highways and bridges, schools, hospitals, conservation land, social services and emergency services.
- Privately owned/managed: Utilities – electricity, gas and telecommunications.

## ABOUT HUTT CITY

### GEOGRAPHY

Hutt City encompasses a total area of 38,000 hectares, stretching from Haywards Hill and Stokes Valley in the north to Turakirae Head in the south. It is bounded to the west by Belmont Regional Park and to the east by the Rimutaka Forest Park.

The Hutt River (Te Awa Kairangi) is a defining element of the city, rising in the southern Tararua Range it flows south-west along the Wellington Fault until it reaches Lower Hutt, where it turns south to Wellington Harbour. The river's headwaters are a major catchment for the region's water supply. Tributaries to the Hutt River within Lower Hutt include Stokes Valley Stream and Awamutu Stream. Other important rivers and streams in the

FIGURE 1: LOWER HUTT SUBURBS AND WARDS



district include the Wainuiomata River, Korokoro Stream, Waiwhetu Stream, and the Orongorongo River.

Hutt City’s coastline stretches around Wellington Harbour from Petone Beach to Pencarrow Head, and continues outside the harbour to Baring Head and on past Turakirae Head to Windy Point (south of Mt Mathews). The Wellington Fault runs through the city and numerous other faults are also present in the area and across the wider region.

### POPULATION

The city’s population started a new growth trend with the introduction of Council’s Urban Growth Strategy (2012-2032). The estimated population is increased by 3,500 people since 2013. This is a 3.5% growth in four years, while the population has been largely static since the early 1980s. For instance, the national census statistics shows that the city’s growth was limited to 0.5% during the seven years from 2006 to 2013.

The 2013 population was estimated at 101,200 people, and Statistics New Zealand projections indicate that this population will increase over the next 30 years. The Urban Growth Strategy sets a target population of at least 110,000 people living in the city by 2032 and Council has done every required step to achieve this target. This growth, however, is expected to slow down after this period mainly due to limitations in the availability of greenfields and areas appropriate for intensification.

In addition to the expected change in the population of Lower Hutt, the demographic makeup of the city is also changing, particularly in response to the national trends of an ageing population. These changes could impact infrastructure through both the effect on demand and funding. Furthermore, Lower Hutt has a diverse community with relatively high levels of inequality and areas of

deprivation compared to the Wellington region – particularly in the north-east of the city. Increasing ethnic diversity is anticipated with a continuing increase in the proportion of Māori, Asian and Pacific populations. Whilst the population overall continues to age, both Māori and Pacific populations will retain a considerably younger profile.

### SETTLEMENT AND CITY DEVELOPMENT





Within months of the first European immigrants settling at Petone in 1840 it was flooded by the Hutt River. Ongoing flooding, together with the 1855 earthquake and tsunami prompted many early settlers to shift to Wellington. To manage the risk of flooding, stop-banks were developed on both banks of the Hutt River, extending through the city.

The Lower Hutt area was mainly developed for agriculture and horticulture until the 1920s, when the New Zealand Government bought large tracts of land for housing. In the mid-1940s state housing for 20,000 people was built in the north-eastern suburbs of the city (Eponi, Naenae, Taita), and a new suburban rail line connected people to workplaces further down the valley and in Wellington City. Subsequent development radiated out from the Hutt Valley flood plain.

From the 1960s, middle-income home buyers headed for the western hill suburbs – necessitating supporting infrastructure development in those areas. Maungaraki was developed by the then city council for private housing, and was the largest local government subdivision in New Zealand, involving significant earthmoving to cut hilltops and fill valleys. Today, the main commercial centres are Lower Hutt and Petone, while residential suburbs are located on the western hills, eastern bays, Wainuiomata, the valley floor, and Stokes Valley.

## HUTT CITY INFRASTRUCTURE NETWORKS

Hutt City has a series of well-developed and modern infrastructure networks and the overall condition of these networks is good. The total capital replacement value for Council owned infrastructure included in this Strategy is over \$2 billion, while each year Council spends, on average, \$15m in capital replacements and \$17m to improve and upgrade this infrastructure<sup>2</sup>. The extent of Council infrastructure networks in this Strategy is as follows:

INFRASTRUCTURE CATEGORY	TOTAL LENGTH	ESTIMATED VALUE <sup>3</sup>	KEY COMPONENTS	LEVELS OF SERVICE	CONDITION AND LIFESPAN <sup>4</sup>
 <b>Water supply</b>	681km (pipes)	Depreciated Replacement Cost: \$114m Replacement Cost: \$280m	<ul style="list-style-type: none"> <li>Reservoirs</li> <li>Water mains</li> <li>Pump stations</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with NZ Drinking Water Standards</li> <li>Reliability of service</li> <li>Prompt issue response</li> <li>Maintain consumption levels, and</li> <li>Percentage of real water loss from networked reticulation system</li> </ul>	Over 80% of the water supply pipes are rated as being in good or very good condition, and almost 8% are in moderate condition. The average life of our pipe network is 70-75 years. The current age of the pipes on average is 48.5 years. We monitor the condition and performance of the network to optimise renewals. This ensures we replace the pipes when the condition dictates not based on theoretical life.
 <b>Wastewater</b>	671km (pipes)	Depreciated Replacement Cost: \$236m Replacement Cost: \$536m	<ul style="list-style-type: none"> <li>Treatment plant</li> <li>Sewage trunk mains</li> <li>Pump stations</li> <li>Storage tanks, and</li> <li>Outfall pipeline</li> </ul>	<ul style="list-style-type: none"> <li>Number of resource consent infringements</li> <li>Reliability of service</li> <li>Prompt issue response</li> <li>Number of dry weather wastewater overflows from the Councils wastewater system</li> <li>Number of complaints</li> </ul>	Over 47% of the wastewater pipes are rated as being in good or very good condition, and nearly 23% are in moderate condition. The average life of our pipe network is 80 years. The current age of the pipes on average is 49.2 years. We monitor the condition and performance of the network to optimise renewals. This ensures we replace the pipes when the condition dictates not based on theoretical life.
 <b>Stormwater</b>	526km (pipes)	Depreciated Replacement Cost: \$184m Replacement Cost: \$341m	<ul style="list-style-type: none"> <li>Stormwater mains</li> <li>Pump stations</li> </ul>	<ul style="list-style-type: none"> <li>Reliability of service</li> <li>Achieve water quality at main recreational beaches</li> <li>Prompt issue response</li> <li>Number of flooding events</li> <li>Number of habitable floors flooded</li> <li>Compliance with resource consents for discharges</li> </ul>	Over 70% of the stormwater pipes are rated as being in good or very good condition, and almost 17% are in moderate condition. The lifespan of stormwater assets varies between types of asset. For example, minor culverts have an estimated average life of 100 years, while major culverts generally last 80 years. The current average age of the pipes on average is 50.3 years. Replacement of stormwater pipeline is mostly to address flooding issues rather than condition.
 <b>Local roads and footpaths</b>	484km (roads) and 728km (footpaths)	Depreciated Replacement Cost: \$430m Replacement Cost: \$904m	<ul style="list-style-type: none"> <li>Roadways and bridges</li> <li>Footpaths and walkways</li> <li>Cycleways</li> <li>Retaining walls and seawalls</li> <li>Traffic services, and</li> <li>Street lighting</li> </ul>	<ul style="list-style-type: none"> <li>Residents' satisfaction</li> <li>'Quality of ride' measured by the percentage of the road network meeting roughness standards.</li> <li>Accident trend (measured by NZTA).</li> <li>Prompt issue response</li> <li>Percentage of sealed local road network that is resurfaced</li> <li>Percentage of footpaths that fall within the service standard for footpath condition</li> </ul>	NZTAs 'Surface Condition Index', which measures the condition of the road surface in relation to surface defect, is rated in a range of 0 to 100, where a lower number indicates better condition. HCC's current rating is 1.6 which shows that our road surfaces are in a very good condition. Lifespans vary between various roading assets: for streetlights it is 25 years while a bridge may last more than 100 years. The average life of a chipseal surface in Lower Hutt is about 12 years, and asphaltic concrete has an average life of about 15 years. Age Index is one of the components of the Surface Condition Index. We monitor a number of condition and performance indexes to optimise pavement renewals of the local roads.

<sup>2</sup> The average figures are based on current dollars, with no adjustment for inflation.

<sup>3</sup> Estimated value include Depreciated Replacement Cost (which is the estimate of the current market value of assets as at December 2017, defined as the current cost of reproduction or replacement of an asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization) and Replacement Cost (which is the insured value of the assets, except for roads and footpath, obtained in October 2017) Wastewater includes approximately \$44m owned by Upper Hutt City Council. The figures exclude value of land under roads.

<sup>4</sup> Details of assets' condition and lifespan are provided in AMPs.

Current and planned investment in our infrastructure means that the rating of our pipes is expected to improve markedly in the coming decades. Most of our infrastructure was built in the 1930's and 1950's. The average age is over 30 years while average life expectancy varies from 10-80 years, depending on the infrastructure type. The lifespan of an individual infrastructure asset can be estimated and programmes are put in place to renew or replace the asset when the asset condition and performance dictates this. Appropriate maintenance approaches are also in place to extend the life of assets, particularly assets with longer lifespans and extremely high replacement cost.

## KEY INFRASTRUCTURE NETWORKS

The following section provides further information on each of the key infrastructure categories included in this Strategy.

### Water supply

Bulk water is purchased from the Greater Wellington Regional Council (GWRC) and comes from several sources including the Hutt River, Wainuiomata and Orongorongo Rivers, and the Waiwhetu Aquifer. In 2017, the water quality from the aquifer started to show signs of deterioration. As a response to this to ensure public safety, UV treatment and chlorination were installed at the Waterloo Treatment Plant. Recent contamination of water sources in Havelock North have resulted in changes to how water will be managed in future throughout the country.

An emerging issue is the volume of water available in the future, climate change, water allocation rules and growth in the Wellington region all lead to estimates that an additional water supply source for the region will be required by about 2035. A Sustainable Water Source study will be undertaken with a view to identify actions that will

defer the need for investment.

Hutt City's water supply system consists of a network of water mains, pumping stations, and reservoirs. All of this water meets the required drinking water standards. Most areas of the city meet expected standards for water storage (in reservoirs or storage lakes) and water pressure, while some areas for improvement have been identified. Critical assets include large diameter pipes, together with all reservoirs and pumping stations. Good health outcomes are achieved through careful management of the water supply and distribution infrastructure.

### Wastewater

The main functions of the wastewater system are to collect, treat and dispose of wastewater from residential and business properties, and industrial liquid wastes (or trade waste). The wastewater system consists of a network of pipes connecting to each property, which in turn discharge into a system of larger-diameter trunk sewer pipes.

There are two main trunk sewer pipelines for the Hutt Valley – one follows the western Hutt River stopbank, and the second passes through the eastern suburbs of Taita and Naenae, before following the rail corridor through to Moera. The trunk sewers convey wastewater from Lower Hutt and Upper Hutt to the treatment plant at Seaview. Treated effluent from the Seaview plant is then conveyed to an outfall at Pencarrow Head. Resource consents are in place for the discharge of treated water and also for overflows in the case of high flows. Ongoing environmental scanning is in place to be aware of and comply with potential legislation changes that may affect resource consents renewals.

During wet weather, there is the possibility of stormwater entering the wastewater system (inflow), or groundwater

entering the wastewater system (infiltration), leading to possible overloading of the system and consequent overflows which present health, water recreation and water quality issues. Existing infiltration/inflow reduction strategies, including pipeline inspection and renewal programmes, are designed to minimise the entry of stormwater or groundwater to the wastewater system. It is estimated that these strategies will achieve a reduction in average stormwater volumes in the wastewater system from 20 per cent down to 15 per cent over the next 20 years. Critical assets are identified in Wellington Water's Regional Service Plan and include large diameter pipes, trunk pipes, the Seaview Wastewater Treatment Plant, and the Silverstream Storage Tank. Seven out of the 22 pumping stations in the Hutt City wastewater network are identified as critical. The condition of critical assets is closely monitored to ensure timely maintenance and renewals are undertaken when an unacceptable risk of failure is observed or predicted. The non-critical assets, however, will not be proactively repaired and will be run to fail. A further 10-20 years of life is expected from these non-critical repaired assets before replacement.

### Stormwater and flood protection

The stormwater system manages surface water run-off to minimise flooding, damage from flooding, and adverse effects on the quality of receiving water. The primary stormwater system consists of pipes, open drains, retention dams and pumping stations. Stormwater is directed through streams, rivers, channels and pipes to the harbour. 'Secondary flow-paths' are provided in some areas to accommodate floodwaters when the primary system is overloaded. Flood protection is important for city planning and development based on management of risk. Components of a robust flood protection system include stopbank to prevent the occurrence of flooding, stormwater management to drain water away effectively

and efficiently, and land use controls to minimise exposure of property or infrastructure to flood risk.

The majority of the existing stormwater infrastructure was originally designed to accommodate a five-year “average recurrence interval” rainfall event. As such, some of the infrastructure may be overloaded when more severe rainfall is experienced. Service level expectations are now higher than when the system was designed, and general replacement or renewals are now built to a 10-year average recurrence interval standard. We are also now experiencing more intense rainfall events that put pressure on our stormwater networks. The effects of the change in intensity and other climate change effects are incorporated in the design standards and the eventual stormwater mitigation solutions. Often it is not practical to build our way out of stormwater flooding issues, in these instances non-asset solutions such as plan changes, changes in maintenance regimes or overland flow path options are considered.

Under the proposed Greater Wellington Draft Natural Resources Plan, councils will be required to hold resource consents for stormwater discharges. This may require upgrades to the network to meet environmental standards, and could increase the need to consider alternate stormwater management approaches (e.g., rain gardens, swales) when developing new areas of the city. Critical assets are identified in the AMP and include large diameter pipes, pipelines that operate under pressure, pipes located beneath buildings, stormwater intakes and flap gates on stormwater pipelines. Two of the fourteen pumping stations have been identified as critical.

A key planning requirement is to understand the likelihood and consequence of a flood that goes beyond agreed levels of flood protection. Avoiding building in high hazard areas is one way of managing flood risk in the long-term. Flood protection in urban areas takes place via stormwater

management (the responsibility of Hutt City Council) and through management of flood risk for significant waterways (primarily the responsibility of the GWRC). Hutt City Council works in collaboration with GWRC to develop and implement “catchment environmental strategies” (currently in place for the Hutt River) and Floodplain Management Plans (currently in place for the Hutt River and under development for the Waiwhetu Stream). The two Councils are also currently working on Riverlink, a major project to raise and widen the stopbank on both banks of Hutt River along the city centre, widen the river channel and enhance the river promenade.

### Roading and footpaths

The purpose of the roading network is to provide for safe, convenient and efficient transportation through the city. Appropriately designed road and footpath networks can enhance living environments enabling Hutt City residents to interact and achieve social, economic, educational and other goals. The needs of all road users are recognised, including pedestrians and cyclists.

Hutt City Council is taking a leading and progressive approach nationally to managing its roads and footpaths, including being one of New Zealand’s earliest adopters of pavement deterioration modelling and our assessments of bridges for seismic strengthening. Critical assets include key strategic or arterial routes and bridges within Lower Hutt. As part of the process for designing the Council’s Urban Growth Strategy, roading analysis was undertaken in order to determine the capacity potential of targeted intensification areas. This analysis was used to ensure that intensification is undertaken in areas that have the capacity to accommodate growth. Previous investigations identified the need for major improvements in roads connecting the CBD and Seaview/Petone to State Highway 2. This is required not only to address

current capacity constraints but also to accommodate the expected growth and improve the resilience of the major strategic roads. The Melling Bridge renewal and East Access Route (to access or bypass the CBD via Knights Road, Cornwall Street and Pretoria Street) improvements are planned to address these concerns for the CBD. The work is programmed to coincide with stopbank upgrade work through the Riverlink project that may have an impact on the existing West Access Route (through Daly St.). The East Access Route will be improved to ensure better alignment with the potentially relocated bridge, along with improvements in intersections and signalisation. The capacity issues during peak hours in Petone, however, occur mainly on The Esplanade and Jackson St. The proposed East West Connection is expected to remove the through traffic from these two roads and ease the current issues. This is also an important project to accommodate the increased traffic volumes generated by growth in Petone, Eastern Bays and Wainuiomata and has significant resilience benefits.

Promoting alternative modes of transport is also being considered by extending the existing cycleways and improving their connections with other roads and cycleways, moving the Melling train station southwards and developing a pedestrian bridge connecting that to the CBD, and improving the walkability in central paths. Council regularly assessed the forthcoming developments and revisits capacities that will be influenced in order to plan any intervention that may become necessary.

As well as roads and footpaths, roading assets include carparks, walkways, bridges, subways, street lighting, seawalls, and items such as parking meters. Of our total infrastructure value in this category, about 50 percent is roads and footpaths, 20 percent is bridges, and the remainder consists of streetlights, parking meters, signage, and so on.

## 2. SIGNIFICANT INFRASTRUCTURE ISSUES AND OPPORTUNITIES

The significant infrastructure issues and opportunities identified for Hutt City, together with the options for managing those issues and the implications of those options are outlined in this section. The issues include:

- Natural hazards and the effects of climate change
- Growth and demand variations
- Technological advancements

### I. NATURAL HAZARDS AND THE EFFECTS OF CLIMATE CHANGE

Lower Hutt is located on a floodplain and large parts of the city are vulnerable to natural hazards. Natural hazard risks in Lower Hutt can be categorised based on the source of the hazard as follows:

- **Earthquake:** Fault rupture could cause extensive subsidence in Petone, liquefaction in low elevation floodplain areas, landslide and slope failure in Western Hills, Eastern Bays and Wainuiomata Hill Road, and Tsunami in Petone and Eastern Bays.

It is important to ensure that infrastructure is able to withstand a significant earthquake both in regard to structural integrity and that the provision of services is maintained or the functioning of service provision is resumed with minimised disruption to the public.

- **Intense storms and severe dry periods:** Intense storms and heavy rainfall may lead to increased risk of flooding and conversely more frequent dry periods may result in drought as the effects of climate change become more intense. The CBD, Alicetown, Petone,

Waiwhetu and Wainuiomata are areas of the city most vulnerable to these effects.

Infrastructure should be able to protect and support people, property and the environment in case of a major storm or drought.

- **Sea Level Rise:** The Ministry for the Environment recommends that councils plan for sea level rise of between 50cm and 80cm by the 2090's, and continued rise beyond that<sup>5</sup>. Recent NIWA regional report suggests that sea level is expected to rise by 12cm to 24cm by 2040<sup>6</sup>. This poses threats to core coastal infrastructure as well as property and infrastructure in suburbs close to the sea. Sea level rise additionally poses risks of salination, which could threaten the viability of the continued use of aquifer water.

Long-term plans should be in place to ensure the resilience of property and infrastructure against the projected sea level rise. Extracting water from the aquifer must be actively managed to mitigate the salination risk.<sup>7</sup>

While the risk of a seismic event is not expected to change, the exposure of property and infrastructure increases as investment grows in areas vulnerable to these events.

#### INFRASTRUCTURE EFFECTS

##### a) Earthquake and its consequences

Earthquake and its potential consequences, such as liquefaction, landslide and tsunami, are a major risk to roads predominantly in terms of structural damage to

roads and footpaths. A lower magnitude earthquake which damages roads will disrupt transport and is likely to have a negative impact on business and wellbeing; however, a significant seismic event could cause serious destruction of single access routes, particularly those connecting Hutt Valley to Wellington CBD and Wainuiomata. This loss of access may affect the transport of vital supplies. Therefore, resilience of arterial or single access routes is a key roading issue.

A major earthquake will likely also cause disruptions in water supply and wastewater networks, both in terms of structural damage, such as to pipes, and ability to ensure continuation of supply. Water supply and waste water are essential to people's lives as we need to ensure people have access to fundamental services, such as clean drinking water and sanitation. This requires both water storage and water treatment capacity. Such an event can also cause significant damage to the stormwater network, leading to significant problems, particularly in the event of heavy rainfall following an earthquake.

Additionally, the connection between these infrastructure networks should be recognised. For instance, if roads sustain significant damage this could damage underground pipes, and in turn, if stormwater networks are damaged the subsequent overflowing could affect the ability of roads to continue functioning.

##### b) Intense storms and severe dry periods

The second natural hazard, intense storms and heavy rainfall, can lead to surface flooding. Heavy rainfall could

<sup>5</sup> The Ministry for the Environment (2008). Climate Change Effects and Impacts Assessment – A Guidance Manual for Local Government in New Zealand.

<sup>6</sup> NIWA (2017). Regional climate change report for the Wellington region. Detailed projections can be found at [www.gw.govt.nz/climate-change](http://www.gw.govt.nz/climate-change).

<sup>7</sup> For further information see "Preparing New Zealand for Rising Seas: Certainty and Uncertainty", published by Parliamentary Commissioner for the Environment (2015), and "Conjunctive Water Management recommendations for the Hutt Valley", published by Greater Wellington Regional Council (2015).



result in overloading of the stormwater system, followed by overflow or inundation. A major event could lead to stopbank failure or overtopping with increased damage to property and infrastructure. It also has the potential to lead to road closures and require increasingly frequent clearing of debris. These effects could create hazardous conditions for both road and footpath use.

The anticipated climate change will intensify the pressure on both wastewater and stormwater networks. The predicted increasing levels of rainfall may exceed the capacity of the stormwater network resulting in flooding or infiltration of the waste water system, both of which pose health risks to the public, through human contact with potentially contaminated water, as well as damage to both property and infrastructure. Climate change, together with the expected growth in Lower Hutt urban centres will exacerbate identified consequences. Climate change is also likely to increase the likelihood of prolonged dry periods, presenting a further issue for water supply and wastewater. It has the potential to negatively impact the ability of both networks to adequately meet demand which could pose health risks.

#### c) Sea level rise

Sea level is expected to rise between 50 cm to 80 cm by 2090, a level which is above some of the current roads and properties in a number of suburbs close to the sea. This means primarily that coastal properties and infrastructure could be swamped and submerged by water in the future, or face an increased likelihood of storms and tsunamis entering inland, and damaging seawalls, roads, wharves and public and private properties. The extent of the impact in Lower Hutt could be larger than global average, given local factors including projected

erosion, liquefaction and subsidence. This predicted rise in sea level may also compromise the ability of the stormwater network to drain effectively -further exacerbating the impacts of flooding. This can also affect the functioning of water supply in regard to the possibility of the salination of ground water, which is particularly relevant given the use of and dependence of the city and region on the Waiwhetu aquifer. Additionally some of the key infrastructures, in particular the Seaview waste water treatment plant, are likely to face inundation with this predicted sea level rise, which poses a risk to the functioning of the wastewater system.

#### PRINCIPAL MANAGEMENT OPTIONS

This section considers the options for responding to the significant infrastructure issues and opportunities in regard to natural hazards and the effects of climate change. Outlining the principal options as well as alternative options -which are not currently under consideration, including the pros and cons of each enhances policy making and ensures optimal decisions are being made.



## ISSUE 1: NATURAL HAZARDS AND THE EFFECTS OF CLIMATE CHANGE

RESPONSE OPTIONS	EXPLANATION (CLARIFY WHAT DOES THIS OPTION MEAN / WHAT IS INCLUDED)	BENEFITS, ADVANTAGES AND POSITIVE IMPLICATIONS	COSTS, DISADVANTAGES AND NEGATIVE IMPLICATIONS	TIMING
<b>Principal option 1:</b> Strengthening at risk infrastructure	Bridges seismic strengthening – much of this work has already been undertaken; completion is expected in 2020-21, however this timing will depend on the outcome of the East West Connection investigations.	Public safety Improved resilience – Minimised disruption in case of an event Minimise risk of infrastructure damage	Traffic disruption during work Potential conflicts for the case of Cuba Street bridge if Council and NZTA decide to develop the East West Connection	Short term
	Road network seismic strengthening - increasing resilience both to seismic activities and capacity to withstand the impacts of flooding and liquefaction	Public safety Improved resilience – Minimised disruption in case of an event Minimise risk of property and infrastructure damage	Traffic disruption during the works Environmental impacts	Short term
	Main and critical water supply pipeline seismic upgrades and water main renewals	Public health and safety Protection of property Minimised disruption Improved resilience	Service disruption (including traffic) during works	Ongoing
	Water reservoir seismic upgrades	Public health and safety Minimised disruption Improved resilience	Service disruption (including traffic) during works	Ongoing
	Wastewater trunk and treatment plant seismic upgrades	Public health and safety Improved resilience Environmental benefits Minimised disruption	Service disruption (including traffic) during works Environmental impact during works	Short term
	Making allowance for infrastructure in vulnerable areas - Taking into account the possible vulnerabilities by using resilient materials or building techniques	Public health and safety Reduced risk to property Minimisation of damage Value for money Precautionary approach	May involve using more expensive materials	Ongoing
<b>Principal option 2:</b> Robust emergency preparedness	Agreement with contractors for the provision of initial response and recovery following an emergency including priority access to necessary equipment and utilisation of the road network prioritisation map.	Improved resilience Minimised disruption Ability to evacuate / bring in necessary supplies to support human life, health and wellbeing in case of a major event	Risk of reliance upon external resources	Ongoing
	Public emergency preparedness - encouraging and supporting residents and local organisations to be prepared for an emergency by having an emergency supply of water or etc.	Public health and safety Improved resilience Value for money Cultural benefits – through greater respect of water as an important natural resource Positive flow on effects such as prompting further emergency preparedness measures e.g. earthquake securing and broader uptake of sustainable practices	Minimal cost Risk of contamination of improperly stored water	Ongoing
	Access to emergency water through existing bores and reservoirs as well as water extraction capacity from streams as planned in the Community Infrastructure Resilience Programme	Public health and safety Environmental benefits	Risk of contamination of improperly stored water	Ongoing

RESPONSE OPTIONS	EXPLANATION (CLARIFY WHAT DOES THIS OPTION MEAN / WHAT IS INCLUDED)	BENEFITS, ADVANTAGES AND POSITIVE IMPLICATIONS	COSTS, DISADVANTAGES AND NEGATIVE IMPLICATIONS	TIMING
<b>Principal option 3:</b> Providing back up networks	The stormwater secondary network to ensure the continuation of this service in case of a primary network failure	Continuation of service Improved resilience Public health and safety Future proofing in regard to effects of climate change and by accommodating growth	Constraint on land use	Medium term
	Building redundancy and secondary wastewater network to ensure the continuation of this service in case of a primary network failure	Continuation of service Improved resilience Public health and safety Future proofing in regard to effects of climate change and by accommodating growth		Medium term
	Alternative transport routes – this is limited to certain situations as often grid road networks naturally provide alternative routes.	Improved resilience and public safety – ability to both evacuate and bring in supplies in an emergency event Increased efficiency by reducing Vehicle Kilometres Travelled (VKT), congestion and so emissions Drive social change and growth through better access and land value uplift	Limited to certain situations Property acquisition and land degradation Disruption during the construction (including noise and vibration) Environmental impacts Likelihood that a major event destroys both main and alternative route	Long term
<b>Principal option 4:</b> Developing protective infrastructure	Upgrading (raising/extending) stopbank and/or seawall, where practical, to provide protection against either sea level rise or flooding	Protection of people, their property and infrastructure Opportunity to develop waterfront / shared path Positive flow on effects e.g. improved wellbeing, facilities for active modes of travel, more green open space and beautification	Significant financial restrictions - requires support from NZTA Social concerns – loss of water view from neighbouring properties Environmental concerns – Habitat destruction and behaviour disruption of native wildlife e.g. penguins unable to access their nesting area Property acquisition	Medium term
<b>Principal option 5:</b> Regulation and monitoring	Ensuring hydraulic neutrality so new public and private developments do not pose a negative effect on the flow of stormwater or increase the risk of overflow Minimising damage to aquifer caused by construction of new buildings e.g. through piling Including climate change in the code of practice and all work streams Less parking requirements for new dwellings through the proposed District Plan Change 39 and parking policy	Public health and safety Increased awareness Value for money High efficiency and effectiveness Environmental benefits – reduced emissions and climate change mitigation	Risk of technology features used for monitoring not being maintained Cost of carrying out this monitoring	Ongoing
<b>Alternative option 1:</b> Borehole water	Construction of boreholes as an alternative water supply source	Improved resilience Public health Minimal adverse environmental impact	Uncertain viability	Long term
<b>Alternative option 2:</b> Desalinated water	Desalination to provide drinking water using seawater	Public health Source of water not reliant on rainfall (considering the anticipated impacts of climate change)	Comparatively expensive Comparatively high energy consumption Intake structures can pose a threat to marine life Limited relevance to the resource context of Lower Hutt	Long term

The provision of insurance is considered as a mitigation measure rather than a response option. There are different insurance options that Council considers where applicable, for instance, market cover, or self-insurance (setting aside funds for covering foreseeable events). Council maintains appropriate levels of insurance to safeguard core assets against significant losses<sup>8</sup>.

## 2. GROWTH AND DEMAND VARIATIONS

The infrastructure demand is likely to experience changes driven by:

- **Population growth,**
- **Ageing population, and**
- **Shifts in preferences.**

Demand-side management practices are expected to offset a fraction of this change. Climate change will also affect the demand, particularly in case of the stormwater and wastewater network, as explored with natural hazards issues. There is no marked change in the number of industrial and commercial businesses expected in the next 30 years and desired service levels are likely to be stable.

### INFRASTRUCTURE EFFECTS

#### a) Population growth

In 2017, the total population of Lower Hutt was estimated to be 104,700 people. This indicates an increase of 3,500 people compared to 2013, when it was estimated to be 101,200 people. The recent growth started with the inception of Council's Urban Growth Strategy (2012-2032) that sets strategic targets to increase the population of the city to

110,000 people by 2032, with an additional 6,000 homes. It is expected that this population growth will be consistently concentrated in some areas of the central valley, Western Hills and Wainuiomata. The ageing population of the city, together with the limited greenfield and intensification opportunities for residential development are expected to slow down the growth to an average annual growth of 0.2% after this period. The internal population projection indicates that Lower Hutt population is likely to increase to about 114,000 people by 2048.

Research indicates that growth can bring with it many positive effects for the city and its residents. The National Policy Statement on Urban Development Capacity also directs local authorities to provide sufficient development capacity in their plans for housing and business growth to meet demand. It is important that core infrastructure can support the expected growth. Analysis must be undertaken as part of any District Plan changes to ensure that the benefits of growth outweigh the costs related to it, particularly the costs of providing adequate infrastructure to meet increased demand.

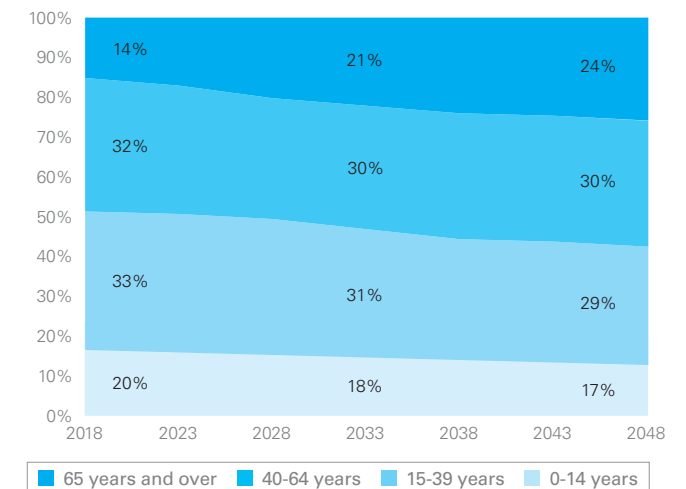
While significant population growth could place pressure on infrastructure in certain areas, it should be recognised that this growth is needed to achieve the vision outlined in the Urban Growth Strategy that 'Hutt City is the home of choice for families and innovative enterprise' which is viewed as a key component of making the Hutt City a better place to live, work and play.

#### b) Ageing population

Statistics New Zealand is projecting an extended ageing population in Lower Hutt. The population of residents aged

'65 years or over' is expected to increase by over 12,000 people (i.e. over 80%), while the population of the city is projected to increase by 10,000 people. This suggests that almost one in four Lower Hutt residents will be 65 years old or over and indicates a fall of around 5000 working-age people across the city, mainly between 2023 and 2038. The following figure illustrates the extent of the ageing population.

FIGURE 2: PROJECTED AGE DISTRIBUTION OF LOWER HUTT RESIDENTS, 2018 - 2048



This demographic change is likely to increase the number of one and two person households. This in turn intensifies the trend of fewer people per household and the fall in the average household size from around 2.7 people today to below 2.6 in 2043 and as a result the demand for different

<sup>8</sup> Details of the insurance policies Council maintains for various asset types are provided in Annual Reports.



types of housing stock to accommodate the change.

The ageing population requires consideration of the type and quality of infrastructure required by this growing demographic, such as ensuring footpaths are well maintained, smooth and widely accessible. Affordability of infrastructure provision is another issue for this community, based on the assumption that older residents are more likely to be on fixed and lower incomes during their retirement which constrains the council's rate paying base, particularly through limiting the capacity for council to raise rates in order to fund major investments. This could result in delays in the maintenance or replacement of infrastructure assets.

#### c) Shifts in preferences

Changes in preferences could present a particular challenge for roads, although there may be impacts on other core infrastructure. Changes in peoples transportation preferences along with technological change requires the need for roading and footpaths to accommodate multimodal transport both in regard to active transport such as cycling but also increasingly towards vehicle innovations such as electric vehicles. Additionally an increase in demand for public transport, while not provided directly by the Council, will need to be accommodated by appropriate infrastructure, such as the provision of space for bus stops.

The recent changes in where and how people want to live are also likely to continue, posing a possible challenge for infrastructure. For instance the increasing demand for 'inner city living' may put pressure on areas such as the CBD and Petone, this in turn could lead to changing requirements for road alignment and car parking. The

predicted increase in growth of certain areas will also increase the demands on other core infrastructure; requiring a greater capacity of water supply and waste water systems to match the demand.

#### PRINCIPAL MANAGEMENT OPTIONS

This section considers the options for responding to the significant infrastructure issues and opportunities resulting from growth and other demand variations. Outlining the principal options as well as alternative options -which are not currently under consideration, including the pros and cons of each enhances policy making and ensures optimal decisions are being made.

## ISSUE 2: GROWTH AND DEMAND VARIATIONS

RESPONSE OPTIONS	EXPLANATION (CLARIFY WHAT DOES THIS OPTION MEAN / WHAT IS INCLUDED)	BENEFITS, ADVANTAGES AND POSITIVE IMPLICATIONS	COSTS, DISADVANTAGES AND NEGATIVE IMPLICATIONS	TIMING
<b>Principal option 1:</b> Promotion of alternative travel options	Through development of cycleway, increasing walkability and enabling / facilitating public transport Reducing unnecessary transport by making Council services available online Encouraging public to use active modes of transport Information and awareness provision both in regard to routes and safety	Environmental impact – reduced emissions Future proofing by reducing reliance on fossil fuels Public health and safety Efficiency / reduce traffic congestion Drive social change Enhance urban economic growth	Cost of providing facilities Safety concerns – during transition when cycling network is poor	Ongoing
<b>Principal option 2:</b> Demand management	Introduction of additional demand management initiatives such as water conservation, hydraulic neutrality, traffic management, and inflow / infiltration reduction This may be necessary in response to either population growth, changes in regulations or public expectations and changes driven by the effects of climate change. Strategic decisions such as limited parking can be used to guide traffic and transportation choices while simultaneously promoting the uptake of alternative means of transportation.	Environmental impacts – conservation Sustainable approach Reduced cost Reduced congestion Efficiency Value for money	Short term costs Social concerns Equity implications Potential costs to individual property owners	Ongoing
<b>Principal option 3:</b> Enhance accessibility for the ageing population	Smoother foot paths, ramps walk offs and mobility parking	Urban growth Social inclusiveness / cohesion		Short term
<b>Principal option 4:</b> Adapting and developing infrastructure for and in high demand areas	Providing footpaths and three waters in intensification and Greenfields areas. Understanding trends and increase in demand and use modelling to predict effects. Using this information to encourage growth in areas where there is infrastructure capacity to meet the associated increase in demand. Incorporating both access routes and bypass routes so as to ensure ease of accessibility while minimising unnecessary congestion	Urban growth Efficiency Safety Economic growth (for instance by making shopping district more attractive places to be) Enhanced amenity value Environmental effects Public health and wellbeing- through encouraging high foot traffic areas to be pedestrian and cycling friendly	High cost Environmental impact Social concerns – particularly from retailers	Ongoing
<b>Alternative option 1:</b> Altering funding mechanism	Altering funding mechanisms could occur through increasing outside financial sources, or changes to internal means of funding such as increasing user pays fees, targeted rates or applicability. This is to consider the impact of ageing population on the affordability of infrastructure maintenance and development.	Could have equity implications Could help to address the financial implications of an ageing population	Potential equity implications Uncertainty e.g. surrounding the economic implications of ageing population Much funding is provided by outside sources e.g. NZTA and as such the capacity for the Council to alter funding mechanisms is restricted.	Ongoing

### 3. TECHNOLOGICAL ADVANCEMENTS

Technology is a focus area which infrastructure planning must increasingly consider, principally because of the opportunities this can bring to the city. The expected issues and imminent opportunities in terms of technology can be categorised as follow:

- **Monitoring and information generation**
- **Changing requirements, and**
- **Innovative technology.**

Being open to the opportunities of technology should be considered a guiding principle for decision making in the future.

#### INFRASTRUCTURE EFFECTS

##### a) Monitoring and information generation

Technological advancements present an opportunity for significant improvements in monitoring and data gathering. Wellington Water already utilises technology for real-time monitoring and control to increase their understanding of the system and how it responds to different situations and mitigate potential risks. In addition to information generation, this technology also presents an increased opportunity for demand management options which are likely to become increasingly necessary as the effects of climate change begin to have greater impact. Monitoring and analysis technology also enhance the capacity to make long term predictions on the costs of different investment options, this increases the capacity to strike a balance between cost (including asset replacement or renewal), level of service and risk exposure.

##### b) Changing requirements

Technological changes present a two part consideration. First, there are technological innovations that can make infrastructure more effective, efficient and improve the level of service provided to Lower Hutt, helping to make it a better place to live, work and play. However, increasingly different forms of technology will be viewed as a necessity that infrastructure should provide, and therefore it will likely become a requirement rather than an opportunity. As such infrastructure opportunities should be pursued so as to both accommodate and exploit technological opportunities as they arise.

##### c) Innovative technology

While there is potential for new and innovative technologies to improve infrastructure outcomes, there will likely be the difficulty of and during transition. The inherent nature of technological advances is that they are constantly evolving and this presents significant issues of uncertainty in planning for the long term as is required for infrastructure. For instance, in regards to roading, driverless cars are expected to become a key form of transportation in the future. This is likely to require significant infrastructure changes to the way roads operate such as the installation of communication networks between the cars themselves, the roads and traffic lights. However, there are difficulties in predicting when and how this change will happen, or exactly what technology will be required in the future in order to encourage and accommodate this. As such, flexibility is needed when considering technology as a focus area for infrastructure.

#### PRINCIPAL MANAGEMENT OPTIONS

This section considers the options for responding to the significant infrastructure issues and opportunities resulting from technological advancements. Outlining the principal options as well as alternative options -which are not currently under consideration, including the pros and cons of each enhances policy making and ensures optimal decisions are being made.

### ISSUE 3: TECHNOLOGICAL ADVANCEMENTS

RESPONSE OPTIONS	EXPLANATION (CLARIFY WHAT DOES THIS OPTION MEAN / WHAT IS INCLUDED)	BENEFITS, ADVANTAGES AND POSITIVE IMPLICATIONS	COSTS, DISADVANTAGES AND NEGATIVE IMPLICATIONS	TIMING
<b>Principal option 1:</b> Development of modelling and monitoring	Using technology as a tool to provide important information to enhance effectiveness and efficiency. Use of tools such as DTIMS software to model best approach and use of materials. Modelling gives the capacity to test different scenarios to see how the system will respond.	Information generation Demand management Enhanced planning capacity e.g. simulation for extensions or new developments	Short term cost in requiring the technology and training the staff Ongoing cost to ensure these are up to date	Ongoing
<b>Principal option 2:</b> Effective optimisation and renewal	Using the most effective and efficient materials and techniques to renew infrastructure and ensure that its functioning is optimised by using best available technology where possible.	Value for money Service improvements Increased efficiency / better use of resources – sustainability	Local industry limitations and availability	Ongoing
<b>Principal option 3:</b> Openness to the opportunities of new technology	Technology and the advancement of technology present a huge number of diverse opportunities and challenges to infrastructure such as new materials, equipment as well as best practices. There will likely also be technological innovations that we cannot predict; therefore, this option entails openness to the opportunities of technology so that they can be used to the Council's and the City's benefit when appropriate.  Council is developing a Smart City plan to address the major changes, such as the introduction of driverless cars. Wellington Water is also beginning a programme of innovation starting regionally in 2018/19. Depending on the results, further improvements in or new capital projects or operational investment may be required.	Flexible and adaptable approach as changes occur Positioned so as to take advantage of technology that may positive environmental or financial benefits Efficiency Value for money	Uncertainty of direction – planning implications, particularly in the long term	Ongoing
<b>Alternative option 1</b>	Status quo	Certainty / predictability Short run cost savings	Failure to take advantage of possible savings High inefficiency Environmental effects Failure to meet public expectations Missed opportunities	Ongoing

# 3. MANAGEMENT PRACTICES

## COMMUNICATION AND ENGAGEMENT

The importance of engaging with the community in planning, funding and delivering infrastructure is nationally recognised. Improved consultation and engagement with the public and key stakeholders ensure that key projects and decisions reflect community values. Council's Corporate Asset Management Policy outlines the need to engage with residents and work in partnership with others, and respond to a changing social and economic climate.

Council also has in place a 'Community Engagement Strategy', which outlines the philosophy and commitment to the community held by the Council. Council has prioritised creating an ongoing dialogue between stakeholders on key strategic, planning and policy matters, in the spirit of partnership. The Strategy summarises the community engagement goals, the main types of engagement Council undertakes, and how community engagement relates to the decision-making process. Council carries out in-depth community consultation on major infrastructure projects, issues or proposed changes to levels of services. This Strategy has created more effective community engagement across all Council activities and will continue to do so by empowering the community to participate meaningfully in shaping Hutt City's services, facilities and policies, helping to make Hutt City a great place to live, work and play.

Close collaboration with key stakeholders such as New Zealand Transport Agency (NZTA) and Wellington Water is also essential in enabling Council to perform its functions. It is, therefore, important to ensure our goals are aligned with the objectives of these organisations in order to maintain a smooth and progressive working

relationship. The arrangements between Council and its partner organisations are explained in Service Delivery section.

## LEVELS OF SERVICE

Based on the findings of community consultation and in conjunction with AMPs, Hutt City Council requires levels of service to be of a high standard in terms of quality, responsiveness and timeliness. The following indicators are used to monitor the performance and service provided by city infrastructure:

**LTP performance measures:** Performance measures published in the LTP and reported on in the 'Hutt City Council Annual Report' allow the community to judge the standard of the infrastructure service.

**Customer standards:** Quality and service availability, target response times for addressing problems with service provision, and courtesy, e.g. keeping property owners informed of system maintenance or other works.

**Activity standards:** Activity standards cover aspects of activity likely to be of concern to the community, such as service quality, customer focus, cost-effectiveness, environmental performance and compliance with legal and industry standards.

**Management indicators:** Indicators relating to the performance of particular assets (e.g. pump stations), and the performance of service contracts.

Hutt City Council consistently achieves satisfactory service levels for water supply, wastewater, stormwater and transport. Council considers improvements in levels of service in response to changes in community expectations.

## SERVICE DELIVERY

Wellington region is defined by water catchments, rivers and streams, groundwater, harbours and coastline that form major parts of the water cycle. Councils of the region, therefore, established Wellington Water in September 2014 to take a regional focus to the delivery of the three waters services, water supply, wastewater and stormwater, as the natural structure of the region dictates.

Wellington Water is a council-controlled organisation jointly owned by the Hutt, Porirua, Upper Hutt and Wellington City councils and Greater Wellington Regional Council; each council is an equal shareholder. A representative from each council sits on the regional Wellington Water Committee that provides overall leadership and direction for the company. They do this by considering the company's half yearly and annual reports, monitoring performance of the company, appointing directors to the Board and providing recommendations to shareholders on proposals from the company. The Committee writes an annual Letter of Expectations to the Chair of the Board of Wellington Water which outlines key priorities and areas of focus for the company. This Letter further guides the development of Wellington Water's Statement of Intent<sup>9</sup>. Wellington Water also meets regularly with Client Council Representatives, generally Council's infrastructure managers, to ensure the more operational issues and directions are also aligned to councils' intentions. Services are provided using the assets that are owned by the councils.

Wellington Water oversees the maintenance, upgrade, renewal and development of the three waters infrastructure through their life cycle, and supports Council by managing data, modelling and providing strategic asset management

<sup>9</sup> More information about the arrangements between Wellington Water and Hutt City Council can be found in the current Statement of Intent (2017 – 2020) at [www.wellingtonwater.co.nz/about-us/vision/](http://www.wellingtonwater.co.nz/about-us/vision/)



planning. The organisation also provides value to customers and client councils by acting regionally in reducing duplication and delivering economies of scale.

Hutt City Council also works closely with NZTA as a co-investor in our transport network to ensure an appropriate level of service is delivered. NZTA provides subsidies for some of our roading and shared path (cycles and pedestrians) projects; therefore, the policies and priorities of NZTA and the way in which this impacts their funding decisions has influence on the decisions made in regard to this infrastructure. Recently, the One Network Road Classification (ONRC) concept was introduced by NZTA to provide more consistency in service delivery across the country. Assurance in this area is gained via evidence from audits, inspections and performance records.

## ASSET MANAGEMENT PLANNING

Sound management of the assets is essential to improve the design, development and management of infrastructure. This is ensured and supported through comprehensive activity management or regional service plans.

Wellington Water developed a Regional Service Plan that sets out the approach to deliver the three waters services for the region in a cost effective and sustainable manner. This is the foundation for integrated three waters planning and ensures a consistent approach is applied across the Wellington metropolitan region. The term 'service plan' is used to reflect the focus on delivering the services to meet customers' expectations. The Regional Service Plan also provides an output specific to each client council, including Hutt City Council, and shows how planned activities are aligned with the expected customer outcomes set in Council's Infrastructure Strategy and other plans and policies. Council supports Wellington

<sup>10</sup> Retrieved from [www.mfe.govt.nz/fresh-water/why-fresh-water-matters](http://www.mfe.govt.nz/fresh-water/why-fresh-water-matters).

Water and provides feedback in development of Regional Service Plan and further decides and funds the work programmes produced using this Plan.

A Business Case Approach was taken in developing the Transport Activity Management Plan where the identified problems and how these will be addressed through our transport activities are explored. The work programmes developed directly respond to the strategic problems identified and considers how we manage levels of service for all road users, provide a safe and high quality network, deliver resilient connections, and provide value for money of our Road Asset investment. This plan follows best practice guidelines set in International Infrastructure Management Manual (IIMM) and is in line with NZTA's One Network Road Classification (ONRC).

## SPATIAL PLANNING

Many aspects of our infrastructure vary due to geographical/spatial factors. For example, natural hazard risks are greater in close proximity to faultlines and sea level rise risk is greatest close to the coast. Both the Government's Infrastructure Efficiency Expert Advisory Group (IEEAG) and the National Infrastructure Unit of Treasury support a spatial planning approach. Spatial planning is considered to have the potential to assist in producing optimum outcomes.

A regional spatial planning approach is currently being investigated with participation from Hutt City Council. The regional approach will encompass factors such as risk and resilience, growth and demand, and economic and demographic factors. Infrastructure would form one of the key elements of such a spatial plan, partly by identifying the proximity of infrastructure assets to high risk areas

such as faultlines, steep banks, flooding, vulnerability to liquefaction or other areas affected by sea level rise.

## SUSTAINABILITY AND PUBLIC HEALTH

Achieving a balance between sound public health and environmental management and the provision of affordable infrastructure can be challenging. Council has a responsibility to look after our people and our environment, to comply with all appropriate legislation and standards and to ensure that wherever possible we create a positive impact rather than following a do no harm approach. We strive to meet the needs of today without compromising the needs of the future, and this is particularly important in core infrastructure given the significant life span of these assets and the crucial services they facilitate. Pressures on the environment and public health can be due to the construction or operation of infrastructure systems and may include:

- Water: improved usage and quality
- Roads: Network optimisation
- Land use: accessibility and efficient use of space
- Protection and enhancement of the natural environment

### Water

*"Water is one of our most precious resources- it is essential to life on earth. Our rivers, lakes and wetlands support our unique native animals and plants. Water is also vital to our health and wellbeing, our livelihoods, and our way of life- New Zealanders love getting out on our water ways- swimming, kayaking, fishing and gathering food. For Maori, freshwater is a taonga"* (Ministry for the Environment, 2017)<sup>10</sup>.

Water is one of our most important natural resources; however, its quality can be damaged through mismanagement, neglect or overuse. Stormwater and waste water infrastructure networks can carry contaminants out to our bodies of water such as rivers, streams or the sea. This contamination can be caused by a variety of factors ranging from unpredicted or accidental occurrence, for instance through cross-contamination of wastewater and stormwater, typically as the result of system overflow. Alternatively contamination can occur effectively through mismanaged processes, for instance urban run off or other industrial activity. Water quality is also at risk due to sea level rise causing salination (the increased salt content) of ground water. Ensuring water quality has a major effect on public health, and minimising potential contamination of the water supply is a key component of providing Hutt City residents with the capacity to live healthy lives. Council intends to continue its focus on ensuring that public health and environmental standards are met or exceeded and to continue to work collaboratively with Regional Public Health and other health authorities to achieve this. In order to ensure that we are managing and protecting our water in accordance with current standards, as of 2018 the Council will be meeting with the Whaitua committee.

Water usage is also affected by demand and supply. For instance uncontrollable events such as droughts can result in water shortage, which can require use restrictions. Alternatively increases in demand for water can also place pressures on the quality of water, for instance population growth could place pressures on our water networks. Ensuring an adequate supply of water and balancing this against the environmental impact of water sourcing, both through supply and demand management is an important component of ensuring public health and sustainability. This occurs both in regard to the supply of drinking water, enabling all residents to have quality and consistent

access to this important resource and ensuring safe and reliable water supply for sanitation and wastewater.

### Roads

Road use by motor vehicles of all sizes has an environmental impact, and greenhouse gases emitted by transport account for a significant proportion of Hutt City's total emissions. This has a negative effect on both our natural environment and public health. Cities with poor air quality due to pollution, particularly those resulting from motor vehicles create unpleasant conditions to live in and importantly pose significant health risks to those living or working in the area. As such, strategies such as network optimisation should be pursued to ensure motor vehicles are able to travel as efficiently as possible and avoidable emissions are minimised. Additionally encouraging and supporting alternative means of travel, such as walking or biking and use of public transport, is an important component of both reducing the negative effects of these emissions and for making the Hutt City an attractive place to live work and play both now and into the future. This focus on supporting and encouraging alternative transport also positively enhances public health by enabling regular exercise to be part of people's everyday routines, for instance cycling to work or school, and therefore has the potential to positively influence people's lives by encouraging more active lifestyles. The need to provide facilities for motor vehicles, such as parking, must be balanced against providing for and encouraging non-motorised means of transportation.

### Land use

Land is a finite resource and infrastructure often takes the form of large physical assets, such as roads and bridges, as such infrastructure needs to make careful and considered use of land. Improved integration of infrastructure with the natural environment provides the

opportunity for both improved environmental outcomes and improved amenity of the infrastructure. This includes ensuring that infrastructure is in place to best serve the community in which it is located, and must be balanced against other important considerations such as the need for open space. It is an important component of community health that residents have accessible outdoor areas for recreation, for instance playgrounds and sports field, to ensure regardless of income everyone can enjoy time outdoors. As urban growth is pursued this will become an increasingly important consideration. Given the large practical and visual effect infrastructure has on communities, it plays an important role in determining both the 'look' and 'liveability' of a community, and therefore both of these can be improved through careful planning.

### Protection and enhancement of the natural environment

The placement and functioning of infrastructure must also consider the effect it may have on natural habitats and ecosystems. Poor land use practices and water network designs can have negative impacts on species for instance fish spawning and other large physical infrastructure such as roads and bridges, can negatively impact on native species and natural habitats for instance through disrupting the passage of species which can have devastating effects on local population. Infrastructure planning aims to minimise these negative effects and avoid them, wherever feasible, along with pursuing opportunities to create a positive impact.

### Our approaches

Expectations within the community are that higher standards of environmental protection will be achieved over time, particularly for stormwater and wastewater. The use of approaches such as Low Impact Urban

Design (LIUD) and technological advances, offer exciting opportunities for the Council to pursue approaches that are not only more beneficial to the natural environment and public health but also achieve their objectives at a lower cost, this increases both the environmental and financial sustainability of infrastructure over the long term

Managing the impact infrastructure has on the environment and public health requires capacity to measure these issues or potential issues in order to accurately understand whether a positive, neutral or negative impact is occurring. River and sea water quality are currently measured for levels of contamination, which reflect how well the city has been keeping stormwater free of these substances. For instance, the water quality at main recreational beaches in Lower Hutt was measured at 83% in 2013-14. This score is increased to 91% in 2015-16 and further improved to 100% (each monitored beach open 100% of days during the bathing season) in 2016-17.

In the future, technological improvements are likely to provide the opportunity and capacity to improve our environmental outcomes.

#### Our plans for the future

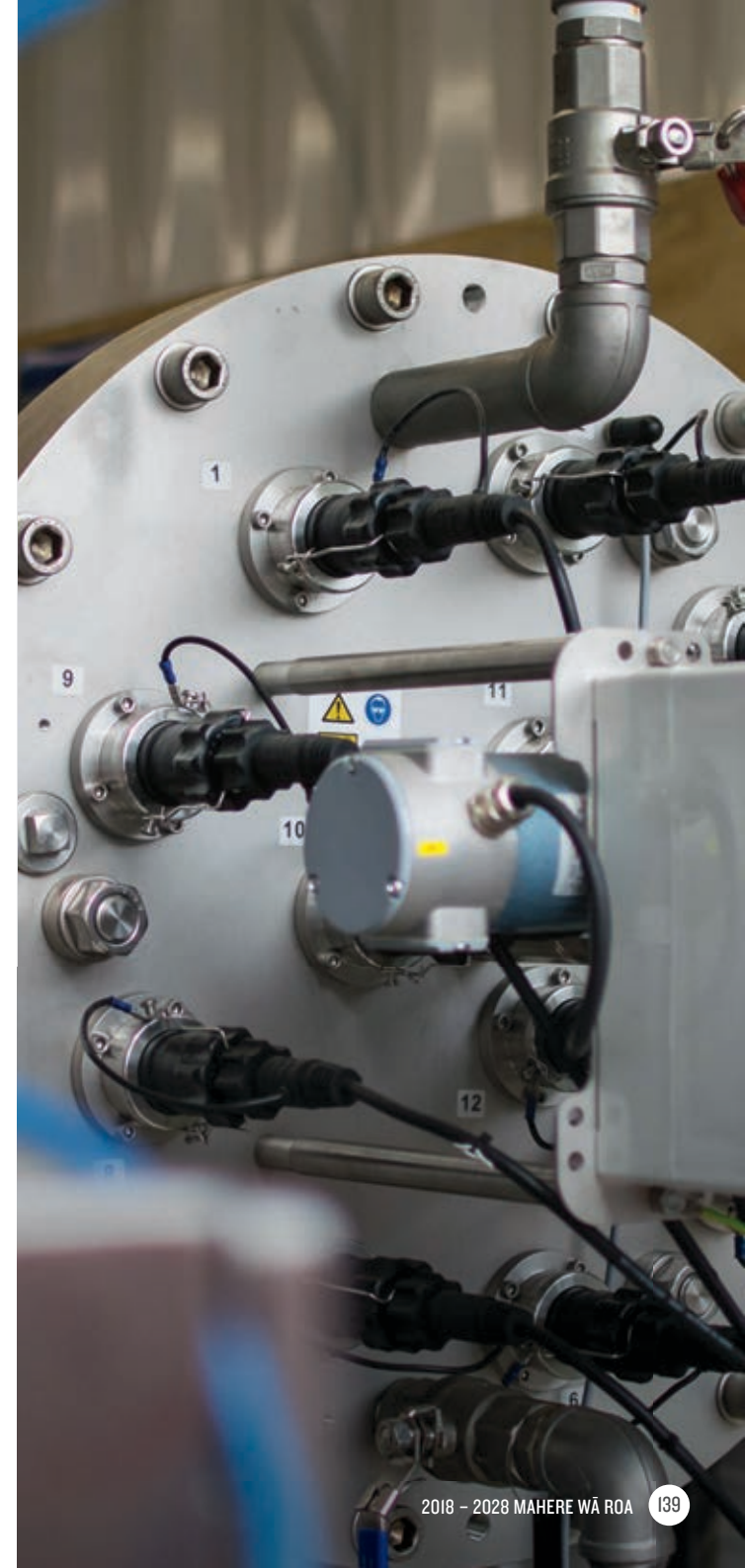
Stormwater and wastewater requirements already exist to contain and minimise adverse environmental effects. Health and quality are core elements of water supply. Wellington Water's strategic approach is built around the performance of 12 service goals which result from their three service outcomes, which are: Safe and Healthy Water; Respect for the Environment; Resilient Networks and Economy. All Wellington Water activities are prioritised and funded based on the achievement of these goals and the likely positive impact of them. For roads and footpaths, minimising greenhouse gas emissions

through both the promotion of alternative means of transportation and enhancing network efficiency is a key element of project efficiency and effectiveness which will have positive impacts on public health and towards sustainability.

While we are doing our best to meet our objectives, there are always things that can be done to improve what we deliver. Council's 'Environmental Sustainability Strategy' outlines goals for leadership, protection and enhancement of the environment. Council is determined to achieve the goals and aspirations in regards to both environmental sustainability and public health.

### RISK MANAGEMENT

Council is both responsive and proactive in the way that its infrastructure is managed, depending on the criticality of the infrastructure and the level of risk it faces. The significant long term issues that our infrastructure may face are addressed in this strategy. At the asset level, Activity Risk Management Plans outline the risks associated with providing infrastructure services, and the risk management activities associated with their operation, maintenance and management. Resilience is increasingly being incorporated into AMPs, including via contingency and emergency planning. For the roading network, Council has commissioned a resilience study to examine parts of the network at risk from earthquake and other hazards, as well as possible mitigation measures.



## 4. IMPLEMENTING THE STRATEGY

Significant work has already been carried out towards the issues and opportunities identified in this Strategy. A number of projects are investigated and incorporated into the LTP, while there are also decisions that Council expects to make in due course<sup>11</sup>.

### SIGNIFICANT PROJECTS INCORPORATED INTO THE EXISTING PLANS

Several projects are considered to ensure asset preservation as natural hazards are identified as a significant issue in Lower Hutt. Many bridges and reservoirs in the district have been seismically strengthened, or are identified for such work. Some other projects, such as the proposed East West Connection, the Melling Bridge renewal and some water main renewals, will not only help us to achieve increased resilience but also increase the network capacity to accommodate the expected population growth. Council is also continuing to carry out a range of projects to ensure that we reflect other demand variations as our population grows and changes and as more information about the new and innovative technologies becomes available.

Key projects that will occur during the course of this Strategy are listed below.

#### Water Supply

- Critical water supply network seismic upgrades: \$3.8m budgeted in the first five years (2018-23) for ensuring security of supply through upgrading of at risk or critical pipes. This includes upgrading Waterloo Wellfield Collector Main (2018-19). The upgrades will be continued with a \$500k per annum budget for 5 years after that (2023-28) and a \$600k per annum budget thereafter.

- Water reservoir upgrades: \$14.5m budgeted for seismic strengthening works to be carried out to water supply reservoirs (2018-29). This project minimises the damage and disruption of services in the event of an earthquake, thereby improving the resilience of the network and reducing the risk of health and safety issues. The upgrades will be continued with a \$115k per annum budget for 10 years after that out to 2039.
- Water main renewals: \$57m over the 30 years of this Strategy for renewing and upgrading the network that supports providing a reliable service as well as greater resilience and accommodating expected population growth. Priority is given to higher criticality pipelines while condition criteria are also considered.

#### Wastewater

- Seaview Wastewater Treatment Plant seismic strengthening: \$4m for ground remediation and seismic strengthening of the Milliscreen and Main Pump Station buildings (2018-19) to minimise the risk of damage in a significant earthquake and the follow on public health issues.
- Upper Hutt to Hutt Valley Main Sewer Connection: \$12.4m to construct a new pumped connection from Silverstream to Taita as contingency against loss of Silverstream River Crossing or Western Hills Main Sewer (2022-23 and 2027-29).
- Silverstream wastewater storage tank upgrades: \$5.7m for additional storage and UV treatment at Silverstream (2023-25) to improve the network resilience and meet likely consent requirements from the overflow consent renewal in June 2019.
- Petone Collecting Sewer Upgrade: \$13m is budgeted to replace or duplicate the sewer between the Esplanade

West Pump Station and the Main Collecting Sewer (2020-22). Petone Collecting Sewer is the pumped main sewer that runs along the foreshore, collecting all the wastewater from the Petone area, and pumping it to the Treatment Plant. The Main Collecting Sewer is the Sewer Line from Barber Grove in Randwick Rd to the Treatment Plant. It carries approx. 70% of all the wastewater for the whole of the Hutt Valley. Timing of this project is subject to confirmation of the condition of the existing pipe. This project further improves the resilience of the sewer and increases the capacity to address population growth in Petone.

- Barber Grove to Seaview Treatment Plant trunk duplication: \$6.2M (2019-21), Pump Station upgrades \$5.7M (2025-26), the Treatment Plant upgrades \$14.2M (2028-31), and Pumped Harbour Overflow \$12.76M, (2029-32) are projects designed to improve environmental performance in the face of a more stringent consenting regime and improve resilience. The projects also provide capacity for growth in local areas such as the CBD.
- Main Outfall Pipeline Overflow Mitigation: \$15.1m for duplicating the main collecting sewer and mitigation of effects from treated effluent overflows from the Treatment Plant to the Waiwhetu Stream through an extended overflow location and/or additional storage at the plant (2019-22).
- Trunk Main Outfall Pipeline Renewal: \$44.7m (2028-34) for placing internal seals in the 10km northern section of the pipeline to prolong its life, then replacing the southern 8km of pipeline. Improved resilience and addressing expected changes in demand are considered in this project.

<sup>11</sup> The estimated cost of projects reported in this section is based on current dollars, with no adjustment for inflation.

## Stormwater

- Stormwater network upgrades: \$55.9 is budgeted over the 30 years of this strategy to improve the stormwater network and reduce the risk of flooding across the city, thereby minimising the risk of property damage or health and safety issues. Additional \$4.7m is also budgeted in the first 10 years of this Strategy for pump station upgrades to compliment this programme.
- Awamutu Stream: \$3.6m is budgeted to complete the channel improvements and pump station installation to reduce the risk of flooding (2018-22).

## All water networks

- Supervisory Control and Data Acquisition (SCADA) renewals: \$2.1m for water networks (ongoing). It is a monitoring system which allows for real time data gathering in all three water networks. Using SCADA demonstrates successful uptake of technology to improve the effectiveness and efficiency of networks. Over a third of this budget is included in the first five years of this strategy (2018-23) aiming to upgrade the existing system and improve its compatibility with regional SCADA network.

## Transport

- Significant Bridge seismic strengthening: \$820k budgeted for Cuba St. Overbridge (the work for other bridges is completed) (2020-21). This is an important project to minimise the risk of bridge collapse or damage in the event of a significant earthquake, which has significant benefits both in terms of protection of life and prevention of injury along with minimising property damage and reducing disruption.
- Road network resilience: \$2.9m budgeted to increasing the ability of Eastern Hutt Road to withstand shocks

(2020-21). This minimises potential damage and disruption in the event of an emergency or other significant shocks and assists in the response and recovery from the event.

- East Access Route: \$3.5m (2020-21) for improving intersections and signalisation to ensure better alignment with the potentially relocated Melling Bridge and other outcomes of Riverlink, along with responding to the expected growth in CBD.
- Eastern Bays shared path: \$14.3m budgeted for increasing the accessibility of alternative means of transport in Eastern Bays by providing a safe shared path for pedestrians and cyclists (2018-24). This project is considered to be responding to changes in demand and the increased uptake of alternative modes of transportation.
- Wainuiomata Hill shared path: \$8.9m is budgeted to complete the project (2019) for responding to changes in demand and uptake of alternative modes of transport.
- Cycleway network development: \$1.5m budgeted for the Northern and Central sections of the Beltway cycleway across the city (2018-20). Options for the Southern section of the Beltway and critical connections between the cycleways, to the CBD, schools, community hubs, sports facilities and other key recreational centres are still under consideration. This development is planned to continue with a \$400k per annum budget (ongoing from 2019 to 2048). This project will increase the cycling opportunities in Lower Hutt and thereby respond to changes in demand, in particular the increasing uptake of alternative means of transport.
- Road network improvements: \$81.4m budgeted in 2018-2038 (mainly in 2024-27 -provision for the East

West Connection- and after 2030). The timeframe of this allows for considering technological advancements, for instance in using techniques or materials that maximises the effectiveness and efficiency of the road networks or in making improvements in preparation for accommodating driverless cars. The improvements are expected to be continued with a \$330k per annum budget from 2038 to 2048.

## DECISIONS ABOUT CAPITAL EXPENDITURE HUTT CITY EXPECTS TO MAKE

We have a good understanding of our infrastructure's current condition, the levels of service it is required to provide, and what needs to be done to properly manage and maintain infrastructure out to 2048. Decisions have already been made on a wide range of key projects for infrastructure investment, and funding allocated within the LTP. There are only a handful of identified projects where significant decisions are still to be made as shown in the following table.

## DECISIONS ABOUT CAPITAL EXPENDITURE HUTT CITY EXPECTS TO MAKE

INFRASTRUCTURE	PROJECT	SCALE OF COSTS	DECISION / DESCRIPTION	TIMING	PRINCIPAL OPTIONS TO CONSIDER
Wastewater and stormwater	Water quality	\$300k pa is budgeted for 5 years. Total cost is currently uncertain.	There are early signals that more may need to be done to address contaminants in receiving waters; however, responsibilities, solutions and costs are currently uncertain. It is expected that more clarity will eventuate through the Whaitua process for the Wellington Harbour and Hutt Valley.	Whaitua process is set to commence in 2018 and a possible 4-5 year timeframe before an implementation plan is delivered.	Decisions will be expected to be made to implement the implementation plan in due course.
Stormwater	Flooding planning controls	Decision will have more operational requirements, rather than a major impact on CAPEX.	Potential changes to District Plan rules and educating residents in order to protect new and existing dwellings from flooding by mitigating the impact of new developments on such.	Decisions expected by 2021/22.	Catchment modelling is currently underway to develop an evidence base. Once completed, it is envisaged to prepare a plan change proposal.
All assets categories	Supporting growth	\$20.8 budgeted for growth related projects across all infrastructures. The total cost to be determined.	Development in parts of the city may require more investment in infrastructure, particularly wastewater. Modelling of the networks and of urban development is currently underway to develop a better understanding of network capability and the impacts of growth.	This work is expected to be completed in 2021/22. Decisions to follow in stages, as urban development evolve throughout the city.	Once more is known about the potential impact of development areas, Council may be required to decide how to invest in enabling works to support them.
Transport	East West Connection	\$1.0m is budgeted for project investigation relating to business case process.  The total cost is estimated to be around \$65m.	The project feasibility investigation will inform full cost estimates and options for development.  The project improves roads resilience and eases the traffic congestion in Petone.  The total cost is allocated in the LTP but needs to be revisited after the completion of the feasibility study.	Investigation through the business case process started in 2016.  Decision to be made in 2018/19.	Decisions to be made based on the findings of business case in 2018.  We would seek to work with NZTA to deliver this in conjunction with other major projects such as the Petone to Grenada route.
Transport	Riverlink: CBD promenade development	\$39.8m is budgeted for the promenade development. About two thirds of this budget is anticipated to be relevant to modes of transport.	The project includes promenade development, a pedestrian bridge over the river, and upgrading Andrews Ave, Margaret St and Dudley St, in addition to the required property acquisition and riverbank parking replacement (to compensate the lost carparks due to stopbank relocation work.)  Decision required on the need for any parking replacement and its configuration.	Decision to be made in partnership with Hutt Valley Flood Management Subcommittee (HVFMS) by 2018.  Construction is expected to be started in 2021-22.	Decision includes approving the scale of the work, share of costs to be funded by each organisation, and timing of the construction.
Transport	Melling Bridge replacement	\$6.5m is budgeted. The total cost is estimated to be around \$30-40m.	The new bridge is considered to alleviate congestion and reduce flooding risk. The bridge is expected to be funded jointly in line with the Riverlink project.  Discussions are under way between HCC, GWRC and NZTA to investigate the project in conjunction with the Riverlink's preferred options for Hutt River stopbank realignment and upgrades in the CBD.	Options to be considered by 2018.  Replacement is expected to commence in 2024.	Decisions will need to be made on the timing, funding provision, location and design elements for the proposed bridge.
Transport	Walkways and cycleways improvements	Additional funding (\$5m-\$10m) is required. Total cost (including the budgeted projects) is estimated to be around \$35m.	Development of Hutt Valley Beltway, Eastern Bays, and Wainuiomata Hill shared walkways and cycleways provide improved service. The work has already undertaken on some sections; the extension of these needs additional funding.  This also includes a potential contribution to Petone/Ngauranga cycleway.	Construction of Eastern Bay and Wainuiomata Cycleways (2018/24).	Decisions to be made about the southern section of Beltway and connections between cycleways and to key destinations (2018/19).  Seek additional funding from the urban cycleway fund to accelerate the programme of works.
Transport	Network resilience improvements	The total cost is estimated to be around \$30m.	Provision for projects responding to climate change and sea level rise, and projects to exploit technological advancements.	Investigation and design study in 2018/20.  Decision to be made by 2021.	Decisions to include the required funding for network resilience in the LTP. We would seek to work with NZTA to accelerate this in conjunction with their possible resilience programmes and plans to prepare roads for driverless cars.

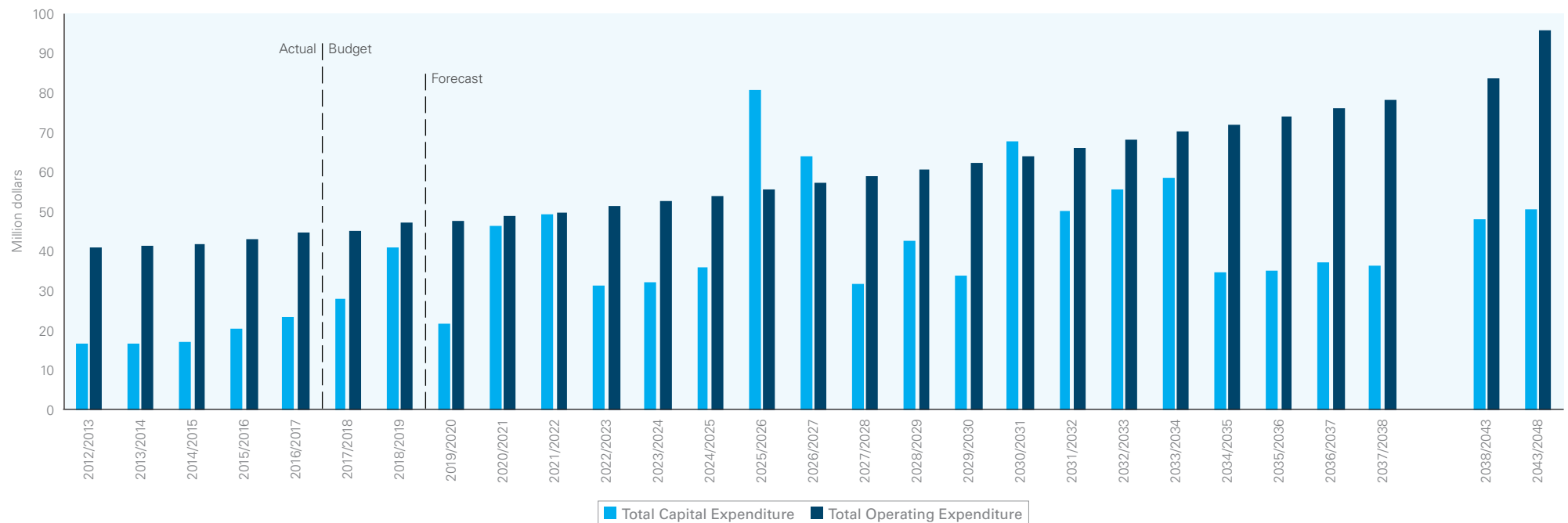
# 5. PROJECTIONS AND ASSUMPTIONS

## INDICATIVE ESTIMATES OF EXPENDITURE

Costs to maintain current levels of service for the existing infrastructure configuration and address the issues identified in this Strategy are shown in the following graphs. The first twenty years are in line with Long Term Plan figures; however, the last 10 years, which is presented as five year average, should be considered as an indicative estimate of expenditures that are subject to change.

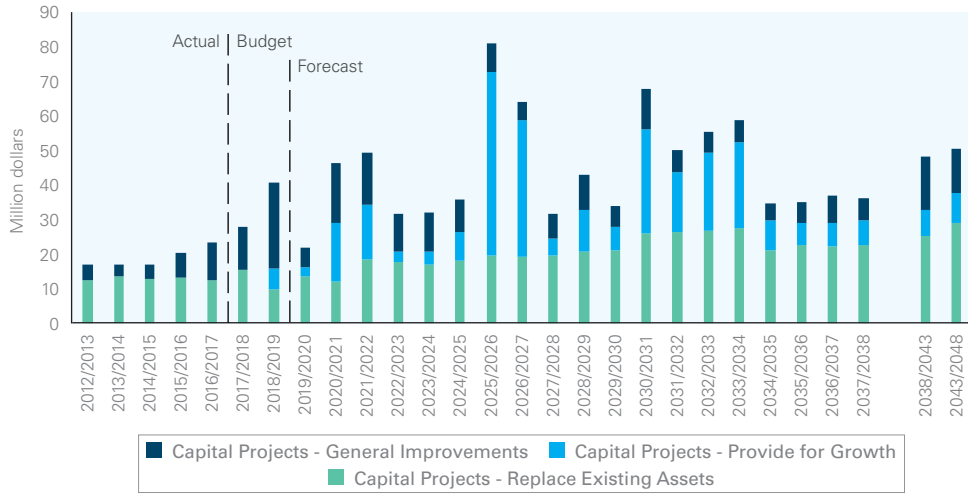
All the costs are adjusted for inflation using BERLs Local Government Cost Index (LGCI) forecasts.

FIGURE 3: ACTUAL, BUDGETED AND PROJECTED CAPITAL AND OPERATING EXPENDITURES FOR THE THREE WATERS AND TRANSPORT INFRASTRUCTURE

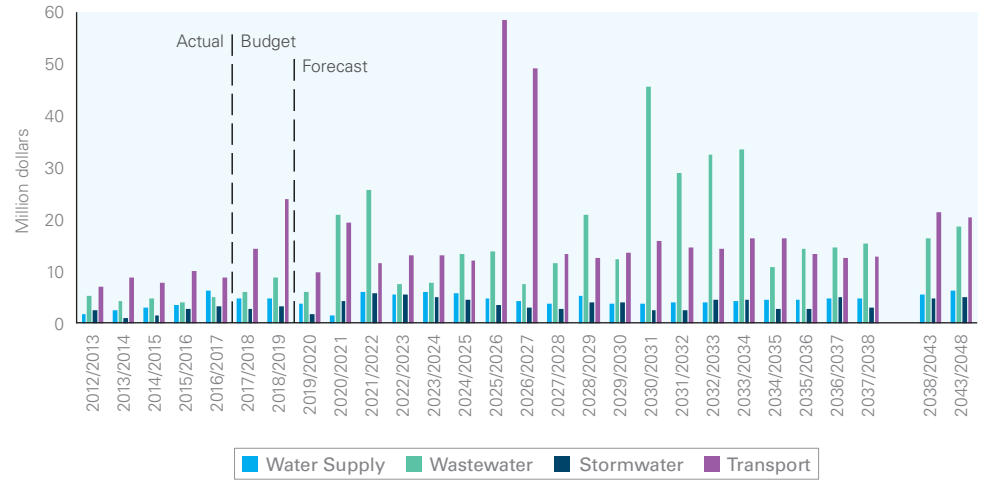


The total projected capital expenditure over the next 30 years for the three waters (water supply, wastewater and stormwater) and transport are approximately \$1.4 billion. About half of this is for capital projects planned either for general improvements or to provide for additional demand that may be required through growth. Operating expenditure over the same period is estimated at \$2.1 billion. Figure 4 compares the capital expenditures for asset replacements with planned improvements. The expenditures on different asset categories are presented in Figure 5 while Figures 6 to 10 illustrate the capital replacements vs general and growth related improvements in each asset category.

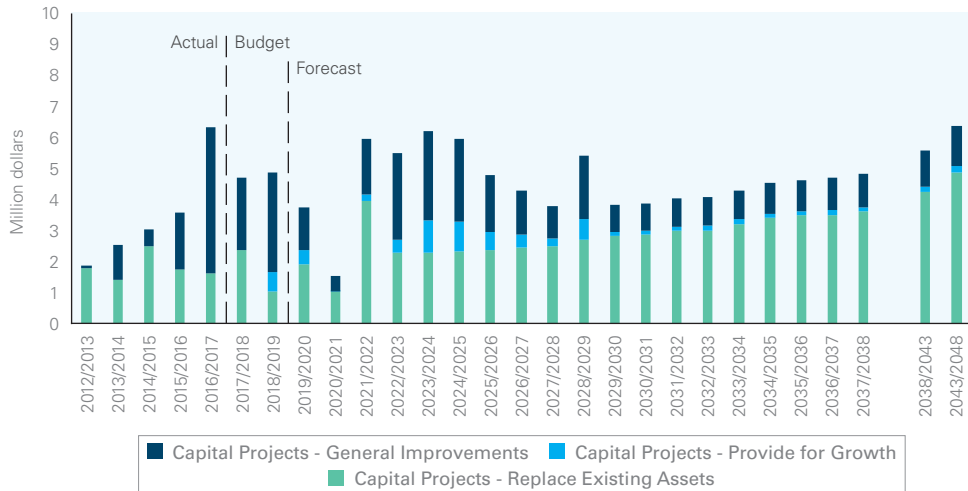
**FIGURE 4: CAPITAL EXPENDITURES - REPLACEMENTS VS GENERAL AND GROWTH RELATED IMPROVEMENTS**



**FIGURE 5: CAPITAL EXPENDITURES BASED ON ASSET CATEGORY**



**FIGURE 6: CAPITAL EXPENDITURES ON WATER SUPPLY NETWORK**



**FIGURE 7: CAPITAL EXPENDITURES ON WASTEWATER NETWORK**

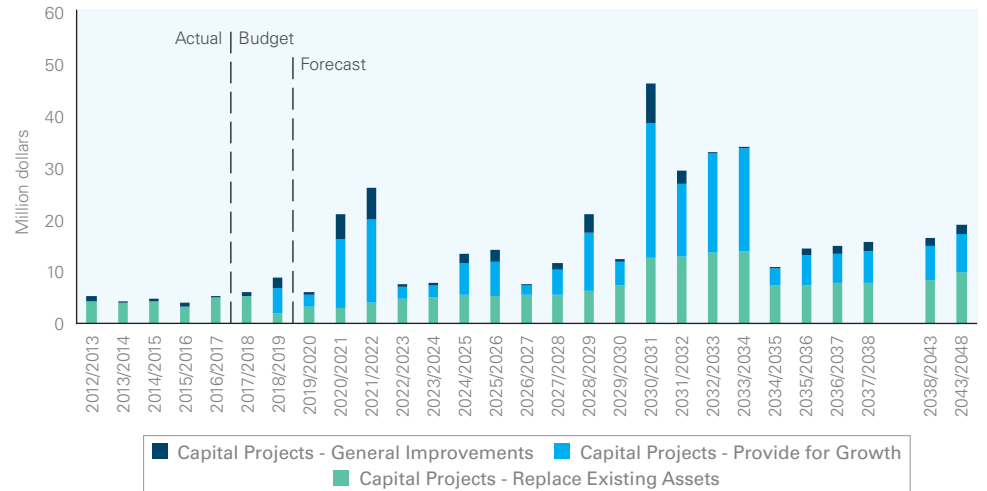




FIGURE 8: CAPITAL EXPENDITURES ON STORMWATER NETWORK

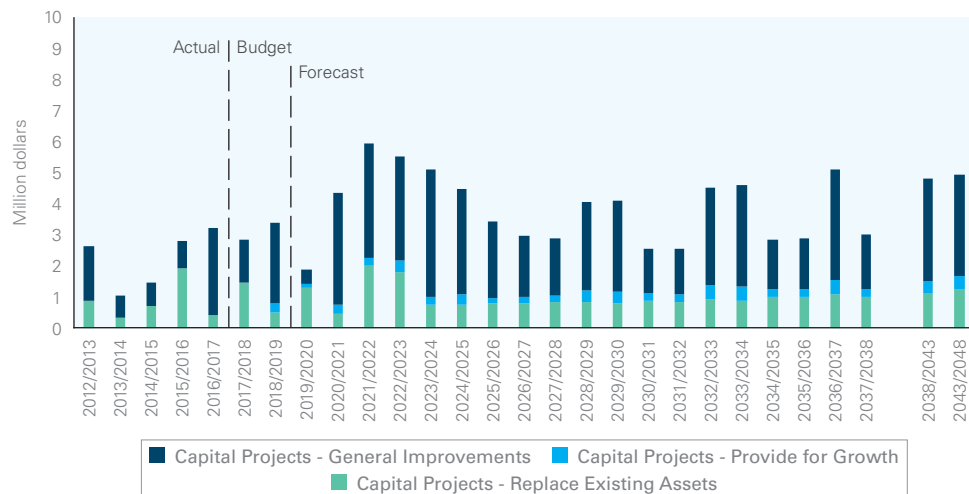
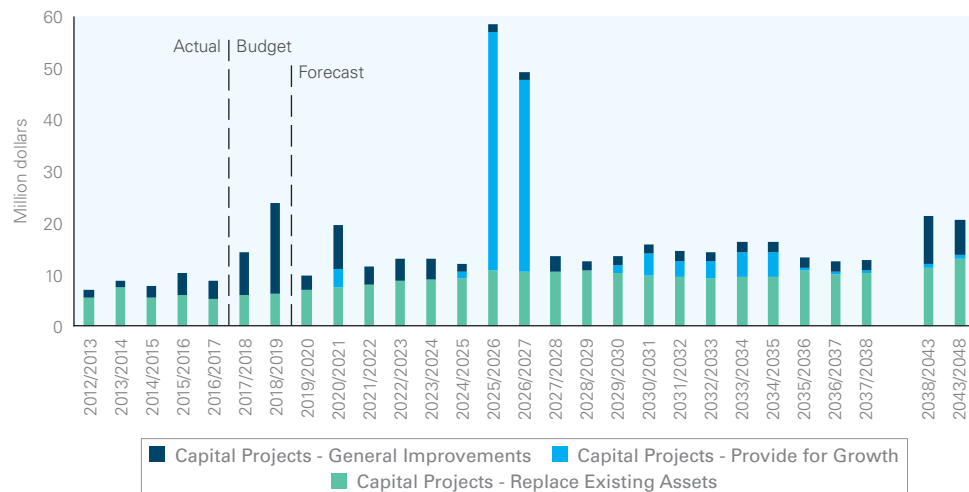


FIGURE 9: CAPITAL EXPENDITURES ON TRANSPORT NETWORK



## FUNDING

The projects and programmes outlined in this Strategy are mainly funded through a mixture of general and targeted rates, collected in the year of expenditure or to repay loans raised for capital projects, as well as user subsidies and grants, fees and charges and development contributions. Council's Revenue and Financing Policy indicates the approaches undertaken to fund the operating and capital expenditures.

General rates and targeted rates are the largest source of funding operating expenditures. General rates help fund activities that exhibit strong or dominant public good characteristics. Targeted rates are used where Council has decided that the cost of a service or function should be met by a particular group of ratepayers or where greater transparency about the use of the funding is essential. The targeted rates currently charged by Hutt City Council include water supply (per property) and wastewater services (per pan). Setting user fees and charges is another method used where the activity also provides private benefits. Rates are used to fund the balance of costs after the potential for user charges has been exhausted. Council can also fine people and businesses for certain rule infringements which creates another source of income. The other funding sources for operating expenditure are grants and subsidies. NZTA funding assistance for road maintenance makes up the majority of this funding. Council does not use borrowing, proceeds from asset sales or development or reserve contributions to help fund operating expenditure.

Council funds capital expenditure mainly from borrowing and then spreads the repayment of that borrowing over several

years. This enables Council to better match funding with the period over which benefits will be derived from assets and helps ensure intergenerational equity. Some projects may also attract funding from other sources such as capital subsidies and grants from central government agencies, such as NZTA (in relation to certain roading projects), and contributions from Upper Hutt City Council (in relation to joint wastewater activities). Projects to accommodate growth may be partly funded by developers. Development Contributions Policy (2018-21) indicates that developers are required to provide the local infrastructure that is needed to service their development. The costs associated with providing local infrastructure, including local roads and pipes, for new developments should be recovered through development contributions charges. Other funds to support capital projects include annual revenue collected through rates to cover depreciation charges, proceeds from the sale of assets (not otherwise used for debt reduction), and operating surpluses.

Borrowing and repayments are managed within the framework specified in the Liability Management section of the Treasury Risk Management Policy. Council's Financial Strategy further sets a number of limitations including debt to revenue limits and constraints on increasing rates to ensure the expenditures are affordable in long term<sup>12</sup>. To overcome these financial constraints, Council has given priority funding to maintaining and renewing the existing assets (where the annual cost of repairs exceeds the annualised cost of its renewal and so it is no longer economical to continue repairing the asset), and will review the timing and scope of large projects to ensure expenditure on assets is done at the most cost effective time and according to the set goals and priorities as more information becomes available. Improved asset

management systems and processes will assist in developing accurate programmes of maintenance, asset renewals and new capital expenditure, based on real time asset condition assessment.

Council also engages with the community by offering opportunities through the LTP and Annual Plan consultation processes to ensure that communities can express their views about infrastructure, the upgrades and new developments. Planning and delivering infrastructure is a balance between providing the levels of service the community desires and affordability for ratepayers. The LTP balances the forecasted spending needs with Council and ratepayer affordability.

## ASSUMPTIONS

This strategy is consistent with assumptions made in Council's other key strategies: the 'Urban Growth Strategy', the 'Leisure and Wellbeing Strategy' and the 'Environmental Sustainability Strategy', as well as the 'Long Term Plan' and the 'Financial Strategy'. The assumptions on which the projections are based and the inherent uncertainties in the long term forecasts include:

### Governance

There will be no significant change in the governance or management structure and practices of the local government and the existing shared services in the Wellington region over the period of this strategy.

### Asset lives and conditions

The overall condition of the network is not expected to change significantly over the period of this strategy.

<sup>12</sup> Read more about the Financial Strategy in the 'Level of debt' and 'Council rating' assumptions of this Strategy.

Assumptions have been made regarding the average useful lives and remaining lives of the asset groups, based on the current local knowledge and experience and historical trends. These need to be reviewed and the accuracy improved based on real time assessments of deterioration.

### **Demand projection**

The demand variations are likely to be driven by population and demographic changes, location preferences and climate change. There is no marked change in the industrial businesses and desired service levels are likely to be stable. Demand-side management practices are able to offset some of the effects of population growth and reduce the need for new investments.

### **Levels of service**

Service levels are generally assumed to remain the same for the period covered by this strategy. Resilience enhancement strategies are assumed to support the reliability of service. Minor service level improvements are planned in relation to certain areas of Council activity as a result of capital projects. There is no category of infrastructure in this Strategy that is underutilised or in which the Council intends to curtail activity.

### **National and regional regulations and policies**

This strategy has been made on the assumptions of the continuation of current regulations and policies. However, it is recognised that over the period of this strategy there are likely to be changes in a number of relevant legislation or standards. In particular, Council monitors the progress of the proposed changes regarding the water quality standards, Natural Resources Plan (NRP), and

NZTA's maintenance criteria in the One Network Road Classification (ONRC).

The changes to national or regional regulations and standards are likely to affect Council services; however, the impact on infrastructure in Lower Hutt is expected to be limited due to the fact that Council has recently undertaken some improvements to address these concerns.

The council currently receives funding for its roading projects from NZTA. It is assumed that this relationship will continue and that there will not be any significant change to the way in which NZTA provides funding for projects.

### **Population growth**

In 2017, the total population of Lower Hutt was estimated to be 104,700 people. This indicates an increase of 3,500 people compared to 2013, when it was estimated to be 101,200 people. The recent growth, started with the inception of Council's Urban Growth Strategy (2012-32), is expected to be consistent, reaching 110,000 people by 2032. The ageing population of the city, together with the limited greenfield and intensification opportunities for residential development are expected to slow down the growth to an average of 0.2% per annum after this period. The internal population projection indicates that Lower Hutt population will increase to about 114,000 by 2048.

Rates of growth that vary significantly from this assumed level may result in unbudgeted financial pressures. However, if lower levels of growth or population decline occur then council funding will not be used for development projects. There is a moderate level of uncertainty regarding population growth, although the risk to Council funding if growth targets are not achieved is relatively minor.

### **Level of debt**

In 2017 Council reviewed its Financial Strategy in order for the programme of rejuvenation and revitalisation of the City to continue and to provide greater budgetary flexibility. A more sustainable debt strategy linked to affordability was developed. Net debt levels are set as a percentage of total revenue. The maximum quantified limits on net debt that Council has agreed to are:

- Years 1 to 3: less than 150% of total revenue
- Years 4 to 6: less than 130% of total revenue
- Years 7 to 12: less than 110% of total revenue
- Years 13+: Less than 90% of total revenue.

There is little uncertainty in the level of net debt that Council will take on, which is calculated in detail during the preparation of the LTP.

### **Borrowing**

The long-term cost of borrowing is assumed to be an average of 4.6% over the first 10 years, and continue at about 5% beyond that time. There is a high level of uncertainty in this interest rate over the thirty-year period covered by this strategy. A number of intentional directives (such as political short-term gain and tax regime amendments) and unintentional variables (such as economic growth, inflationary expectations, banks' performance, and other perceived risks) affect this rate. The cost of our borrowing, mainly for major capital projects, is directly related to changes in interest rate.

### **Inflation**

Price levels are assumed to be stable over the course of this Strategy. BERL's Local Government Cost Index (LGCI)



will be used to adjust the financial projections. According to the forecast, issued by BERL in September 2017, the LGCI is projected to gradually increase from 1.8% to 2.6% from 2018 to 2028, with an average of 2.3%. The longer term rises of LGCI is expected to be well anchored at 2.7%, as forecasted for the last year.

The Financial Strategy details maximum quantified limits for rates revenue, being no more than actual LGCI for the preceding financial year, after allowing for estimated average growth. This differs to the inflation indices applied to future infrastructure expenditure and ranges from 1.5% to 2.5%.

There is a high level of uncertainty in inflation rate as price levels may change by any adjustment in local and global factors such as economic growth, equity markets' condition, government's fiscal and monetary policies, exchange rate and terms of trade. However, Council adjusts both revenue and costs with inflation forecasts, so actual inflation has limited impact on our financial stability and performance.

#### **Council rating**

Rates increases are limited to no more than the BERL Local Government Cost Index shift per annum with an additional average 1% per year allowance for growth in the rating base over the course of this Strategy. Uncertainty is low for this category over the short-term and based on the budgeted expenditure in the LTP. Beyond this period, uncertainty about the growth rate would increase to a high level.

#### **Confidence and reliability of data and forecasts**

AMPs provide assessments of the level of confidence and reliability of asset data and long-term financial

forecasts (both capital and operating costs), based on sound records, procedures, investigations and analysis that are documented properly, with minor shortcomings and gaps. We have highly reliable / reliable data for asset quantity, type, material, condition, location, performance, deterioration rate and unit costs, and uncertain data on piping network depth and asset development capital costs. Capital projects and the associated costs will be reviewed in progressive project stages to improve the accuracy of capital costs projections as more certain information about the scale of the projects, its components and qualities is available. All operating costs (excluding emergency works) are assessed as either accurate or containing minor inaccuracies.

# APPENDIX: LOCAL GOVERNMENT ACT REQUIREMENTS

The requirement for councils to complete an Infrastructure Strategy was incorporated into changes to the Local Government Act in 2014. The key components of the strategy are outlined in section 101B shown below.

- (1) A local authority must, as part of its long-term plan, prepare and adopt an infrastructure strategy for a period of at least 30 consecutive financial years.
- (2) The purpose of the infrastructure strategy is to—
  - (a) identify significant infrastructure issues for the local authority over the period covered by the strategy; and
  - (b) identify the principal options for managing those issues and the implications of those options.
- (3) The infrastructure strategy must outline how the local authority intends to manage its infrastructure assets, taking into account the need to—
  - (a) renew or replace existing assets; and
  - (b) respond to growth or decline in the demand for services reliant on those assets; and
  - (c) allow for planned increases or decreases in levels of service provided through those assets; and
  - (d) maintain or improve public health and environmental outcomes or mitigate adverse effects on them; and
  - (e) provide for the resilience of infrastructure assets by identifying and managing risks relating to natural hazards and by making appropriate financial provision for those risks.
- (4) The infrastructure strategy must outline the most likely scenario for the management of the local authority's infrastructure assets over the period of the strategy and, in that context, must—
  - (a) show indicative estimates of the projected capital and operating expenditure associated with the management of those assets—
    - (i) in each of the first 10 years covered by the strategy; and
    - (ii) in each subsequent period of 5 years covered by the strategy; and
  - (b) identify—
    - (i) the significant decisions about capital expenditure the local authority expects it will be required to make; and
    - (ii) when the local authority expects those decisions will be required; and
    - (iii) for each decision, the principal options the local authority expects to have to consider; and
    - (iv) the approximate scale or extent of the costs associated with each decision; and
  - (c) include the following assumptions on which the scenario is based:
    - (i) the assumptions of the local authority about the life cycle of significant infrastructure assets;
    - (ii) the assumptions of the local authority about growth or decline in the demand for relevant services;
    - (iii) the assumptions of the local authority about increases or decreases in relevant levels of service; and
- (d) if assumptions referred to in paragraph (c) involve a high level of uncertainty,—
  - (i) identify the nature of that uncertainty; and
  - (ii) include an outline of the potential effects of that uncertainty.
- (5) A local authority may meet the requirements of Section 101A and this section by adopting a single financial and infrastructure strategy document as part of its long-term plan.
- (6) In this section, infrastructure assets includes—
  - (a) existing or proposed assets to be used to provide services by or on behalf of the local authority in relation to the following groups of activities:
    - (i) water supply;
    - (ii) sewerage and the treatment and disposal of sewage;
    - (iii) stormwater drainage;
    - (iv) flood protection and control works;
    - (v) the provision of roads and footpaths; and
  - (b) any other assets that the local authority, in its discretion, wishes to include in the strategy.

Section 101B: inserted, on 8 August 2014, by Section 36 of the Local Government Act 2002 Amendment Act 2014 (2014 No 55)



# SIGNIFICANCE AND ENGAGEMENT POLICY

## The Significance and Engagement Policy:

- sets out the general approach Council will take to determining the significance of proposals and decisions relating to issues, assets or other matters; and
- provides clarity about how and when communities can expect to be engaged in decisions about different matters depending on the degree of significance the council and its communities attach to those matters.

## 1. OBJECTIVE

All decisions Council makes must be made in accordance with the decision-making requirements of the Local Government Act 2002 (set out in sections 76AA-81). Council must also ensure that the community gets every opportunity to engage with the decision making process particularly in cases where the decision being made is significant and may be a material departure from existing policy.

Council must make a judgement about how to comply with the Act in a way:

- that reflects the significance or materiality of the matter under consideration; and
- enhances the community's ability to engage.

This policy explains Council's approach to determining the significance or materiality of a decision and lists the thresholds, criteria and procedures that Council and its community will use in the assessment.

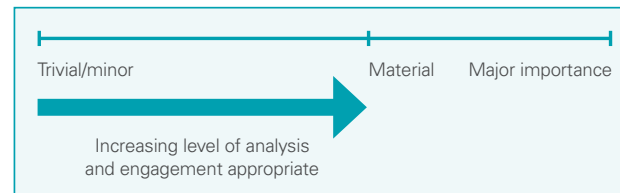
## 2. INTRODUCTION

The Local Government Act 2002 (the Act) sets out the framework for Council's consultation and decision-

making processes. Significance is a key concept in this framework. The term significance, as used in the Act, is defined in Section 5 of the Act.

A decision about issues, assets and other matters is significant if it will mean a material departure from existing policy. A difference or variation is material if it could, itself or in combination with other differences, influence the decisions or assessments of those reading or responding to the engagement document.

The type of decisions a Council and its community must make can range from those that are trivial in nature to those that are of major importance. The Council must decide where in the range of trivial to very important a decision sits and what level of analysis and engagement is appropriate every time a decision is made.



The significance (materiality) range has a threshold at which point decisions are deemed to be 'significant'. If an issue requiring decision is determined to be 'significant' the council will:

1. Undertake community engagement responding to community preferences for engagement and clearly identifying why, how and when the community can expect to be engaged with using the **Special Consultative Procedure** (see Section 83 of the Act).

2. Ensure that every decision complies with the decision-making requirements set out in Sections 76AA - 81 of the Act.).
3. Take into account the relationship of Maori and their culture and traditions, if any of the options involves a significant decision in relation to land or a body of water (Section 77 of the Act).

The Significance and Engagement Policy and the supporting information contained in Council's Community Engagement Strategy, gives Council guidance on what consultation processes should be followed in relation to a particular decision. The Council's 'Guide to Good Decision Making' provides further assistance as to what analysis is appropriate given the significance and nature of a decision. Even where Council thinks that a particular decision does not reach the 'significant' threshold, they may still choose to adopt the Special Consultative Procedure.

## 3. APPROACH TO DECISION-MAKING AND SIGNIFICANCE

### Determining significance

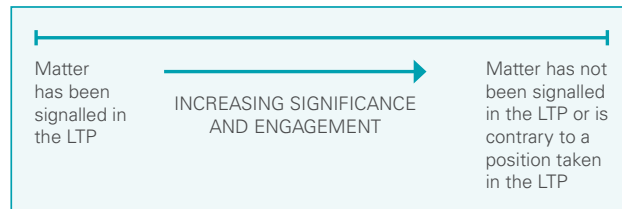
A significant decision is one that has a high degree of significance in terms of its impact on

- the wellbeing of Hutt City and/or
- persons likely to be affected by or with an interest in that decision and/or
- the costs to or the capacity of the Hutt City Council to provide for the wellbeing of the city.

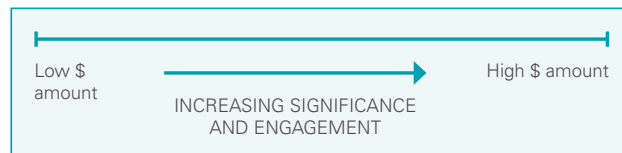
When considering the significance of a proposal, decision or other matter, the Council will use the following threshold and criteria: (Note: it is the cumulative effect of all these

criteria that determines the overall significance of a matter).

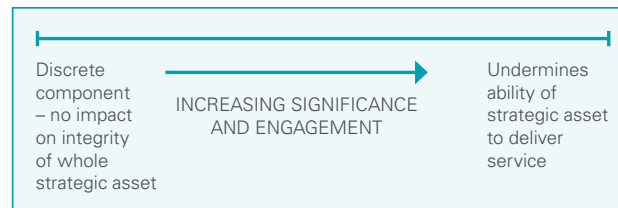
- The extent to which the matter flows logically and consequentially from a significant decision already made or from a decision in the LTP or the Annual Plan.



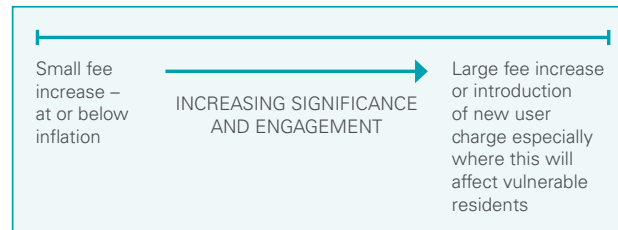
- The extent of the matter in terms of its net cost to the Council. Where a decision has not been highlighted through the LTP or Annual Plan, a decision involving a change in spending of more than 10% of the planned capital expenditure for capital items or 5% of the planned operating expenditure for operating decisions will be considered significant.



- The transfer of ownership or control, or the disposal or abandonment of a Strategic Asset as a whole as defined by the LGA or listed in section 5 of this policy will be considered to be significant. The degree to which transfer of ownership or control, or the disposal or abandonment of a part of a Strategic Asset undermines the integrity/functioning of the asset as a whole or restricts the networking utility of the asset will also be considered.



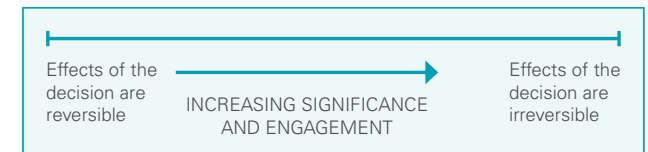
- The matter includes consideration of a large increase in user fee or the introduction of a user fee for a service that has previously been provided free of charge.



- The matter includes consideration of an alteration to the intended level of service provision for any core Council activity, including a decision to commence or cease any such activity.

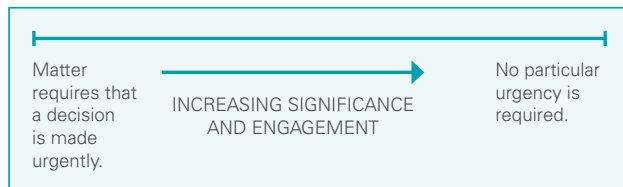


- Reversibility and Intergenerational equity. The more irreversible the effects of a decision the more significance it has - particularly where the decision involves the unsustainable use of resources and so reduces the right of future citizens to inherit the same diversity of natural and societal resources enjoyed by current citizens. **This includes the cumulative effects of previous decisions and their impact on irreversibility and intergenerational equity.**

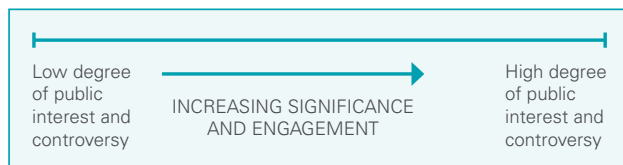




- Practicality. The Act provides for Council to take into account the circumstances under which a decision is taken and what opportunity there is to consider a range of options and the views and preferences of other people. In circumstances in which failure to make a decision urgently would result in the loss of opportunities which are assessed as able to contribute to achieving the community outcomes, then Council will tailor its decision making processes to allow as much evaluation and engagement as is practicable while working within the required timeline.



- The extent to which the matter under consideration is of public interest or controversial within the community.



### Procedure

All reports to Council will include an assessment of the significance of the report's recommendations and the level and type of engagement required to ensure that the community gets every opportunity to engage with the

decision making process particularly in cases where the decision being made is significant and may be a material departure from existing policy. A statement showing how the Council has (or will) appropriately observe(d) the Act, with regard to the appropriate degree and form of engagement and analysis, will also be included.

If the recommendations are considered to be above the 'significant' threshold, an external peer review will be sought to confirm that the decision-making process undertaken is in accordance with the decision-making requirements set out in ss76AA to 81 of the Act.

## 4. ENGAGEMENT

In 2011 Council consulted on its Community Engagement Strategy (CES) and received positive feedback on the proposed approach. The CES was subsequently approved by Council as part of the 2011 Annual Plan.

The CES covers:

Interaction between Hutt City Council and the community undertaken for democratic decision making

Ongoing engagement with the community in the spirit of partnership.

It outlines Council's community engagement philosophy and commitment to the community and summarises:

- Our community engagement goals
- The main types of community engagement Council undertakes
- How community engagement relates to the decision-making process and how Council considers how to involve the public in decision-making
- Our approach to community partnerships

- Our commitment to engaging Maori as a Treaty partner
- Key opportunities for improving our community engagement

Community engagement is much broader than consultation, although consultation is encompassed within it. Community engagement includes the full range of community participation in decision-making- from being provided with information only right through to Council supporting community initiatives. The different degrees of community engagement relate to the extent that decision-making powers (and implementation) are devolved to the community, or conversely, held with Council.

At a high level, there are five main types of community engagement that Hutt City Council undertakes with the community. These are summarised here. Although each type of community engagement has its place in Council, this strategy does not prescribe the type of community engagement that must be employed in specified circumstances. The range of Hutt City Council activities and types of decision is too varied for such an approach. However, the section on decision-making does outline some of the high-level factors Council takes into account when considering what type of community engagement is suitable for a specific proposal or issue.

**Information** – Supports all types of community engagement and keeps people informed about such things as decisions, services and local events.

**Consultation** – Can be used when there is a decision to make about something or when there are a number of choices about the details. Most of the proposals Hutt City Council considers involve consultation.

**Deciding together** – Local people are involved in deciding which option to choose, but it is Hutt City Council that will

act on the decision. A good example of this is the Walter Nash Park playground in Taita. Locals helped design the playground that Council built.

**Acting together** – Decisions and implementation are made in partnerships between local people or agencies and Hutt City Council. The intended beautification around the Waiwhetu Stream is a good example of this in action. Locals have not only contributed to the development of the vision but are also to be involved in actively developing the area.

**Supporting community initiatives** – Independent groups are empowered to develop and carry out their own plans. Council's role is primarily supportive or facilitative. A lot of the work of Hutt City Council's community support staff involves supporting community initiatives.

### Decision making

Hutt City Council is involved in a wide range of activities, from setting policies on gaming in the city, developing and enforcing local regulations and promoting tourism right through to the delivery of services and infrastructure like libraries and roads. In most of these activities, the kinds of decision range from setting longer-term strategy to minor operational matters.

In general terms, these decisions usually involve the first three types of community engagement – information, consultation and deciding together. In many cases, the same decision or issue may involve different types of community engagement at different steps in the decision-making process. It is important that the community and Hutt City Council have a common understanding of the decision-making process and how Hutt City Council decides when and how much to engage the community.

Hutt City Council's general decision-making process is illustrated in its Community Engagement Strategy (CEG). The CEG also outlines the key factors Council generally takes into account when developing a community engagement plan for a specific proposal or decision.

Council has also developed internal guidance – the Community Engagement Guidelines – to assist staff when they are deciding on the best approach to community engagement for a particular matter, proposal or decision. Council has trained community engagement mentors who are also available to assist colleagues design and implement an engagement strategy that is appropriate to the circumstances.

The CES can be accessed on [huttcity.govt.nz](http://huttcity.govt.nz)

### Spoken/sign language interaction

Council will make sure that those who require spoken/sign language interaction have this service available through liaising with the Sub Regional Disability Forum and non-government organisations that provide sign/spoken language services.

## 5. STRATEGIC ASSETS

The Act defines a Strategic Asset as:

*“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 wellbeing of the community; and includes—*

*(a) any asset or group of assets listed in accordance with section 76AA (3) 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”*

In accordance with section 76AA (3) of the Local Government Act 2002 Hutt City Council considers the following assets to be strategic:

- roading network
- wastewater network and treatment
- stormwater network
- water supply network
- landfills
- network of parks and reserves
- Dowse and Settlers collections
- library network.

# COUNCIL CONTROLLED ORGANISATIONS & ASSOCIATES

## SEAVIEW MARINA LIMITED (SML)

**Extent to which Council's policies and objectives in regard to ownership and control of the organisation have been implemented:** Council's objective for this company is for it to own and operate Seaview Marina.

**Nature and scope of its activities:** Council expects the company to own and operate Seaview Marina as a facility for the enjoyment of the Hutt City community without compromising its commercial objectives and environmental responsibilities.

## KEY PERFORMANCE MEASURES

KEY PERFORMANCE INDICATOR		FINANCIAL YEAR ENDING JUNE 2019	FINANCIAL YEAR ENDING JUNE 2020	FINANCIAL YEAR ENDING JUNE 2021	REPORTING FREQUENCY
<b>Financial</b>					
1	Deliver annual budgeted incomes	Achieve 100% of budgeted incomes	Achieve 100% of budgeted incomes	Achieve 100% of budgeted incomes	Annually
2	Control operational expenses	Operational expenses within budget	Operational expenses within budget	Operational expenses within budget	Annually
3	Achieve prescribed return on investment	5%	5%	5%	Annually
4	Manage Capital Expenditure	Complete within budget and on time	Complete within budget and on time	Complete within budget and on time	Annually
<b>Relationship and communication</b>					
5	Client Service	85% satisfaction for the exit/entry survey	85% satisfaction in the bi-annual survey	85% satisfaction for the exit/entry survey	Annually
6	Newsletter communications	Complete four newsletters per annum	Complete four newsletters per annum	Complete four newsletters per annum	Quarterly
7	Meet all shareholder reporting deadlines	See Section 9	See Section 9	See Section 9	Schedule in Section 9
<b>Risk management and human resources</b>					
8	Notifiable health and safety incidents	None	None	None	Report monthly to board
9	Business Continuity Plan	Run test scenario and review	Run test scenario and review	Run test scenario and review	Six monthly
<b>Marketing</b>					
10	Implement marketing strategy to improve occupancy rates	Berth occupancy to 90%	Berth occupancy to 93%	Berth occupancy to 95%	Monthly
11	Media and Public Relations	10 enquiries per month from website	12 enquiries per month from website	14 enquiries per month from website	Monthly

## URBAN PLUS LIMITED

### **Extent to which Council's policies and objectives in regard to ownership and control of the organisation have been implemented:**

Council's objective for this company is for it to own and operate a portfolio of rental housing, develop property in preparation for sale or lease and manage Council property and building assets.

**Nature and scope of its activities:** Activities include property development, rental property management, facilities management of Council property, provision of strategic property advice to Council and the purchase of surplus property from Council for development.

The Urban Plus Group comprises Urban Plus Limited, UPL Developments Limited (formerly Fairfield Waters Limited), and UPL Limited Partnership (formerly Fairfield Limited Partnership).

### KEY PERFORMANCE MEASURES

The Company will meet the following measures for the next three years:

1. Facilities Management
  - 1.1 Capital expenditure within budget.
  - 1.2 Operational expenditure within budget.
  - 1.3 Achieve not less than a 20% net profit margin.
  - 1.4 Resident satisfaction with public halls greater than or equal to peer average, subject to Council funding
  - 1.5 Resident satisfaction with UPL-managed public toilets greater than or equal to peer average, subject to Council funding.
  - 1.6 Tenant satisfaction with Council-owned community buildings greater than or equal to 90%

- 1.7 Council satisfaction with facilities management not less than 90%.
2. Rental Housing
  - 2.1 Capital expenditure within budget.
  - 2.2 Operational expenditure within budget.
  - 2.3 Net Surplus before Depreciation and after Finance Expenses as a Proportion of the Net Book Value of Residential Land and Buildings at the Start of the Year - Greater than 3.5%.
  - 2.4 Tenant satisfaction with the provision of the company's rental housing greater than or equal to 90%.
  - 2.5 Percentage of total housing units occupied by low-income elderly greater than or equal to 85%.
  - 2.6 Rentals charged shall not be less than 85% of 'market' rent
  - 2.7 Increasing the portfolio size to 220 units by 30 June 2020.
3. Property Development
  - 3.1 Capital expenditure within budget.
  - 3.2 Operational expenditure within budget.
  - 3.3 A return of not less than 10.0% after interest and tax on each project.
4. Professional Property Advice
  - 4.1 Achieve a market return on additional services provided to the shareholder.
5. UPL Developments Limited
  - 5.1 Undertake, negotiate and execute tender processes for and on behalf of the Partnership and 'parent' company as required.
  - 5.2 Facilitate civil and construction contracts for and on

behalf of the Partnership and 'parent' company as required.

- 5.3 Facilitate payment of contract progress claims for Board approved contracts as well as payments to other suppliers engaged to provide services or goods to defined development projects.
  - 5.4 If used for future developments, the same performance measures apply as for Property Development (refer above).
  - 5.5 Act as General Partner when a Limited Partnership structure is utilised for development projects.
6. UPL Limited Partnership
    - 6.1 Develop land in a manner which maximises its value at a level of risk appropriate for the investment of funds;
    - 6.2 To perform business undertakings in common with Urban Plus Limited with a view to profit from development projects for the purposes of funding for the elderly housing portfolio.
    - 6.3 Should the Partnership be used for future developments, the same performance measures apply as for Property Development (refer above).

## COMMUNITY FACILITIES TRUST

**Extent to which Council's policies and objectives in regard to ownership and control of the organisation have been implemented:** Council's objective for the CFT is for it to enhance the health and wellbeing of the city's communities through the effective and efficient provision, development and operation of leisure and community facilities throughout Hutt City.

Hutt City Council's Integrated Community Facilities Plan will see a series of 'community hubs' cluster civic and sporting facilities into more user-friendly, efficient and well-utilised centres which fit the needs of the communities that make up Hutt City now and into the future. The CFT has been entrusted to help Council deliver on this plan.

Council has established the CFT, a team of dedicated and experienced local businesspeople, to lead the rejuvenation of key community facilities, including the development of the Taita Community and Sports Centre, Fraser Park Sportsville, the Regional Bowls Centre and other projects.

**Nature and scope of its activities:** Council expects the company to: establish a development fund to enable investment and improvement of community facilities, develop new or enhance existing facilities, administer any facilities vested in the CFT, and provide strategic direction, expert advice and champion ongoing investment and development.

## KEY PERFORMANCE MEASURES

INDICATOR AND MEASURE	TARGET 2018/2021
<b>Operational management</b>	
Operational expenditure is within budget.	100%
All reporting requirements set by Council and the Board of CFT are met in accordance with the Local Government Act 2002, the CFT Statement of Intent and the CFT Deed of Trust.	Annual Report by 30 September of each year (2018-20) SOI and six monthly report by 1 March each year (2019-21)
All CFT construction projects have best practice health and safety plans and monitoring in place	100%
<b>Facilities Design and Development</b>	
All capital expended on design and other consultants are within approved monthly progress project budgets at financial year end.	100%
All capital expenditure on approved projects is at or less than approved progress budget for each project at financial year end.	100%
<b>Project Delivery</b>	
Fraser Park Sports Hub complex	Facility reaches practical completion by 21 December 2018
Contract designs for the proposed Wainuiomata Community and Sporting hub are prepared. (Subject to funding being approved by Council)	By June 30 2019
Contract documents are prepared for the Gym Sports Building at Fraser Park. (Subject to funding being approved by Council)	By June 30 2021
Lower Hutt Tennis. Subject to funding and resource consent the CFT will provide project management assistance to LH Tennis to restore and extend their existing clubrooms.	By June 30 2019
<b>Facilities Management</b>	
All facilities maintain legal compliance, WOFs and/or certification	100% Building safety upheld
All facilities have in place an agreement to lease within three months of completion	100% Legal partnerships covering leases and maintenance are agreed with the principal tenants
All facilities have detailed maintenance plans in place within 12 months of completion.	Maintenance programmes instituted to ensure facilities' amenity values are retained and are safe for users
<b>Fundraising</b>	
Fraser Park Sports Hub	100% funding in place by 30 June 2019
Wainuiomata Sports and Community Hub	50% of agreed fundraising target met by 30 June 2019
Gym Sports Building Fraser Park	Agreed fundraising target met by 30 June 2021

## WELLINGTON WATER LIMITED

**Extent to which Council's policies and objectives in regard to ownership and control of the organisation have been implemented:** Council's objective for this company is for it to manage the provision of water services to Hutt City and other shareholding councils.

**Nature and scope of its activities:** Council expects the company to manage, for the long term, the water, wastewater and stormwater assets of the shareholding councils and to operate as a successful business, managed on a non-profit basis.

## KEY PERFORMANCE MEASURES

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2018/19	2019/20	2020/21	2021/28
<b>Water supply</b>					
To measure the quality of water supplied to residents and the services that ensure security of supply	Compliance with Drinking Water Standards for NZ 2005 (revised 2008) (Part 4 bacterial compliance criteria) and (Part 5 protozoal compliance criteria)	Achieved	Achieved	Achieved	Achieved
	Number of complaints about: (a) drinking water clarity (b) drinking water taste (c) drinking water odour (d) drinking water pressure or flow (e) drinking water continuity of supply (f) responsiveness to drinking water complaints per 1000 connections.	< 20 complaints (total)	< 20 complaints (total)	< 20 complaints (total)	< 20 complaints (total)
	Median response time for: (a) attendance for urgent call outs (b) resolution for urgent call outs (c) attendance for non-urgent call outs (d) resolution for non-urgent call outs	(a) 60 min (b) 4 hours (c) 36 hours (d) 5 days	(a) 60 min (b) 4 hours (c) 36 hours (d) 5 days	(a) 60 min (b) 4 hours (c) 36 hours (d) 5 days	(a) 60 min (b) 4 hours (c) 36 hours (d) 5 days
	Percentage of real water loss from networked reticulation system	<17%	<17%	<17%	<17%
<b>Wastewater</b>					
To measure the quality and timeliness of the wastewater service	Number of wastewater reticulation incidents per km of reticulation pipeline (blockages)	<0.8	<0.8	<0.8	<0.8
	Dry weather wastewater overflows/1000 connections	0	0	0	0
	Number of complaints about: (a) wastewater odour (b) wastewater system faults (c) wastewater system blockages (d) responsiveness to wastewater system issues per 1000 connections.	<30	<30	<30	<30
	Median response time for wastewater overflows: (a) attendance time (b) resolution time	(a) <60 min (b) <6 hours	(a) <60 min (b) <6 hours	(a) <60 min (b) <6 hours	(a) <60 min (b) <6 hours
To measure the impact of wastewater on the environment	Breaches of resource consents for discharges from wastewater system. Number of: - abatement notices - infringement notices - enforcement orders - convictions for discharges from wastewater system.	0	0	0	0

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2018/19	2019/20	2020/21	2021/28
<b>Stormwater</b>					
To measure the quality and timeliness of the stormwater service	Number of pipeline blockages per km of pipeline	<0.5	<0.5	<0.5	<0.5
	Number of complaints about stormwater system performance per 1000 connections	<20	<20	<20	<20
	Median response time to attend a flooding event	<60 min	<60 min	<60 min	<60 min
To measure the impact of stormwater on the environment	Breaches of resource consents for discharges from stormwater system.	0	0	0	0
	Number of: - abatement notices - infringement notices - enforcement orders - convictions for discharges from stormwater system.				
	Number of flooding events	trend only	trend only	trend only	trend only
	Number of habitable floors per 1000 connected homes per flooding event	trend only	trend only	trend only	trend only
	Percentage of days during the bathing season (1 November to 31 March) that the monitored beaches are suitable for recreational use.	90%	90%	90%	90%
	Percentage of monitored sites that have a rolling 12 month median value for E.coli (dry weather samples) that do not exceed 1000 cfu/100ml	90%	90%	90%	90%



# OUR COMMUNITY PARTNERSHIPS



We can't fulfil our role in the Lower Hutt community on our own, and our success depends largely on working closely with other people. We've forged a number of close and highly productive working relationships with people and groups in our community, including:

- contractors, service suppliers, consultants and advisors
- businesses and their representative organisations
- local mana whenua and marae
- local and central government agencies
- volunteer organisations
- community groups and individuals.

Our community boards and community committees also work closely with people in their local area.

## SHARED SERVICES

The bulk of our current shared services are in joint operations with Upper Hutt, overseen by the Hutt Valley Services Committee, a joint committee of the two councils. These include Silverstream landfill, Akatarawa cemetery, the Hutt Valley Trunk Wastewater network including the Seaview Treatment Plant, emergency management, rural fire response, environmental inspections, noise control, dog control, trade waste, eco design advice and swimming pool audit services. In addition we work together to achieve administrative and operating efficiencies in the roading area, participate in the SMART library shared services collaboration, and are part of Wellington Water Limited, a Council Controlled Organisation providing water services to the region, owned by Hutt City Council, Upper Hutt City Council, Porirua City Council, Wellington City Council and Greater Wellington Regional Council. Other initiatives underway

include joint District Plan changes, exploration of potential Human Resources shared service opportunities, and the GoShift programme aimed at standardizing and simplifying the building consents process. Council also works closely with Upper Hutt City Council on community and economic development initiatives.

## PARTNERSHIPS WITH MAORI

**Waiho i te toipoto, kau i te toiroa**  
**Let us keep close, not far apart**

Council has an obligation to take into account the principles of Te Tiriti o Waitangi and to recognise and provide for the special relationships between Maori and their culture, traditions, land and taonga.

The Local Government Act 2002 acknowledges the Crown's responsibilities under the Treaty of Waitangi and the responsibility to maintain and improve opportunities for Maori to contribute to local government decision-making processes.

The obligation to consult includes recognising those who have mana whenua status. In fulfilling its obligations, Council will also consult other Maori within the city, including the city's marae. The current memoranda of understanding were revised during the year for the incoming Council to reflect the existing partnerships.



# DOLLARS AND CENTS

## FINANCIAL SUMMARY


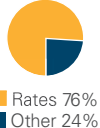


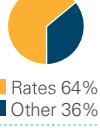
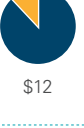

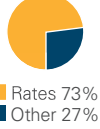
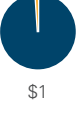

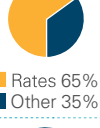




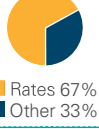
The following table outlines the budget for the current year and for the next ten years. It reflects Council's decision to alter its Financial Strategy in order to bring forward a number of projects and carry out some new projects to revitalise the city over the next few years. Council's total revenue from rates in the 2018/19 financial period represents a 2.50% increase on current revenue. About 1.0% of that increase will come from rates on new developments in the city, meaning the average increase to existing ratepayers is around 1.5%. The Long Term Plan outlines which capital and other projects will be implemented during each year.

### TEN YEAR FINANCIAL SUMMARY FOR THE YEAR ENDING 30 JUNE

YEAR	OPERATING REVENUE	OPERATING EXPENDITURE	OPERATING SURPLUS BEFORE REVALUATION GAINS AND LOSSES	CAPITAL EXPENDITURE	NET DEBT AT END OF THE YEAR	NET ASSETS AT END OF THE YEAR	ANNUAL RATES	ANNUAL INCREASE IN RATES REVENUE INCLUDING INFLATION
2018	162,127	165,582	-3,455	88,243	159,652	1,318,808	102,559	
2019	168,599	170,678	-2,079	59,468	176,541	1,316,729	105,123	2.50%
2020	167,012	171,677	-4,665	50,331	191,049	1,312,064	108,067	2.80%
2021	173,969	169,585	4,384	68,117	208,342	1,394,990	110,768	2.50%
2022	174,311	173,441	870	66,335	224,165	1,395,860	114,311	3.20%
2023	180,888	177,347	3,541	51,636	227,757	1,399,401	118,537	3.70%
2024	186,419	180,382	6,037	44,482	221,285	1,488,717	122,921	3.70%
2025	191,801	183,334	8,467	48,922	209,815	1,497,184	127,588	3.80%
2026	217,289	187,548	29,741	90,972	226,094	1,526,925	131,804	3.30%
2027	221,927	192,122	29,805	86,134	233,314	1,644,002	136,282	3.40%
2028	210,317	197,685	12,632	57,888	229,353	1,656,634	141,054	3.50%

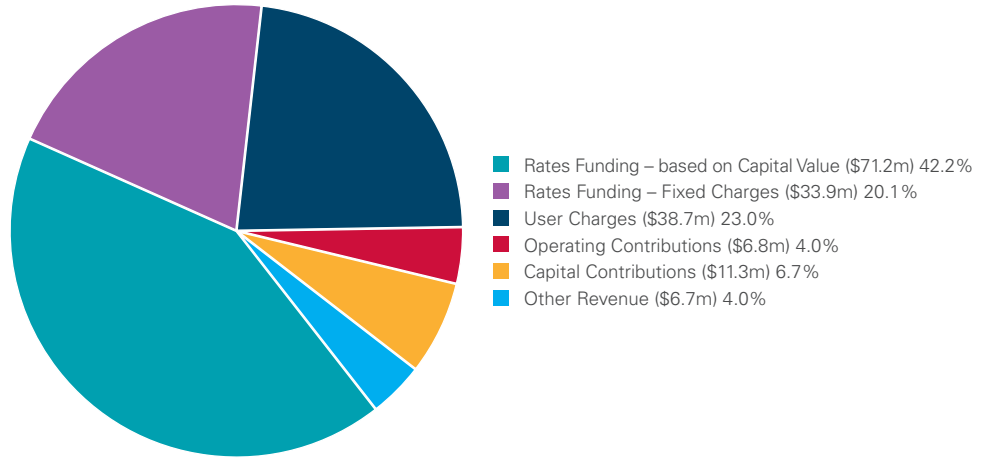
Figures are in thousands of dollars and includes inflation estimates.

### FUNDING SOURCES

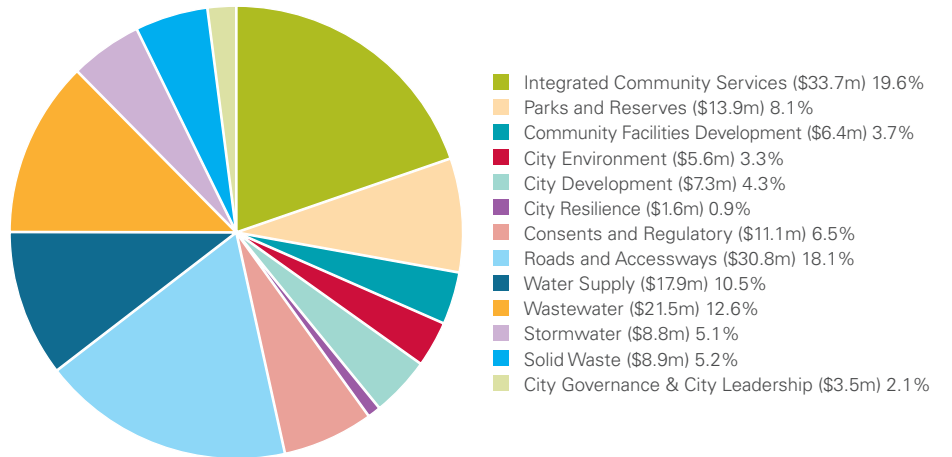
AREA OF SPEND	CAPITAL SPEND 2018-2028 (\$M)	OPERATING SPEND 2018-2028 (\$M)	HOW OPERATING COSTS ARE FUNDED	RATES VALUE PER \$100
 Leisure and Wellbeing	\$93	\$525	 Rates 76% Other 24%	 \$33
 City Growth	\$55	\$235	 Rates 64% Other 36%	 \$12
 Environmental Sustainability	\$0	\$17	 Rates 73% Other 27%	 \$1
 Infrastructure	\$469	\$994	 Rates 65% Other 35%	 \$53
 Organisation	\$19	\$33	 Rates 20% Other 80%	 \$1
<b>Total</b>	<b>\$636</b>	<b>\$1,804</b>	 Rates 67% Other 33%	



WHERE DOES COUNCIL INCOME COME FROM?



WHERE DOES COUNCIL SPEND MONEY?



# FORECAST FINANCIAL STATEMENTS

## 2018 - 2019 TO 2027 – 2028

These are the Forecast Financial Statements which Council has adopted to meet the requirements of Clause 12 of Schedule 10 of the Local Government Act 2002. The information may not be appropriate for other purposes.

Every three years it is a requirement of the Local Government Act 2002 to present Forecast Financial Statements that span 10 years. This provides an opportunity for ratepayers 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 and asset management in the long term. The information contained in the Forecast Financial Statements may not be appropriate for other purposes.

Council has Asset Management Plans for its assets. These plans along with the Council's Financial and Infrastructure Strategies have provided the basis for development of the Forecast Financial Statements.

The Forecast Financial Statements have been prepared in accordance with New Zealand generally accepted accounting practice (GAAP), as required by section 111 of that Act. Council is designated as a public benefit entity for the purposes of complying with GAAP. The Forecast Financial Statements comply with Public Benefit Entity Financial Reporting Standard No. 42 – Prospective Financial Statements and New Zealand GAAP.

The Forecast Financial Statements are based on estimates of costs and revenues into the future. The degree of uncertainty surrounding these estimates increases as the Forecast Financial Statements look out further into the future. Key assumptions and risks are outlined below.

### BALANCED BUDGET

The 2018-2028 LTP shows an operating deficit in 2018-19 and 2019-20. The deficits are due to grants paid to the Community Facilities Trust (CFT) that are required for accounting purposes to be treated as operating expenditure but are for capital works carried out by the CFT. If the capital works were to be completed by Council, the associated amounts would be treated as capital expenditure and a balanced budget would be achieved in all 10 years of the draft 2018-2028 LTP.

Although this treatment creates deficits in the operating statements in each of these years the financial implications are no different to what they would be if this expenditure was to be treated as capital, i.e. it does increase the debt but has no impact on rates.

### THE FORECAST FINANCIAL STATEMENTS INCLUDE:

The operating budget for the 2017-2018 and an estimate of the results of the financial year for 2017 - 2018 based on the budget adjusted for expected variances.

The "Budget" Council has adopted for the 2018 - 2019 financial year.

The "Forecast" results for the following nine years (2019 - 2020 to 2027 - 2028).

Actual results achieved for each reporting period are likely to vary from the forecasts presented, and the variations may be material.

A Long Term Plan may include Forecast Financial Statements for any Council-Controlled Organisation or other entity under the Council's control. We have not included these due to timing issues associated with the availability of the information.

Council updates its Forecast Financial Statements annually.

## FORECASTING ASSUMPTIONS

ASSUMPTION	RISK	LEVEL OF UNCERTAINTY	REASON FOR THE UNCERTAINTY	FINANCIAL IMPACT OF THE UNCERTAINTY																																	
<p><b>Inflation</b></p> <p>There are two separate methodologies applied to inflationary increases to Councils draft 2018-2028 Long Term Plan budgets.</p> <p><b>Annual Rates Income Increases</b></p> <p>The Financial Strategy details maximum quantified limits for rates income, being no more than actual LGCI for the preceding financial year, after allowing for estimated average growth. The indices used are those published in the 2017 BERL Report and range from 1.5% to 2.5%.</p> <p><b>Operating and Capital Expenditure</b></p> <p>Annual inflationary increases are based on the annual LGCI indices, as published in the 2017 BERL Report and range from 1.8% to 2.6%.</p> <p><b>Local Government Cost Index (LGCI) Forecasts</b></p> <table border="1"> <thead> <tr> <th></th> <th>2018-19 BUDGET</th> <th>2019-20 FORECAST</th> <th>2020-21 FORECAST</th> <th>2021-22 FORECAST</th> <th>2022-23 FORECAST</th> <th>2023-24 FORECAST</th> <th>2024-25 FORECAST</th> <th>2025-26 FORECAST</th> <th>2026-27 FORECAST</th> <th>2027-28 FORECAST</th> </tr> </thead> <tbody> <tr> <td>Rates income increase %</td> <td>1.5%</td> <td>1.8%</td> <td>2.0%</td> <td>2.2%</td> <td>2.2%</td> <td>2.2%</td> <td>2.3%</td> <td>2.3%</td> <td>2.4%</td> <td>2.5%</td> </tr> <tr> <td>Operating and Capital Expenditure inflation increases</td> <td>1.8%</td> <td>2.0%</td> <td>2.2%</td> <td>2.2%</td> <td>2.2%</td> <td>2.3%</td> <td>2.3%</td> <td>2.4%</td> <td>2.5%</td> <td>2.6%</td> </tr> </tbody> </table>		2018-19 BUDGET	2019-20 FORECAST	2020-21 FORECAST	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST	2026-27 FORECAST	2027-28 FORECAST	Rates income increase %	1.5%	1.8%	2.0%	2.2%	2.2%	2.2%	2.3%	2.3%	2.4%	2.5%	Operating and Capital Expenditure inflation increases	1.8%	2.0%	2.2%	2.2%	2.2%	2.3%	2.3%	2.4%	2.5%	2.6%	Actual LGCI for the year significantly differs from that included in the budgets.	Mod	The LGCI estimates used in the Long Term Plan (LTP) are the forecasts issued by BERL in September 2017. The actual LGCI rate for the most recent 12 months ending 30 June are used to set rates in the following financial year. Actual LGCI rates may differ from LGCI forecasts.	Inflationary pressure outside the forecast LGCI range is not included in the LTP.
	2018-19 BUDGET	2019-20 FORECAST	2020-21 FORECAST	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST	2026-27 FORECAST	2027-28 FORECAST																											
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<p><b>Growth</b></p> <p>Council projections for income from rates revenue include an allowance for growth and inflation. Average growth of 1% per annum in the rating base has been assumed throughout the 10 year period of the LTP. This incorporates population movements and increases in the number of houses in Hutt City, based on the targets outlined in Council's Urban Growth Strategy.</p> <p><b>Population Growth</b></p> <p>In 2017, the total population of Lower Hutt was estimated to be 104,700 people. Recent population growth is expected to be consistent, reaching 110,000 people by 2032.</p> <p><b>Interest Rates</b></p> <p>The long term cost of borrowing is assumed to be an average of 4.6% over the period of the LTP and 5.0% beyond the LTP.</p> <p><b>Employee Cost Growth</b></p> <p>Service levels are generally assumed to remain the same for the period covered by the Forecast Financial Statements. Employee numbers remain stable during the period. Pay inflation is assumed to be 2% in 2018-19 based on information provided by Councils remuneration advisors. Beyond 2018-19 employee costs are assumed to increase by the rate of LGCI.</p>	<p>That the actual rates for growth will be significantly different from the projected rates of growth.</p> <p>Population growth rates exceed or are less than forecast.</p> <p>Interest rates and swap rates are significantly different from that budgeted.</p> <p>Staffing levels are higher or lower than budgeted.</p>	<p>Mod</p> <p>Mod</p> <p>Mod</p> <p>Low</p>	<p>Uncertainty exists as the projected increases in population and number of houses may not be realised.</p> <p>Uncertainty exists as the projected increases in population and the associated number of houses may not be realised.</p> <p>Council has interest rate swaps in place to minimise the fluctuation of interest rate movements.</p> <p>Changes in service demand and/or local government structure would provide uncertainty.</p>	<p>Rates of growth which vary significantly from the assumed level will result in unbudgeted financial pressures.</p> <p>Rates of growth which vary significantly from the assumed level will result in unbudgeted financial pressures.</p> <p>Higher interest rates provide ability to earn higher income from cash holdings. Higher interest rates may lead to higher interest cost on debt.</p> <p>Financial impacts arising from changes in service demand and/or local government structure are not included in the LTP. A 1% increase in staff numbers may result in an average cost increase of approximately \$360,000 per year.</p>																																	

Note for 2028/29 Council assumes LGCI of 2.6% and 2.7% from 2029/30.

ASSUMPTION	RISK	LEVEL OF UNCERTAINTY	REASON FOR THE UNCERTAINTY	FINANCIAL IMPACT OF THE UNCERTAINTY
<b>Natural Disasters and Insurance Costs</b> Council has comprehensive insurance policies which are designed to provide substantial, but not total, cover from the financial impact of natural disasters. The level of insurance cover is calculated by extensive loss modelling which estimates the maximum probable loss.	The damage exceeds the cover obtained by Council and its ability to fund the repair reconstruction out of normal budgetary provisions. Cost of insurance increases more than budgeted.	Mod	Council has in the past covered adverse weather events, e.g. storm damage. Council operates an emergency management function to respond to such events.  Uncertainty arises with scale, duration and location of events.  Capacity in the insurance market for New Zealand has decreased, especially in high risk areas like Wellington region.	Council has nearly \$1.5 billion in assets.  The insurance cover is intended to cover 40% of the maximum loss that the Council is likely to suffer following a natural catastrophe. The Council would be dependent on government funding to cover the remaining 60% share.
<b>Asset Revaluation</b> Council revalued asset classes as at December 2017 in accordance with its accounting policies, and the results of the revaluation will be applied from 1 July 2018. The Council assesses the carrying value of its revalued assets annually to ensure they do not differ materially from the assets' fair value. For further information please refer to the accounting policies.	Asset revaluations differ from that budgeted, depreciation charges resulting may differ.	Mod	Market buoyancy and property pricing influences the value of the property assets. Contract and construction prices influence the value of infrastructure assets.	Higher level of asset valuation means more depreciation to use to fund asset renewals and some improvements. Lower levels of valuation and depreciation reduce council ability to fund capital from depreciation and place more reliance on funding improvements from other funding mechanisms such as debt or rates. Depreciation rates are contained in accounting policies.
<b>Asset Sales</b> Approximately \$6.4 million of asset sales have been assumed over the life of the LTP.	Asset sales do not eventuate and/or timing of asset sales differs to budget.	Mod	Level of purchaser interest is unknown.	Funding mechanisms such as debt or rates are used to substitute for the loss of sales income. Higher debt levels may result. Capital programme may be reduced to compensate for delaying infrastructure upgrades.
<b>Asset Lives</b> Refer to the Statement of Significant Accounting Policies contained in Council's 2018 Long Term Plan.				
<b>NZTransport Agency</b> As of 2018 NZTA subsidy is 51% for both operating and capital works. For projects which are not fully subsidised by NZTA, a lower subsidy applies.	Current funding patterns and subsidy percentages may change during the life of the LTP.	Low	The impact of projects of national significance may change criteria.	Any change in subsidy rate would lead to a reduction in the work programme or reprioritisation of projects.
<b>Level of Debt</b> Debt is not to exceed; <ul style="list-style-type: none"> <li>• 150% of total revenue in years 1-3,</li> <li>• 130% of total revenue in years 4 to 6,</li> <li>• 110% of total revenue in years 7 to 12, and</li> <li>• 90% of total revenue in year 13 and beyond.</li> </ul> Net interest must be less than 10% of revenue.	Higher debt levels leads to higher servicing costs.	Low	Ability to service debt from existing funding sources reduces.	Change in capital programme, service levels offered by Council or rates revenue requirements may lead to a change in debt levels.
<b>Sources of Funds</b> Refer to Councils Revenue and Financing Policy.				
<b>Climate change</b> Council will be able to manage and cope with adverse effects of climate change and emergency work will be funded out of normal budgetary provisions.	The impacts of changing weather patterns associated with climate change on maintenance and capital works may be greater or faster than predicted.	High	Extreme weather results.	The effects of projected climate changes will impact on council activities and asset planning.

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE | For the year ending 30 June

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>REVENUE</b>											
Rates funding	70,818	71,214	73,385	75,073	76,486	78,733	81,706	85,015	88,050	91,666	95,714
Targeted rates	31,741	33,909	34,682	35,695	37,825	39,804	41,215	42,573	43,754	44,616	45,340
User charges	35,241	38,663	39,607	39,391	40,216	41,298	42,207	43,149	43,847	44,961	46,149
Operating subsidies & grants	4,113	4,280	4,293	4,281	4,375	4,470	4,572	4,678	4,790	4,911	5,038
Capital subsidies	10,787	10,775	4,542	9,011	5,373	6,112	6,128	5,555	25,417	24,309	6,076
Upper Hutt CC operating subsidies	2,518	2,518	2,568	2,625	2,682	2,741	2,804	2,869	2,937	3,011	3,089
Development & financial contributions	561	561	1,082	1,106	970	992	1,015	1,037	1,063	1,088	1,118
Interest earned	686	968	982	995	1,018	1,037	1,052	1,073	1,088	1,103	1,123
Dividends from LATEs	-	-	-	-	213	218	334	342	467	478	491
Gain on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	842	842	858	878	896	916	938	960	982	1,006	1,033
Other revenue	4,820	4,869	5,013	4,914	4,257	4,567	4,448	4,550	4,894	4,778	5,146
<b>Total revenue</b>	<b>162,127</b>	<b>168,599</b>	<b>167,012</b>	<b>173,969</b>	<b>174,311</b>	<b>180,888</b>	<b>186,419</b>	<b>191,801</b>	<b>217,289</b>	<b>221,927</b>	<b>210,317</b>
<b>EXPENDITURE</b>											
Employee costs	33,491	36,319	36,589	37,386	37,482	38,318	39,187	40,087	41,061	42,074	43,184
Operating costs	90,074	87,397	86,057	80,602	81,346	83,160	84,943	86,822	89,457	91,768	94,455
Support costs	-	-	-	-	-	-	-	-	-	-	-
Finance costs	7,193	8,781	9,730	10,478	11,404	11,958	11,945	11,723	11,808	12,302	12,555
Loss on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation	34,824	38,181	39,301	41,119	43,209	43,911	44,307	44,702	45,222	45,978	47,491
<b>Total expenditure</b>	<b>165,582</b>	<b>170,678</b>	<b>171,677</b>	<b>169,585</b>	<b>173,441</b>	<b>177,347</b>	<b>180,382</b>	<b>183,334</b>	<b>187,548</b>	<b>192,122</b>	<b>197,685</b>
<b>SURPLUS BEFORE TAX</b>	<b>(3,455)</b>	<b>(2,079)</b>	<b>(4,665)</b>	<b>4,384</b>	<b>870</b>	<b>3,541</b>	<b>6,037</b>	<b>8,467</b>	<b>29,741</b>	<b>29,805</b>	<b>12,632</b>
Tax Expense	-	-	-	-	-	-	-	-	-	-	-
<b>SURPLUS AFTER TAX</b>	<b>(3,455)</b>	<b>(2,079)</b>	<b>(4,665)</b>	<b>4,384</b>	<b>870</b>	<b>3,541</b>	<b>6,037</b>	<b>8,467</b>	<b>29,741</b>	<b>29,805</b>	<b>12,632</b>
<b>OTHER COMPREHENSIVE INCOME</b>											
Gain/(loss) on revaluation of financial instruments	-	-	-	-	-	-	-	-	-	-	-
Gains on Asset Revaluation	72,313	-	-	78,542	-	-	83,279	-	-	87,272	-
<b>Total Other Comprehensive Income</b>	<b>72,313</b>	<b>-</b>	<b>-</b>	<b>78,542</b>	<b>-</b>	<b>-</b>	<b>83,279</b>	<b>-</b>	<b>-</b>	<b>87,272</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>68,858</b>	<b>(2,079)</b>	<b>(4,665)</b>	<b>82,926</b>	<b>870</b>	<b>3,541</b>	<b>89,316</b>	<b>8,467</b>	<b>29,741</b>	<b>117,077</b>	<b>12,632</b>

PROSPECTIVE STATEMENT OF CHANGES IN NET EQUITY | For the year ending 30 June

	ESTIMATE 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>Equity at beginning of the year</b>	<b>1,253,894</b>	<b>1,318,808</b>	<b>1,316,729</b>	<b>1,312,064</b>	<b>1,394,990</b>	<b>1,395,860</b>	<b>1,399,401</b>	<b>1,488,717</b>	<b>1,497,184</b>	<b>1,526,925</b>	<b>1,644,002</b>
Total Comprehensive Income	64,914	(2,079)	(4,665)	82,926	870	3,541	89,316	8,467	29,741	117,077	12,632
<b>EQUITY AT END OF THE YEAR</b>	<b>1,318,808</b>	<b>1,316,729</b>	<b>1,312,064</b>	<b>1,394,990</b>	<b>1,395,860</b>	<b>1,399,401</b>	<b>1,488,717</b>	<b>1,497,184</b>	<b>1,526,925</b>	<b>1,644,002</b>	<b>1,656,634</b>
Represented by:											
<b>Accumulated Funds</b>											
Opening balance	712,836	704,925	703,050	698,593	703,189	704,276	708,038	714,300	722,997	752,973	783,017
Interest allocated to reserves	(700)	(402)	(398)	(394)	(389)	(385)	(381)	(376)	(371)	(367)	(362)
Other transfers to reserves	-	-	-	-	-	-	-	-	-	-	-
Transfers from reserves	606	606	606	606	606	606	606	606	606	606	606
Net surplus / (deficit) after tax	(7817)	(2,079)	(4,665)	4,384	870	3,541	6,037	8,467	29,741	29,805	12,632
<b>Closing balance</b>	<b>704,925</b>	<b>703,050</b>	<b>698,593</b>	<b>703,189</b>	<b>704,276</b>	<b>708,038</b>	<b>714,300</b>	<b>722,997</b>	<b>752,973</b>	<b>783,017</b>	<b>795,893</b>
<b>Council Created Reserves</b>											
Opening balance	20,516	20,607	20,401	20,191	19,977	19,758	19,535	19,308	19,076	18,839	18,598
Transfers to accumulated funds	(606)	(606)	(606)	(606)	(606)	(606)	(606)	(606)	(606)	(606)	(606)
Transfers from accumulated funds	-	-	-	-	-	-	-	-	-	-	-
Interest earned	697	400	396	392	387	383	379	374	369	365	360
<b>Closing balance</b>	<b>20,607</b>	<b>20,401</b>	<b>20,191</b>	<b>19,977</b>	<b>19,758</b>	<b>19,535</b>	<b>19,308</b>	<b>19,076</b>	<b>18,839</b>	<b>18,598</b>	<b>18,352</b>
<b>Restricted Reserves</b>											
Opening balance	84	87	89	91	93	95	97	99	101	103	105
Transfers to accumulated funds	-	-	-	-	-	-	-	-	-	-	-
Transfers from accumulated funds	-	-	-	-	-	-	-	-	-	-	-
Interest earned	3	2	2	2	2	2	2	2	2	2	2
<b>Closing balance</b>	<b>87</b>	<b>89</b>	<b>91</b>	<b>93</b>	<b>95</b>	<b>97</b>	<b>99</b>	<b>101</b>	<b>103</b>	<b>105</b>	<b>107</b>
<b>Asset Revaluation Reserves</b>											
Opening balance	520,458	593,189	593,189	593,189	671,731	671,731	671,731	755,010	755,010	755,010	842,282
Changes in asset value	-	-	-	-	-	-	-	-	-	-	-
Valuation gains (losses) taken to equity	72,731	-	-	78,542	-	-	83,279	-	-	87,272	-
<b>Closing balance</b>	<b>593,189</b>	<b>593,189</b>	<b>593,189</b>	<b>671,731</b>	<b>671,731</b>	<b>671,731</b>	<b>755,010</b>	<b>755,010</b>	<b>755,010</b>	<b>842,282</b>	<b>842,282</b>
<b>TOTAL EQUITY</b>	<b>1,318,808</b>	<b>1,316,729</b>	<b>1,312,064</b>	<b>1,394,990</b>	<b>1,395,860</b>	<b>1,399,401</b>	<b>1,488,717</b>	<b>1,497,184</b>	<b>1,526,925</b>	<b>1,644,002</b>	<b>1,656,634</b>

PROSPECTIVE STATEMENT OF FINANCIAL POSITION | For the year ending 30 June

	ESTIMATE 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>CURRENT ASSETS</b>											
Cash and cash equivalents	16,421	16,511	17,088	17,715	18,368	19,024	19,685	22,972	18,482	21,846	22,659
Debtors and other receivables	12,397	12,397	12,645	12,918	13,203	13,488	13,798	14,120	14,455	14,814	15,199
Derivative financial instruments	-	-	-	-	-	-	-	-	-	-	-
Non-current assets held for sale	1,250	510	-	-	-	-	2,279	2,333	-	-	-
Other assets	14,039	14,039	14,039	14,039	14,039	14,039	14,039	14,039	14,039	14,039	14,039
<b>Total current assets</b>	<b>44,107</b>	<b>43,457</b>	<b>43,772</b>	<b>44,672</b>	<b>45,610</b>	<b>46,551</b>	<b>49,801</b>	<b>53,464</b>	<b>46,976</b>	<b>50,699</b>	<b>51,897</b>
<b>NON-CURRENT ASSETS</b>											
Property, plant and equipment	1,455,140	1,472,543	1,483,290	1,583,993	1,601,096	1,608,492	1,689,644	1,689,787	1,733,311	1,860,367	1,869,867
Assets under construction	25,937	25,937	25,937	25,937	25,937	25,937	25,937	25,937	25,937	25,937	25,937
Intangible assets	3,077	5,106	5,289	5,432	5,675	6,068	6,142	6,230	6,570	7,174	7,158
Derivative financial instruments	111	111	111	111	111	111	111	111	111	111	111
Investment in subsidiaries	858	1,808	1,808	1,808	1,808	1,808	1,808	1,808	1,808	1,808	1,808
Investment in associates	200	200	200	200	200	200	200	200	200	200	200
Other financial assets	20,691	20,601	20,509	20,415	20,319	20,221	20,165	20,108	20,050	19,990	19,928
<b>Total non-current assets</b>	<b>1,506,014</b>	<b>1,526,306</b>	<b>1,537,144</b>	<b>1,637,896</b>	<b>1,655,146</b>	<b>1,662,837</b>	<b>1,744,007</b>	<b>1,744,181</b>	<b>1,787,987</b>	<b>1,915,587</b>	<b>1,925,009</b>
<b>Total assets</b>	<b>1,550,121</b>	<b>1,569,763</b>	<b>1,580,916</b>	<b>1,682,568</b>	<b>1,700,756</b>	<b>1,709,388</b>	<b>1,793,808</b>	<b>1,797,645</b>	<b>1,834,963</b>	<b>1,966,286</b>	<b>1,976,906</b>
<b>CURRENT LIABILITIES</b>											
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	-
Borrowings - current	15,932	28,189	38,464	35,613	33,047	33,493	29,709	27,417	24,922	23,636	26,304
Derivative financial instruments	995	995	995	995	995	995	995	995	995	995	995
Creditors and other payables	23,349	23,349	23,816	24,330	24,867	25,404	25,987	29,195	24,625	27,902	28,626
Employee entitlements	2,067	2,067	2,108	2,154	2,201	2,249	2,301	2,354	2,410	2,470	2,534
Other liabilities	5,135	5,135	5,238	5,351	5,469	5,587	5,715	5,849	5,987	6,136	6,296
<b>Total current liabilities</b>	<b>47,478</b>	<b>59,735</b>	<b>70,621</b>	<b>68,443</b>	<b>66,579</b>	<b>67,728</b>	<b>64,707</b>	<b>65,810</b>	<b>58,939</b>	<b>61,139</b>	<b>64,755</b>
<b>NON-CURRENT LIABILITIES</b>											
Borrowings - non current	170,099	179,563	184,373	205,144	224,186	227,988	225,961	220,070	234,354	246,224	240,408
Derivative financial instruments	7,658	7,658	7,658	7,658	7,658	7,658	7,658	7,658	7,658	7,658	7,658
Provisions	5,440	5,440	5,549	5,668	5,794	5,919	6,055	6,196	6,343	6,501	6,669
Employee entitlements	638	638	651	665	679	694	710	727	744	762	782
<b>Total non-current liabilities</b>	<b>183,835</b>	<b>193,299</b>	<b>198,231</b>	<b>219,135</b>	<b>238,317</b>	<b>242,259</b>	<b>240,384</b>	<b>234,651</b>	<b>249,099</b>	<b>261,145</b>	<b>255,517</b>
<b>Total liabilities</b>	<b>231,313</b>	<b>253,034</b>	<b>268,852</b>	<b>287,578</b>	<b>304,896</b>	<b>309,987</b>	<b>305,091</b>	<b>300,461</b>	<b>308,038</b>	<b>322,284</b>	<b>320,272</b>



	ESTIMATE 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>NET ASSETS</b>	<b>1,318,808</b>	<b>1,316,729</b>	<b>1,312,064</b>	<b>1,394,990</b>	<b>1,395,860</b>	<b>1,399,401</b>	<b>1,488,717</b>	<b>1,497,184</b>	<b>1,526,925</b>	<b>1,644,002</b>	<b>1,656,634</b>
Represented by:											
<b>EQUITY</b>											
Accumulated funds	704,925	703,050	698,593	703,189	704,276	708,038	714,300	722,997	752,973	783,017	795,893
Restricted reserves	87	89	91	93	95	97	99	101	103	105	107
Council created reserves	20,607	20,401	20,191	19,977	19,758	19,535	19,308	19,076	18,839	18,598	18,352
Revaluation reserves	593,189	593,189	593,189	671,731	671,731	671,731	755,010	755,010	755,010	842,282	842,282
<b>TOTAL EQUITY</b>	<b>1,318,808</b>	<b>1,316,729</b>	<b>1,312,064</b>	<b>1,394,990</b>	<b>1,395,860</b>	<b>1,399,401</b>	<b>1,488,717</b>	<b>1,497,184</b>	<b>1,526,925</b>	<b>1,644,002</b>	<b>1,656,634</b>

PROSPECTIVE CASH FLOW STATEMENT | For the year ending 30 June

	ESTIMATE 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>											
<b>Cash was provided from:</b>											
Receipts from rates and levies - Council	102,191	105,123	108,067	110,768	114,311	118,537	122,921	127,588	131,804	136,282	141,054
User charges and other income	55,501	61,666	56,857	61,055	57,588	59,895	60,864	61,516	82,613	82,699	66,231
Interest received	912	968	982	995	1,018	1,037	1,052	1,073	1,088	1,103	1,123
Dividends received	6	-	-	-	213	218	334	342	467	478	491
Receipts from rates and levies - GWRC	27,551	28,378	28,946	29,570	30,223	30,875	31,585	32,323	33,089	33,912	34,791
Net GST received from Inland Revenue	-	-	-	-	-	-	-	-	-	-	-
	<b>186,161</b>	<b>196,135</b>	<b>194,852</b>	<b>202,388</b>	<b>203,353</b>	<b>210,562</b>	<b>216,756</b>	<b>222,842</b>	<b>249,061</b>	<b>254,474</b>	<b>243,690</b>
<b>Cash was applied to:</b>											
Payments to employees	(34,295)	(36,319)	(36,617)	(37,418)	(37,515)	(38,351)	(39,223)	(40,123)	(41,100)	(42,116)	(43,228)
Payments to suppliers	(90,066)	(87,397)	(85,296)	(79,764)	(80,471)	(82,284)	(83,992)	(83,233)	(93,630)	(88,064)	(93,275)
Interest paid	(6,496)	(8,781)	(9,730)	(10,478)	(11,404)	(11,958)	(11,945)	(11,723)	(11,808)	(12,302)	(12,555)
Rates and levies passed to GWRC	(27,551)	(28,378)	(28,946)	(29,570)	(30,223)	(30,875)	(31,585)	(32,323)	(33,089)	(33,912)	(34,791)
Net GST paid to Inland Revenue	-	-	-	-	-	-	-	-	-	-	-
	<b>(158,408)</b>	<b>(160,875)</b>	<b>(160,589)</b>	<b>(157,230)</b>	<b>(159,613)</b>	<b>(163,468)</b>	<b>(166,745)</b>	<b>(167,402)</b>	<b>(179,627)</b>	<b>(176,394)</b>	<b>(183,849)</b>
<b>Net cash inflows from operating activities</b>	<b>27,753</b>	<b>35,260</b>	<b>34,263</b>	<b>45,158</b>	<b>43,740</b>	<b>47,094</b>	<b>50,011</b>	<b>55,440</b>	<b>69,434</b>	<b>78,080</b>	<b>59,841</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Cash was provided from:</b>											
Sale of property, plant and equipment	6,139	1,250	510	-	-	-	-	2,279	2,333	-	-
Other investment receipts	-	90	92	94	96	98	56	57	58	60	62
	<b>6,139</b>	<b>1,340</b>	<b>602</b>	<b>94</b>	<b>96</b>	<b>98</b>	<b>56</b>	<b>2,336</b>	<b>2,391</b>	<b>60</b>	<b>62</b>
<b>Cash was applied to:</b>											
Purchase of property, plant and equipment	(69,117)	(56,163)	(48,826)	(66,616)	(64,673)	(49,726)	(42,873)	(47,276)	(88,989)	(83,737)	(56,115)
Less UHCC capital contribution	545	2,187	958	5,572	6,676	852	887	2,616	2,868	774	1,946
Purchase of assets under construction	-	-	-	-	-	-	-	-	-	-	-
Purchase of intangible assets	(1,512)	(3,305)	(1,505)	(1,501)	(1,662)	(1,910)	(1,609)	(1,646)	(1,983)	(2,397)	(1,773)
Other investments and payments	-	(950)	-	-	-	-	-	-	-	-	-
	<b>(70,084)</b>	<b>(58,231)</b>	<b>(49,373)</b>	<b>(62,545)</b>	<b>(59,659)</b>	<b>(50,784)</b>	<b>(43,595)</b>	<b>(46,306)</b>	<b>(88,104)</b>	<b>(85,360)</b>	<b>(55,942)</b>
<b>Net cash outflows from investing activities</b>	<b>(63,945)</b>	<b>(56,891)</b>	<b>(48,771)</b>	<b>(62,451)</b>	<b>(59,563)</b>	<b>(50,686)</b>	<b>(43,539)</b>	<b>(43,970)</b>	<b>(85,713)</b>	<b>(85,300)</b>	<b>(55,880)</b>

	ESTIMATE 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Cash was provided from:</b>											
Proceeds from borrowing	56,974	37,653	43,274	56,384	52,089	37,295	27,682	21,526	39,206	35,506	20,488
	<b>56,974</b>	<b>37,653</b>	<b>43,274</b>	<b>56,384</b>	<b>52,089</b>	<b>37,295</b>	<b>27,682</b>	<b>21,526</b>	<b>39,206</b>	<b>35,506</b>	<b>20,488</b>
<b>Cash was applied to:</b>											
Repayment of borrowing	(20,780)	(15,932)	(28,189)	(38,464)	(35,613)	(33,047)	(33,493)	(29,709)	(27,417)	(24,922)	(23,636)
	<b>(20,780)</b>	<b>(15,932)</b>	<b>(28,189)</b>	<b>(38,464)</b>	<b>(35,613)</b>	<b>(33,047)</b>	<b>(33,493)</b>	<b>(29,709)</b>	<b>(27,417)</b>	<b>(24,922)</b>	<b>(23,636)</b>
<b>Net cash inflows/(outflows) from financing activities</b>	<b>36,194</b>	<b>21,721</b>	<b>15,085</b>	<b>17,920</b>	<b>16,476</b>	<b>4,248</b>	<b>(5,811)</b>	<b>(8,183)</b>	<b>11,789</b>	<b>10,584</b>	<b>(3,148)</b>
Net increase/(decrease) in cash, cash equivalents and bank overdraft	2	90	577	627	653	656	661	3,287	(4,490)	3,364	813
Cash, cash equivalents and bank overdraft at beginning of the year	16,419	16,421	16,511	17,088	17,715	18,368	19,024	19,685	22,972	18,482	21,846
<b>Cash, cash equivalents and bank overdraft at end of the year</b>	<b>16,421</b>	<b>16,511</b>	<b>17,088</b>	<b>17,715</b>	<b>18,368</b>	<b>19,024</b>	<b>19,685</b>	<b>22,972</b>	<b>18,482</b>	<b>21,846</b>	<b>22,659</b>
Cash balance at end of the year comprises:											
Cash and on call deposits	16,421	16,511	17,088	17,715	18,368	19,024	19,685	22,972	18,482	21,846	22,659
Short term deposits	-	-	-	-	-	-	-	-	-	-	-
Bank overdraft	-	-	-	-	-	-	-	-	-	-	-
<b>Cash, cash equivalents and bank overdraft at end of the year</b>	<b>16,421</b>	<b>16,511</b>	<b>17,088</b>	<b>17,715</b>	<b>18,368</b>	<b>19,024</b>	<b>19,685</b>	<b>22,972</b>	<b>18,482</b>	<b>21,846</b>	<b>22,659</b>

# NOTES TO THE FINANCIAL STATEMENTS

## SIGNIFICANT ACCOUNTING POLICIES

### REPORTING ENTITY

Hutt City Council (referred to as 'Council') is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. Council was first formed as Lower Hutt City Council on 1 November 1989 by the amalgamation of five local authorities. The name was changed to The Hutt City Council by a special Act of Parliament on 8 October 1991. The relevant legislation governing the Council's operations included the LGA and the Local Government (Rating) Act 2002.

The Group consists of the ultimate parent, Hutt City Council and its subsidiaries/Council-Controlled Organisations (CCO's), Seaview Marina Limited and Urbanplus Limited Group (both 100% owned) and its controlled trust Hutt City Community Facilities Trust.

The Urbanplus Limited Group consists of Urbanplus Limited and its 100% owned subsidiaries UPL Development Limited (formerly Fairfield Waters Limited) and UPL Limited Partnership (formerly Fairfield Limited Partnership). The Council's 21% equity share of its associate Wellington Water Limited is equity accounted. The Council's subsidiaries/CCO's are incorporated and domiciled in New Zealand.

The Council provide local infrastructure, local public services and perform regulatory functions to the community. The Council does not operate to make a financial return. Accordingly, the Council has designated itself and the Group as public benefit entities (PBE's) for financial reporting purposes.

### BASIS OF PREPARATION

#### Statement of compliance

The Financial Statements have been prepared in accordance with the requirements of the LGA, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The Financial Statements have been prepared in accordance with Tier 1 PBE accounting standards. These Financial Statements comply with PBE accounting standards.

The prospective financial statements were authorised for issue by Council on 28 June 2018. The Mayor and Chief Executive that authorise the issue of the prospective financial statements by Council are responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures. No actual results have been incorporated in these prospective financial statements. It is not intended to update the prospective financial statements subsequent to presentation.

#### Measurement base

The Financial Statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets and financial instruments (including derivative instruments), which have been measured at fair value.

Management is not aware of any material uncertainties that may cast significant doubt on the Council's ability to continue as a going concern. The Financial Statements have therefore been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

### Presentation currency and rounding

The Financial Statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000'). The functional currency of Council is New Zealand dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the Statement of Comprehensive Revenue and Expenses.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Revenue

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Council and the revenue can be reliably measured, regardless of when payment is being made.

Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Revenue is disclosed as either exchange or non-exchange transactions. Exchange transactions are transactions in which the Council receives resources (assets or services, or has liabilities extinguished), and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to the other party for the transaction. Non-exchange transactions are transactions in which the Council receives resources and provides nil or nominal consideration directly in return.

The specific recognition criteria described must also be met before revenue is recognised.

## Revenue from exchange transactions:

### *Direct charges – full cost recovery*

#### *1. Rendering of services – full cost recovery*

Revenue from the rendering of services (such as marina fees) is recognised by reference to the stage of completion of the transaction at balance date based on the actual service provided as a percentage of the total service to be provided.

#### *2. Sale of goods – full cost recovery*

Revenue from the sale of goods (such as rubbish bags) is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods, and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to Council.

### *Interest*

Interest income is recognised using the effective interest method.

### *Dividends*

Revenue is recognised when Council's right to receive the payment is established, which is generally when shareholders approve the dividend.

### *Rental revenue*

Rental revenue arising from operating leases or rental agreements on properties is accounted for on a straight-line basis over the lease or rental term and is included in

revenue in the Statement of Comprehensive Revenue and Expenses.

## Revenue from non-exchange transactions:

### *General and targeted rates revenue*

General rates, targeted rates (excluding water-by-meter) and uniform annual general charges are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Council recognises revenue from rates when the Council has struck the rate and provided the rates assessment. Rates revenue is measured at the amount assessed, which is the fair value of the cash received or receivable.

Rates arising from late payment penalties are recognised as revenue when rates become overdue.

Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its Rates Remission Policy.

Rates collected on behalf of the Greater Wellington Regional Council (GWRC) are not recognised in the Financial Statements as the Council is acting as an agent for the GWRC.

### *Government grants and funding*

Council receives government grants from the New Zealand Transport Agency (NZTA), which subsidises part of the costs of maintaining the local roading

infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

The Council receives grants and subsidies from other organisations, all grants and subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

### *Infringement fees and fines*

Council recognises revenue from fines (such as traffic and parking infringements) when the notice of infringement or breach is served by the Council. The fair value of this revenue is determined based on the probability of collecting fines, which is estimated by considering the history of fines over the preceding two year period.

### *Direct charges – subsidised*

#### *1. Rendering of services - subsidised*

Rendering of services at a price that is not approximately equal to the value of the service provided by the Council is considered a non-exchange transaction. This includes rendering of services where the price does not allow the Council to fully recover the cost of providing the service (such as resource consents, building consents, water connections, dog licensing, etc.), and where the shortfall is subsidised by income from other activities, such as rates. Generally there are no conditions attached to such revenue.

Revenue from such subsidised services is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the service.

Revenue is recognised by reference to the stage the conditions under the agreement are met, to the extent that the Council has an obligation to refund the cash

received from the service (or to the extent that the customer has the right to withhold payment from Council for the service) if the service is not completed.

## **2. Sale of goods – subsidised**

A sale of goods at a price that is not approximately equal to the value of the goods provided by the Council is

considered a non-exchange transaction. This includes sales of goods where the price does not allow the Council to fully recover the cost of producing the goods (such as recycle bins), and where the shortfall is subsidised by income from other activities such as rates.

Revenue from the sale of such subsidised goods is recognised when the Council issues the invoice or bill for the goods.

Revenue is recognised as the amount of the invoice or bill, which is the fair value of the cash received or receivable for the goods.

## **Development and financial contributions**

Development and financial contributions are recognised as revenue when the Council has the right to receive the funds for which the contribution was levied.

## **Vested assets**

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue when control over the asset is obtained. The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property development, the fair value is based on construction price information provided by the property developer.

## **Donated and bequeathed finance assets**

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability released to revenue as the conditions are met (e.g. as the funds are spent for the nominated purpose).

## **CONSTRUCTION CONTRACTS**

Contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract at balance date. The stage of completion is measured by reference to the contract costs incurred up to balance date as a percentage of total estimated costs for each contract.

Contract costs include all costs directly related to a specific contract, costs that are specifically chargeable to the customer under the terms of the contract and an allocation of overhead expenses incurred in connection with Council's construction activities in general.

An expected loss on construction contract is recognised immediately as an expense in the surplus or deficit.

Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense as incurred. When it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

Construction work in progress is stated at the aggregate of contract costs incurred to date plus recognised surpluses less recognised losses and progress billings. If there are contracts where progress billings exceed the aggregated costs incurred plus surplus less losses, the net amounts are presented as a liability.

## **BORROWING COSTS**

Borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Council incurs in connection with the borrowing of funds. The Council have chosen not to capitalise borrowing costs directly attributable to the acquisition, construction or production of assets.

## **GRANT EXPENDITURE**

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision. The Council's grants awarded have no substantive conditions attached.

## **INCOMETAX**

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustment to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the Statement of Financial Position and

the corresponding tax bases used in the computation of taxable surplus.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surplus will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting surplus nor taxable surplus.

Current tax and deferred tax is recognised against the surplus or deficit for the period, except when it relates to a business combination, or to transactions recognised in other comprehensive revenue and expenses or directly in equity.

## LEASES

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date. The substance of the arrangement depends on whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the

asset, even if that right is not explicitly specified in an arrangement.

### Council as a lessee

#### *Finance leases*

Council does not enter into Finance Lease arrangements.

#### *Operating leases*

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

### Council as a lessor

Leases in which Council does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term. Rent received from an operating lease is recognised as income on a straight-line basis over the lease terms and disclosed within revenue from exchange transactions in the Statement of Comprehensive Revenue and Expenses.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents (current assets) in the Statement of Financial Position comprise of cash at bank, cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are

subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents, as defined above, net of outstanding bank overdrafts. Bank overdrafts are shown within interest bearing loans and borrowings in current liabilities in the Statement of Financial Position.

## DEBTORS AND OTHER RECEIVABLES

Debtors and other receivables are initially measured at their face value, less any provision for impairment.

## DERIVATIVE FINANCIAL INSTRUMENTS

Council uses derivative financial instruments such as foreign currency contracts and interest rate swaps to manage exposure to foreign exchange and interest rate risks arising from the Council's operational and financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value at each balance date. As the Council do not designate its derivative financial instruments as hedging instruments for accounting purposes, the associated gains or losses on derivatives are recognised within the Statement of Comprehensive Revenue and Expenses.

Derivatives are carried as current or non-current assets when their fair value is positive and as current or non-current liabilities when their fair value is negative, depending on the maturity of the instrument.

## OTHER FINANCIAL INSTRUMENTS

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council have transferred substantially all the risks and rewards or ownership.

Financial assets are classified into the following categories for the purpose or measurement:

- Fair value through surplus or deficit;
- Loans and receivables;
- Held-to-maturity investments; and
- Fair value through other comprehensive revenue and expenses.

The classification of a financial asset depends on the purpose for which the instrument was acquired.

### *Financial assets at fair value through surplus or deficit*

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term trading.

Derivatives (e.g. interest rate swaps and options) are also categorised as held for trading.

Financial assets acquired principally for the purposes of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset.

After initial recognition financial assets in this category are measured at their fair values with gains or losses recognised in the surplus or deficit (or in the case of derivatives through comprehensive revenue and expenses).

### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

The Council loans and receivables comprise cash and cash equivalents, trade and other receivables, term deposits and community and related party loans.

After initial recognition they are measured at amortised cost, using the effective interest method, less impairment.

Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument.

The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant expense. The loans are subsequently measured at amortised cost using the effective interest method.

### *Held to maturity investments*

Held to maturity investments are non- derivative financial assets with fixed or determinable payments and fixed maturities and there is the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

### *Financial assets at fair value through other comprehensive revenue and expenses*

Financial assets at fair value through other comprehensive revenue and expenses are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of the balance date.

The Council includes in this category:

- investments that it intends to hold long- term but which may be realised before maturity; and
- shareholdings that it holds for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit.

On derecognition the cumulative gain or loss previously recognised in other comprehensive revenue and expenses is reclassified from equity to the surplus or deficit.



### **Impairment of financial assets**

Financial assets are assessed for evidence of impairment at each balance date. Any impairment losses are recognised in the surplus or deficit.

#### ***Loans, receivables and term deposits***

Impairment is established when there is evidence that Council will not be able to collect all amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, receivership, or liquidation and default in payments are indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of a provision account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written off against the provision account. Overdue receivables that have been renegotiated are reclassified as current (that is not past due). Impairment in term deposits and community loans are recognised directly against the instrument's carrying amount.

#### ***Financial assets at fair value through other comprehensive revenue and expenses***

For equity investment, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment. For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payment are objective indicators that the asset is impaired.

If evidence exists for investments at fair value through other comprehensive revenue and expenses, the cumulative loss (measured as the difference between the acquisition costs and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expenses is reclassified from equity to the surplus or deficit.

Impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment is revenue in the surplus or deficit.

#### ***Derecognition***

Financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

### **INVENTORY**

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at the lower of cost (using the FIFO method), adjusted when applicable, for any loss of service potential.

Inventories acquired through a non-exchange transaction are measured at fair value at the date of acquisition.

Inventories held for use in the provision of goods and

services on a commercial basis are valued at the lower of cost (using the FIFO method) and net realisable value.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

When land held for the development and future resale is transferred from property, plant and equipment to inventory, the fair value of the land at the date of transfer is its deemed cost.

Costs directly attributed to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant and equipment.

Emission trading units are held for consumption based on landfill emissions and are valued at net realisable value.

### **NON-CURRENT ASSETS HELD FOR SALE**

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

## PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of:

### *Operational assets*

These include land, buildings, landfill post-closure, improvements, library books, plant and equipment, collection items and motor vehicles.

### *Restricted assets*

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

### *Infrastructure assets*

Infrastructure assets are fixed utility systems owned by Council. Each asset class (roading assets, water assets, stormwater assets and wastewater assets) includes all items that are required for the network to function. For example, sewerage reticulation includes reticulation piping and sewer pump stations.

Land (operational and restricted, except land under roads) and art collections are measured at fair value. Buildings and infrastructure assets are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

### *Measurement subsequent to initial recognition - revaluation*

Land (excluding land under roads), buildings, and infrastructural assets are revalued with sufficient regularity to ensure their carrying amount does not differentiate

materially from fair value at least every three years.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluation of property, plant and equipment is accounted for on a class-by-class basis.

The net revaluation results are credited or debited to other comprehensive revenue and expenses and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expenses but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expenses.

The fair value of land and buildings is their market value as determined by a registered valuer. The fair value of the roading, water assets, stormwater assets and wastewater assets is measured using the depreciated replacement cost.

### *Additions*

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through non-exchange transactions, it is recognised at its fair value as at the date of acquisition.

### *Disposals*

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

### *Subsequent costs*

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

## DEPRECIATION

Depreciation is provided on a straight-line basis on all property, plant and equipment (other than land, land under roads and art collections), at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

	YEARS	PERCENTAGES
<b>Operational assets</b>		
Site Improvements	2 - 35	2.86 - 50
Buildings	2 - 100	1.0 - 50
Landfill assets (including plant and infrastructure not associated with the network)	3 - 147	0.68 - 33.33
Library books	1 - 10	10 - 100
Plant and equipment:	1 - 40	2.5 - 100
Vehicles	5 - 20	5 - 20
Wharves	10 - 40	2.5 - 10
Breakwaters	68	1.47
<b>Infrastructure assets</b>		
Storm, supply and waste water utility assets		
Storm water assets	16 - 224	0.45 - 6.25
Water supply assets	4 - 54	1.85 - 25
Waste water assets (included treatment plant)	3 - 69	1.45 - 33.33
Roading network	2 - 91	1.10 - 50
Seawalls	46	2.17

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

In respect of revalued assets, the useful life is adjusted to a rate recommend by the independent valuer as at the date of the revaluation.

#### ***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 33% of the funding requirements. While Upper Hutt City Council does not have legal ownership of the

bulk wastewater system, it is entitled to a share of the proceeds from any sale of the assets.

Upper Hutt City Council's interest in the bulk wastewater system assets is deducted from the value of property, plant and equipment recognised in the

Statement of Financial Position. Funding contributions from Upper Hutt City Council are recognised as revenue in the surplus or deficit 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.

## **INTANGIBLE ASSETS**

### ***Software acquisition and development***

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use by Council are recognised as an intangible asset.

Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs, costs associated with maintaining computer software and costs associated with development and maintenance of the Council's website are recognised as an expense when incurred.

### ***Resource consents***

Costs associated with registering a resource consent in the wastewater activity are recognised as an intangible asset.

### ***Amortisation***

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software

2 - 5 years  
50% – 20%

Resource consents

5 - 35 years  
2.86% – 19% (Life of the consent)

## **IMPAIRMENT OF PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS**

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

Property, plant, equipment and intangible assets subsequently measured at cost that have a finite useful life are reviewed for indicators of impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount.

The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

#### ***Value in use for non-cash generating assets***

Non-cash generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using the then approach based on either a depreciated replacement cost approach, restoration costs approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

#### ***Value in use for cash-generating assets***

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

### **PAYABLES**

Short-term creditors and other payables are recorded at face value.

### **BORROWINGS**

Borrowings are initially recognised at their face value plus transaction costs. After initial recognition, all borrowings

are measured at amortised costs using the effective interest rate.

Borrowings are classified as current liabilities, unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

### **EMPLOYEE ENTITLEMENTS**

#### ***Short-term benefits***

Employee benefits that Council expect to be settled wholly before 12 months after the end of the period in which the employee renders the related service are measured on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled wholly before 12 months.

Council recognise a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

#### ***Long-term benefits***

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retiring leave, have been calculated on an actuarial basis.

The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows.

#### ***Presentation of employee entitlements***

Sick leave, annual leave and vested long service leave are classified as a current liability. Non-vested long service leave and retirement gratuities expected to be settled within 12 months of the balance date are classified as current liabilities. All other employee entitlements are classified as a non-current liability.

### **SUPERANNUATION SCHEMES**

#### ***Defined contribution schemes***

Obligations for contributions to KiwiSaver and defined contribution superannuation schemes are recognised as an expense in the surplus and deficit as incurred.

#### ***Defined benefit schemes***

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus or deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

### **PROVISIONS**

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to

settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in “finance costs”.

#### Landfill post closure costs

As operator of the Silverstream landfill site, Council has an obligation to ensure the on-going maintenance and monitoring services at these landfill sites after closure. Council also has an obligation to monitor the closed landfill site at Wainuiomata and other 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 closure costs and future site trade waste charges and monitoring costs.

The estimated length of time needed for post closure care for Silverstream is 28 years and Wainuiomata is 26 years.

The calculations assume no change in the legislative requirements or technological changes for closure and post closure treatment. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to Council.

Amounts provided for closure and post closure costs are capitalised to the landfill asset where they give rise to future economic benefits, or if they are incurred to enable future economic benefits to be obtained. The capitalised landfill asset is depreciated over the life of the landfill based on the capacity used.

The provision of landfill post closure costs is valued annually by an independent valuer.

#### Weathertightness provision

The Council recognises a provision for the Council's estimated liability relating to the settlement of weathertightness claims.

The provision related to claims made under the Weathertight Homes Resolution Services Act 2006, as well as civil proceedings directly against the Council.

The provision calculation included the estimated net settlement that the Council is expected to make on:

- all claims that are currently actively managed by the Council; and
- all claims that have been lodged with Weathertight Homes Resolution Service but are not yet actively managed by the Council.

#### EQUITY

Equity is the community's interest in Council and is measured as the difference between total assets less total liabilities. Equity is disaggregated and classified into the following components:

- accumulated funds (comprehensive revenue and expenses);
- Council created reserves;

- restricted reserves; and
- asset revaluation reserves.

Accumulated comprehensive revenue and expenses is the Council's accumulated surplus or deficit since the formation of the Council, adjusted for transfers to/from specific 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 third party. Transfers from these reserves may be made only for specified purposes or when certain conditions are met.

Asset revaluation reserves relate to the revaluation of property, plant, and equipment to fair value after initial recognition.

#### GOODS AND SERVICES TAX (GST)

All items in the Financial Statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

#### **OPERATING STATEMENTS INCLUDED IN THE STATEMENT OF SERVICE PERFORMANCE**

The operating statements report the net cost of services for significant activities of Council. Council has derived the net cost of services for each significant activity using the cost allocation system outlined below:

Direct costs are charged directly to significant activities. Indirect costs are charged to the significant activities based on cost drivers and related activity or usage information.

Each significant activity has been charged an internal interest cost. The net interest cost incurred by Council is allocated to each significant activity based on the net book value of property, plant and equipment used by the activity.

#### **CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS**

In preparing these Financial Statements, Council management has made estimates, judgements and assumptions concerning the future that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures. These estimates and assumptions may differ from the subsequent actual results.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to

be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### ***Infrastructural assets***

There are a number of assumptions and estimates used when performing depreciated replacement cost valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets that are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Income. To minimise this risk Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on

past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers perform the Council's infrastructural asset revaluations.

#### ***Provisions***

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditures required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Provision for landfill aftercare costs: In determining the fair value of the provision, assumptions and estimates are made in relation to the discount rate, the expected cost of the post-closure restoration and monitoring of the landfill site and the expected timing of these costs. Expected costs and timing of closure are based on the estimated remaining capacity of the landfill, based on the advice and judgement of qualified engineers. The estimates are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money.

Provision for weathertight homes: In determining the fair value of the provision, assumptions and estimates are made in relation to the expected value of the settlement based on the level of the original claim compared to historical settlement of similar claims. No evaluation has been undertaken to quantify the level of unreported claims.

The discount rate used is the current New Zealand Government long-term bond rate as at 30 June each year,

and the inflation rate used is the annual Consumer Price Index. The discount rate is based on Council's long-term cost of funds. The inflation factor is based on the expected long-term increase in remuneration for employees.

## CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Management has exercised the following critical judgements in applying accounting policies:

### *Classification of property*

The Council own a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for a service delivery objective as part of Council's social housing policy. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

## 2. DEPRECIATION

### DEPRECIATION AND AMORTISATION EXPENSE BY GROUP OF ACTIVITIES FOR THE YEAR ENDING 30 JUNE

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
Leisure and Wellbeing	6,455	6,566	6,466	6,524	6,930	6,958	6,850	6,807	6,754	6,722	6,748
Growth, Development and Sustainability	601	855	2,503	3,972	4,348	3,666	3,324	3,059	2,696	2,411	2,387
Environment & Sustainability	18	3	3	2	2	1	1	1	1	1	1
Roads and Accessways	11,891	12,172	11,539	11,981	12,390	12,543	12,740	12,937	13,082	13,862	14,811
Water Supply	3,545	4,060	4,079	4,061	4,070	4,229	4,372	4,537	4,692	4,690	4,788
Wastewater	6,777	7,683	7,699	7,623	8,317	9,179	9,360	9,546	9,938	10,067	10,238
Stormwater	2,866	4,278	4,255	4,199	4,306	4,449	4,583	4,707	4,818	4,785	4,861
Solid Waste	896	996	1,048	1,119	1,220	1,241	1,376	1,387	1,492	1,663	1,755
City Governance & City Leadership	1,775	1,568	1,709	1,638	1,626	1,645	1,701	1,721	1,749	1,777	1,902
<b>Total</b>	<b>34,824</b>	<b>38,181</b>	<b>39,301</b>	<b>41,119</b>	<b>43,209</b>	<b>43,911</b>	<b>44,307</b>	<b>44,702</b>	<b>45,222</b>	<b>45,978</b>	<b>47,491</b>

### 3. RESERVE FUNDS

Reserves are held to ensure that funds received for a particular purpose are used for that purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserves are credited with interest. The Council holds 12 reserve funds, with five being restricted reserves. Restricted reserves are reserves that have rules set by legal obligation that restrict the use that Council may put the funds towards.

The remaining Council created reserves are discretionary reserves that Council has established for the fair and transparent use of monies. Reserves are not separately held in cash and the funds are managed as part of the Council's treasury management.

Below is a list of current reserves outlining the purpose for holding each reserve and the Council activity to which each reserve relates, together with summary financial balances.

	OPENING BALANCE JULY 2018 \$000	DEPOSITS \$000	EXPENDITURE \$000	CLOSING BALANCE JUNE 2028 \$000
<b>COUNCIL CREATED RESERVES – PURPOSE OF THE FUND</b>				
<b>Reserve Purchase &amp; Development (Parks and Reserves Activity)</b> To provide for the purchase of land for reserves purposes or the development of existing reserves. The Fund is made up of financial contributions from subdivision and revenue from the sale of surplus reserve land. The main purpose of the Fund is to provide open space and recreational opportunity to offset the effects of land use intensification.	4,934	2,220	(3,946)	3,208
<b>Election Fund (Managing Services Activity)</b> To annually provide for the cost of Council elections and by-elections.	150	-	-	150
<b>Landfills Reserve (Solid Waste Activity)</b> To set funds aside for the longer term replacement of the landfill. This figure has been capped at \$12million.	12,000	-	-	12,000
<b>Waste Minimisation Reserve</b> To encourage a reduction in the amount of waste generated and disposed of in New Zealand, and to lessen the environmental harm of waste. This reserve was created in 2009 as a result of the Waste Minimisation Act 2008. Funding is distributed to local authorities by the Ministry for the Environment and expenditure includes grants to others, waste minimisation initiative operating expenses and recycling contract.	3,050	1,373	(2,114)	2,309
<b>Wingate Landfill Reserve (Parks and Reserves Activity)</b> To provide for the development and major maintenance of the former landfill areas (top areas) at the end of Page Grove, Wingate, now managed as reserve land and used for various recreational activities.	174	78	-	252
<b>Wingate Park (Parks and Reserves Activity)</b> To provide for the development and major maintenance of the former landfill areas (bottom areas) at the end of Page Grove, Wingate, now managed as reserve land and used for various recreational activities.	169	76	-	245
<b>Ex Hillary Commission Funds (Aquatics and Recreation)</b> To provide funding for sporting activities. Approval needs to be given by Sport New Zealand.	130	58	-	188
<b>Totals</b>	<b>20,607</b>	<b>3,805</b>	<b>(6,060)</b>	<b>18,352</b>

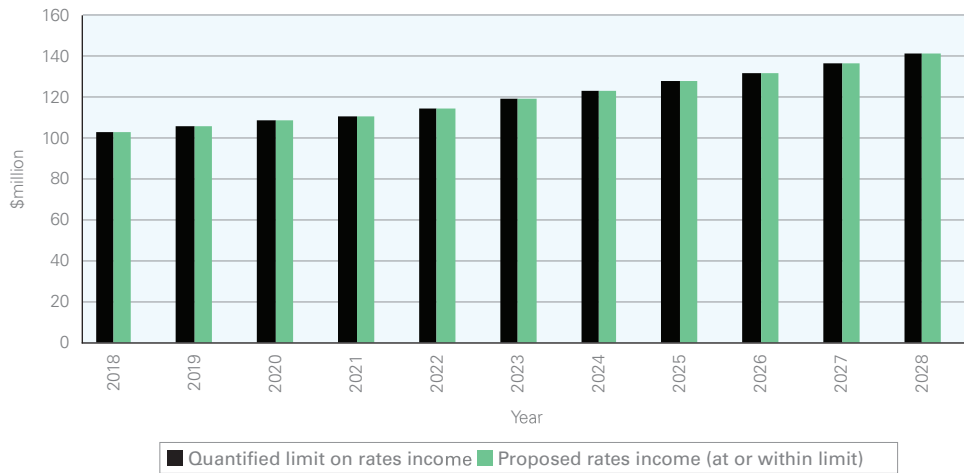


	OPENING BALANCE JULY 2018 \$000	DEPOSITS \$000	EXPENDITURE \$000	CLOSING BALANCE JUNE 2028 \$000
<b>RESTRICTED RESERVES – PURPOSE OF THE FUND</b>				
<b>Taita Cemetery - JV Bently (Parks and Reserves Activity)</b> The Council is contracted to maintain Plot 32/33 block 7, St James section in perpetuity. The plots contain Issac Young, Eliza Young and AG Talbut.	3	-	-	3
<b>Lavelle Tree Bequest (Parks and Reserves Activity)</b> To provide for the planting of trees in and around Hutt City on major thoroughfares.	32	6	-	38
<b>JWT Adams Bequest (Museums Activity)</b> To be utilised to establish and service a photographic collection for the Dowse. There is no specific expenditure plan for the coming ten years on the purchase of photographic items for the collection.	22	6	-	28
<b>ML Talbut Bequest (Parks and Reserves Activity)</b> To provide for the planting and maintenance of reserves.	14	4	-	18
<b>Eastbourne Arts Trust (Museums Activity)</b> To purchase for the Dowse Collection works of art created by Eastbourne artists, being artists who have or have had a significant association with Eastbourne.	16	4	-	20
<b>Totals</b>	<b>87</b>	<b>20</b>	<b>-</b>	<b>107</b>

# PRUDENCE REPORTING

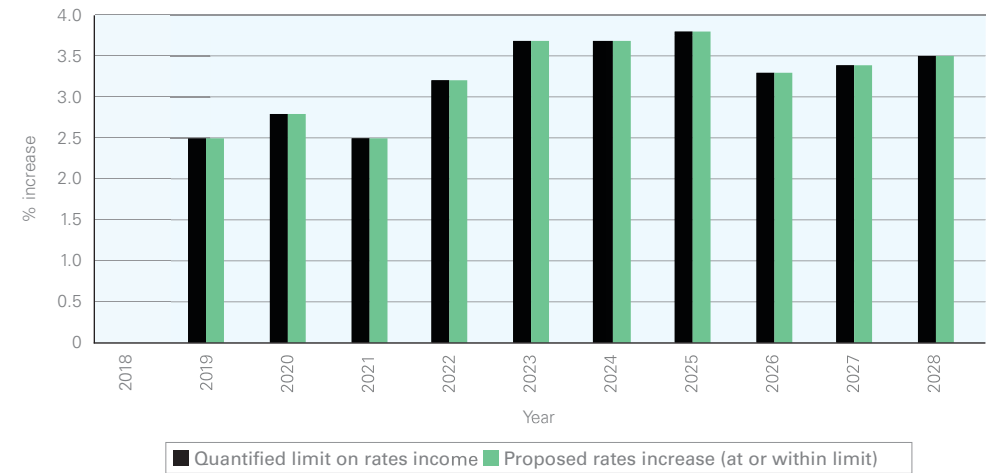
## RATES AFFORDABILITY BENCHMARK

- a) Meets the rates affordability benchmark if planned rates income for the year equals or are less than each quantified limit on rates; and
- b) Meets the rates affordability benchmark if planned rates increases equal or are less than each quantified limit on rates increases.



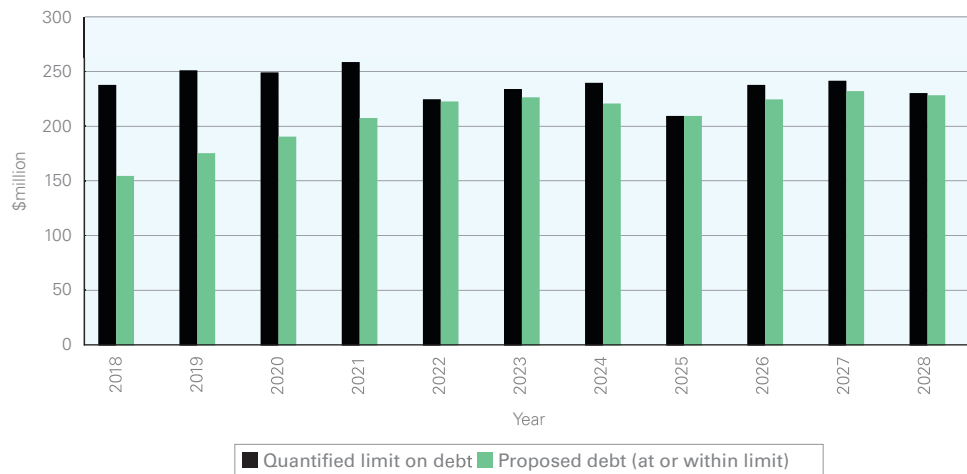
### RATES (INCOME) AFFORDABILITY BENCHMARK

The following graph compares the council’s proposed rates income with a quantified limit on rates contained in the financial strategy included in the council’s long-term plan. The quantified limit is to increase rates in each year by no more than inflation plus an allowance for growth.



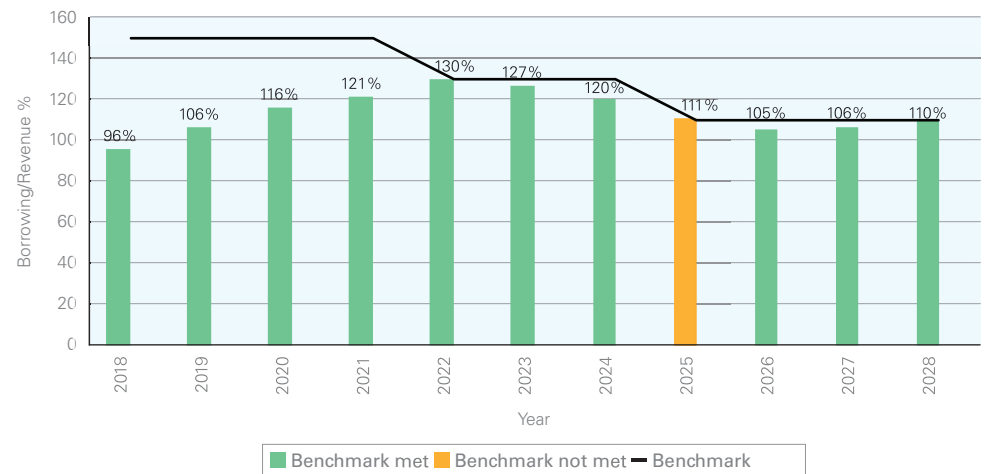
### RATES (INCREASE) AFFORDABILITY BENCHMARK

The following graph compares the council’s planned percentage rates increase with a quantified limit on rates increases included in the financial strategy included in the council’s long-term plan. The quantified limit is to increase rates in each year by no more than inflation plus an allowance for growth.



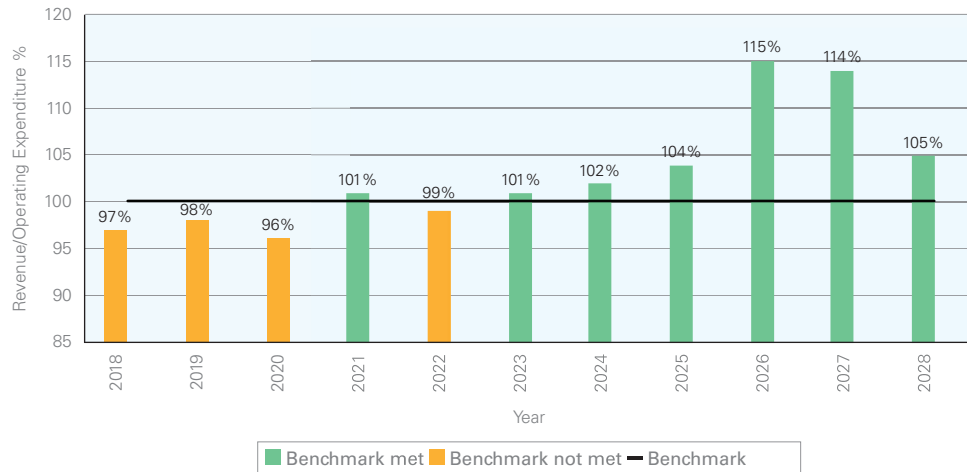
#### DEBT AFFORDABILITY BENCHMARK (PLANNED DEBT COMPARED TO DEBT LIMITS)

The following graph compares the council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is to achieve debt levels below our annual target (as outlined in the long term plan).



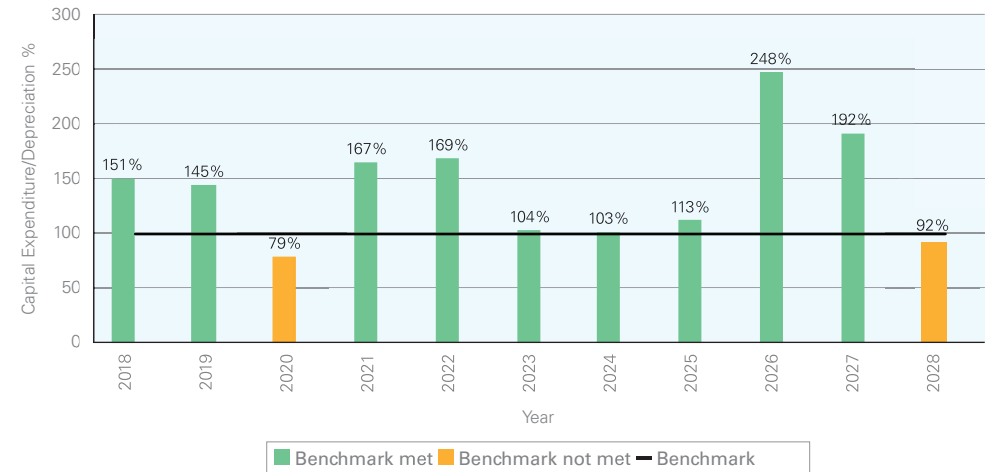
#### DEBT AFFORDABILITY BENCHMARK (PLANNED DEBT AS PERCENTAGE OF REVENUE)

The following graph compares the council's borrowing as a percentage of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment) with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is to achieve debt levels below our annual target (as outlined in the long term plan).



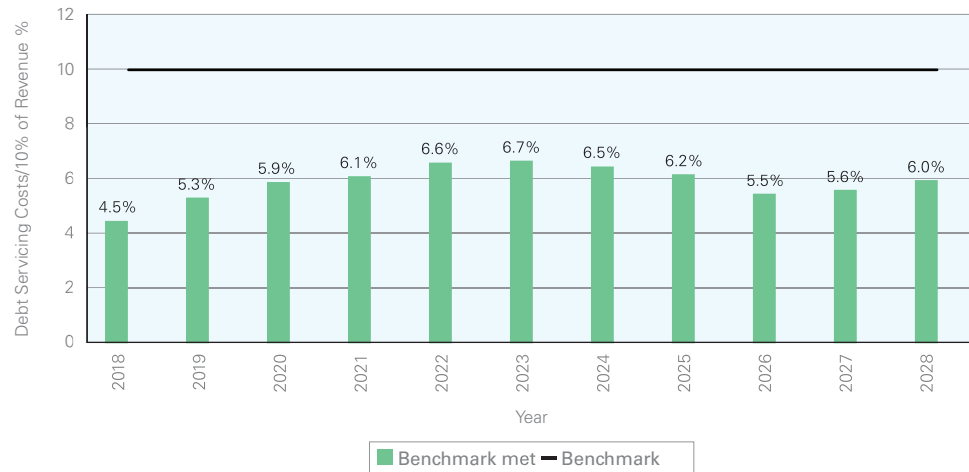
### BALANCED BUDGET BENCHMARK (PLANNED REVENUE GREATER THAN PLAN EXPENDITURE)

The following graph displays the council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment) as a proportion of planned operating expenses (excluding losses on derivate financial instruments and revaluations of property, plant or equipment). The council meets this benchmark if its revenue equals or is greater than its operating expenses. The benchmark will not be met in 2018, 2019, 2020, and 2022 mainly due to grants paid to the Community Facilities Trust which are being treated as an operating expense but are being used to create community assets that would normally be treated as a capital expense.



### ESSENTIAL SERVICES BENCHMARK

The following graph displays the council's planned capital expenditure on network services as a proportion of depreciation on network services. The council meets this benchmark if its planned capital expenditure on network services equals or is greater than depreciation on network services.



### DEBT SERVICING BENCHMARK

The following graph displays the council's planned borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluation of property, plant and equipment). Because Statistics New Zealand projects the council's population will grow as fast as the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equals or are less than 10% of its revenue.



# FUNDING IMPACT STATEMENT INCLUDING RATES FOR 2018–2019

This section includes 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 whole of Council Funding Impact Statement sets out the sources of funding to be used for 2018-2028, the amount of funds expected to be produced from each source, and how the funds are to be applied. Details of user charges and other funding sources, and the proportion applicable to each activity, are included in the Council’s Revenue and Financing Policy.

## UNIFORM ANNUAL GENERAL CHARGE (UAGC)

Council does not propose to set a UAGC for 2018/19, but in future years, if a UAGC is set, this will be calculated as one fixed amount per Separately Used or Inhabited Part (SUIP) of a rating unit.

## DEFINITION OF SEPARATELY USED OR INHABITED PART (SUIP)

For the purposes of the UAGC or any targeted rate set as a fixed amount per SUIP of a rating unit, a SUIP is defined as:

- any part of the rating unit separately used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement.
- at a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation, or actual use by persons for purposes of conducting a business.

For the avoidance of doubt, a rating unit that has only one

use (i.e. it does not have separate parts or is vacant land) is treated as being one SUIP of a rating unit.

## RATES FOR YEAR

For the 2018/19 year, and for subsequent years, the Council will set the following rates:

### a) Water Supply Rate

A separate targeted rate will be set to meet the net operating costs of water supply and reticulation in the city. Lump sums will not be invited in respect of this rate. Council will 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 as set out in the Council’s Fees and Charges.

The charges for the 2018/19 rating year are as follows:

CATEGORY	CHARGE
Connected	\$413.00 per separately used or inhabited part (SUIP) of a rating unit
Serviceable but not Connected	\$206.50 per separately used or inhabited part (SUIP) of a rating unit

### b) Wastewater Rate

A separate targeted rate will be set to meet the net operating costs of wastewater collection, treatment and disposal within the city. Lump sums will not be invited in respect of this rate.

Council will set the targeted rate for the wastewater function on the basis of the following factors:

- rating units in the residential category will only be charged for one WC or urinal, regardless of the actual number
- rating units in the business categories will be charged for the first water closet (WC) or urinal connected to the wastewater system from each rating unit; and
- an additional charge of 50% of the above charge for the second and each subsequent WC or urinal connected to the wastewater system from each rating unit.

Provided that:

- 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 WC.

The charges for the 2018/19 rating year are as follows:

CATEGORY	CHARGE
First WC or urinal per rating unit	\$468.50 each
For commercial properties second and each subsequent WC or urinal per rating unit	\$234.25 each

### c) Recycling Charge

A separate targeted rate will be set to meet 100% of the costs of the recycling collection service from residential properties. Lump sums will not be invited in respect of this rate.

The targeted rate will be set as a fixed amount per separately used or inhabited part (SUIP) of each rating unit in the residential differential category.

The charge for the 2018/19 rating year is as follows:

CATEGORY	CHARGE PER \$ OF CAPITAL VALUE
Rating units in the residential category receiving or able to use the recycling collection service	\$40.00

### d) Jackson Street Programme Rate

A separate targeted rate, based on the capital value of each rating unit, will be set to raise revenue from rating units being operated as businesses and with a frontage to 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. Lump sums will not be invited in respect of this rate.

The charge for the 2018/19 rating year is as follows:

CATEGORY	CHARGE PER \$ OF CAPITAL VALUE
Rating units in any business category having frontage to Jackson Street, Petone, between Hutt Road and Cuba Street	\$0.00080320 per \$ of Capital Value

### e) General Rate

A general rate will be set:

- to meet the costs of Council activities, other than those detailed above
- based on the Capital Value of each rating unit in the city
- on a differential basis, based on the use to which the land is put.

### DIFFERENTIAL RATING DETAILS

Each rating unit is allocated to a differential rating category (based on land use and location) for the purpose of calculating the general rate, or any specified targeted rate based on Capital Value. Set out below are the definitions used to allocate rating units to categories, together with details of the differential rating relationships between each category of rating unit for the purposes of setting and assessing the general rate. The relationships are calculated to produce, as near as is practicable, the correct proportion of general rate revenue from each group, as is indicated by Council's Revenue and Financing Policy.

### DEFINITION OF RATING CATEGORIES

CATEGORY	DESCRIPTION
Residential (RES)	All rating units in the city which are: <ul style="list-style-type: none"> <li>• used primarily for residential purposes;</li> <li>• used or set aside for reserve or recreational purposes (other than East Harbour Regional Park), excluding properties categorised as rural.</li> </ul>
Rural (RUR)	All rating units in the city which are: <ul style="list-style-type: none"> <li>• used primarily for any purpose other than residential, commercial, industrial, recreational or reserve;</li> <li>• used primarily for residential purposes, having an area in excess of 3,000 m<sup>2</sup>, but not connected to either water or sewerage reticulation;</li> <li>• East Harbour Regional Park.</li> </ul>
Business Accommodation (BUA)	All rating units in any part of the city which are used primarily for commercial accommodation.
Business Central (BUC)	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: <ul style="list-style-type: none"> <li>• Utility Networks;</li> <li>• Business Accommodation.</li> </ul>
Business Suburban (BUS)	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: <ul style="list-style-type: none"> <li>• Community Facilities;</li> <li>• Business Central;</li> <li>• Utility Networks;</li> <li>• Business Accommodation.</li> </ul>
Utility Networks (UTN)	All rating units which comprise all or part of a utility network.
Community Facilities 1 (CF1)	All land in the city which is: <ul style="list-style-type: none"> <li>• non-rateable in terms of the Local Government (Rating) Act 2002;</li> <li>• 50% non-rateable in terms of the Local Government (Rating) Act 2002.</li> </ul>

CATEGORY	DESCRIPTION
Community Facilities 2 (CF2)	All rating units in the city occupied by charitable trusts and not-for-profit organisations which either: <ul style="list-style-type: none"> <li>• use the land for non-trading purposes for the benefit of the community;</li> <li>• 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.</li> </ul>
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 which 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 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 is as defined in the 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, storm water 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.

The differential categories and charges for 2018/19 year are as follows:

CATEGORY	DIFFERENTIAL	CHARGE PER \$ OF CAPITAL VALUE PER RATING UNIT
Residential (RES)	1.00	\$0.30910
Rural (RUR)	0.74	\$0.22873
Business Accommodation (BUA)	2.58	\$0.79748
Business Central (BUC)	2.86	\$0.88403
Business Suburban (BUS)	2.74	\$0.84694
Utility Networks (UTN)	2.38	\$0.73566
Community Facilities 1 (CF1)	1.00	\$0.30910
Community Facilities 2 (CF2)	0.50	\$0.15455
Community Facilities 3 (CF3)	2.38	\$0.73566



## 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. Council has amended the differential factors used in 2011/12 and 2012/13 and these were introduced over a 10 year period that commenced in 2012 - 2013.

For 2017/18, Council agreed to freeze the differential transition for one year and extend the transition period by a year, to reduce the rates impact on residential ratepayers caused by the significant increase in residential property values following the three yearly revaluation of properties (for rating purposes), in October 2016.

The differential policy was reviewed by Councillors during the preparation of the 2018 - 2028 Long Term Plan. Council decided to continue with the differential transition plan from 1 July 2018 so that from 1 July 2022 the business rate would be no more than 2.29 times (previously 2.3 times) greater than the general rate of a residential property of the same value.

CATEGORY	DIFFERENTIAL FACTOR	TRANSITION OVER 11 YEARS (ORIGINALLY 10 YEARS)										DIFFERENTIAL FACTOR AFTER 11 YEARS	
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21		2021/22
Residential (RES)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Rural (RUR)	0.65	0.67	0.68	0.70	0.71	0.73	0.73	0.74	0.75	0.76	0.77	0.80	
Business Accommodation (BUA)	3.00	2.93	2.86	2.79	2.72	2.65	2.65	2.58	2.51	2.44	2.37	2.29	
Business Central (BUC)	3.70	3.56	3.42	3.28	3.14	3.00	3.00	2.86	2.72	2.58	2.44	2.29	
Business Suburban (BUS)	3.40	3.29	3.18	3.07	2.96	2.85	2.85	2.74	2.63	2.52	2.41	2.29	
Utility Networks (UTN)	2.50	2.48	2.46	2.44	2.42	2.40	2.40	2.38	2.36	2.34	2.32	2.29	
Community Facilities 1 (CF1)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Community Facilities 2 (CF2)	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	
Community Facilities 3 (CF3)	2.50	2.48	2.46	2.44	2.42	2.40	2.40	2.38	2.36	2.34	2.32	2.29	

Note: The total rate revenue includes rates charged on Council-owned properties, rate refunds and rate remissions.

## SUMMARY OF REVENUE REQUIRED BY DIFFERENTIAL GROUP

DIFFERENTIAL GROUP	TOTAL RATES BY CATEGORY 2018 -2019 \$000 GST INCLUSIVE	PROPORTION OF TOTAL RATES
Residential	87,698	70.3%
Rural	766	0.6%
Utility Networks	4,532	3.6%
Business:		
Accommodation	854	0.7%
Central	7,251	5.8%
Suburban	22,380	17.9%
Community Facilities:		
1	960	0.8%
2	216	0.2%
3	185	0.1%
<b>Total Rates Levied</b>	<b>124,842</b>	<b>100%</b>

## SUMMARY OF TOTAL REVENUE REQUIRED FROM 2018/19 RATES

RATE	AMOUNT (INCLUSIVE OF GST) \$000	AMOUNT (EXCLUSIVE OF GST) \$000
General Rate	85,846	74,649
Targeted Rates:		
Water Supply	16,848	14,651
Wastewater	20,452	17,784
Jackson Street	158	137
Recycling	1,538	1,337
<b>Total Rate Revenue</b>	<b>124,842</b>	<b>108,558</b>

## RATES INSTALMENT DETAILS

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

Instalment Number	Due Date	Instalment Number	Due Date
One	20 August 2018	Four	20 February 2019
Two	20 October 2018	Five	20 April 2019
Three	20 December 2018	Six	20 June 2019

Where the 2018/19 rates are not able to be set in time for the first installment, the first installment will be calculated and charged as one sixth of the 2017/18 rates. The remaining five installments will then be calculated as each being one fifth of the amount of the annual rates, after deducting the amount of installment one.

## PENALTIES ON UNPAID RATES

The Council will resolve pursuant to Sections 57 and 58 of the Local Government (Rating) Act 2002, to apply the following penalty charges to unpaid rates from 1 July 2018 to 30 June 2019 as follows:

- A penalty charge of 10% is to be added to rates levied after 1 July 2018 that remain unpaid after each instalment due date has been processed. This penalty charge will be applied to any unpaid 2018/19 rates on the day following each instalment due date.
- A penalty charge of 10% is to be added to rates levied before 1 July 2018 that remain unpaid after the 20 August 2018 instalment due date has been processed. This penalty charge will be applied to the total amount of unpaid rates on the day following this instalment due date.
- A further penalty charge of 10% is to be added to rates levied before 1 July 2018 that remain unpaid after the 20 February 2019 instalment due date has been processed. This penalty will be applied to the total amount of unpaid rates on the day following this instalment due date.

No penalty shall be added to any rate account if:

- A direct debit authority is in place for payment of the rates by regular weekly, fortnightly or monthly installments, and payment in full is made by the end of the rating year.
- Any other satisfactory arrangement has been reached for payment of the current rates by regular installments by the end of the rating year.

## RATING BASE

Based on the projected increase of 1% in the rating base each year, the following table shows the projected number of rating units in the city as at 30 June:

2018 ACTUAL	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
41,330	41,743	42,160	42,581	43,007	43,437	43,871	44,310	44,754	45,201	45,653

## EXAMPLES OF RATES ON A RANGE OF TYPICAL PROPERTIES

The examples below show how a range of properties are affected by the rates for 2018/19:

PROPERTY CATEGORY	RATEABLE VALUES AS AT 1 JULY 2018	2017/18 RATES	2018/19 RATES	INCREASE/ (DECREASE)	INCREASE/ DECREASE
Average Residential	\$472,130	\$2,308	\$2,380	\$72	3.12%
Average Business Central	\$1,310,628	\$13,028	\$12,702	(\$326)	(2.50%)
Average Business Suburban	\$1,203,078	\$11,495	\$11,305	(\$190)	(1.65%)
Average Business Accommodation	\$2,279,028	\$21,624	\$21,633	\$9	0.04%
Average Rural (no water services)	\$643,147	\$1,431	\$1,471	\$40	2.80%

PROPERTY CATEGORY	RATEABLE VALUES AS AT 1 JULY 2018 \$	2017/18 RATES	2018/19 RATES	INCREASE/ (DECREASE)	INCREASE/ DECREASE
Community Facilities 1	\$1,110,000	\$4,789	\$5,015	\$226	4.72%
Community Facilities 2	\$1,800,000	\$5,094	\$5,303	\$209	4.10%
Community Facilities 3	\$7,325,000	\$60,923	\$61,796	\$873	1.43%
Utilities	\$2,370,000	\$17,332	\$17,435	\$103	0.59%
Residential	\$200,000	\$1,479	\$1,539	\$60	4.06%
Residential	\$400,000	\$2,088	\$2,157	\$69	3.30%
Residential	\$600,000	\$2,697	\$2,776	\$79	2.93%
Residential	\$800,000	\$3,307	\$3,394	\$87	2.63%
Residential	\$1,000,000	\$3,916	\$4,012	\$96	2.45%



RECONCILIATION OF FINANCIAL STATEMENTS TO FUNDING IMPACT STATEMENTS FOR THE YEAR ENDING 30 JUNE

	ANNUAL PLAN 2018 \$000	LONG TERM PLAN 2019 \$000	FORECAST 2020 \$000	FORECAST 2021 \$000	FORECAST 2022 \$000	FORECAST 2023 \$000	FORECAST 2024 \$000	FORECAST 2025 \$000	FORECAST 2026 \$000	FORECAST 2027 \$000	FORECAST 2028 \$000
Total revenue from Prospective Statement of Comprehensive Income	162,127	168,599	167,012	173,969	174,311	180,888	186,419	191,801	217,289	221,927	210,317
Less capital contributions	(11,348)	(11,336)	(5,624)	(10,117)	(6,343)	(7,104)	(7,143)	(6,592)	(26,480)	(25,397)	(7,194)
<b>Funding Impact Statement Total Operating Funding (A)</b>	<b>150,779</b>	<b>157,263</b>	<b>161,388</b>	<b>163,852</b>	<b>167,968</b>	<b>173,784</b>	<b>179,276</b>	<b>185,209</b>	<b>190,809</b>	<b>196,530</b>	<b>203,123</b>
Total expenditure from Prospective Statement of Comprehensive Income	165,582	170,678	171,677	169,585	173,441	177,347	180,382	183,334	187,548	192,122	197,685
Less depreciation	(34,824)	(38,181)	(39,301)	(41,119)	(43,209)	(43,911)	(44,307)	(44,702)	(45,222)	(45,978)	(47,491)
<b>Funding Impact Statement Total Applications of Operating Funding (B)</b>	<b>130,758</b>	<b>132,497</b>	<b>132,376</b>	<b>128,466</b>	<b>130,232</b>	<b>133,436</b>	<b>136,075</b>	<b>138,632</b>	<b>142,326</b>	<b>146,144</b>	<b>150,194</b>
Net Surplus per Prospective Statement of Comprehensive Income	(3,455)	(2,079)	(4,665)	4,384	870	3,541	6,037	8,467	29,741	29,805	12,632
Add depreciation expense	34,824	38,181	39,301	41,119	43,209	43,911	44,307	44,702	45,222	45,978	47,491
Less capital contributions	(11,348)	(11,336)	(5,624)	(10,117)	(6,343)	(7,104)	(7,143)	(6,592)	(26,480)	(25,397)	(7,194)
<b>Funding Impact Statement Surplus (Deficit) of Operating Funding (A-B)</b>	<b>20,021</b>	<b>24,766</b>	<b>29,012</b>	<b>35,386</b>	<b>37,736</b>	<b>40,348</b>	<b>43,201</b>	<b>46,577</b>	<b>48,483</b>	<b>50,386</b>	<b>52,929</b>
<b>Surplus (deficit) of Operating Funding (A-B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total capital source of funding											
Add capital contributions	11,348	11,336	5,624	10,117	6,343	7,104	7,143	6,592	26,480	25,397	7,194
Add depreciation	34,824	38,181	39,301	41,119	43,209	43,911	44,307	44,702	45,222	45,978	47,491
Asset sales	9,600	1,250	510	-	-	-	-	2,279	2,333	-	-
UHCC subsidy	540	2,187	958	5,572	6,676	852	887	2,616	2,868	774	1,946
Loan funding	31,931	31	(4,168)	(5,839)	(7,420)	(7,205)	(11,926)	(14,643)	(28,054)	(29,221)	(15,271)
<b>Total Sources of Capital Funding (C)</b>	<b>88,243</b>	<b>52,985</b>	<b>42,225</b>	<b>50,969</b>	<b>48,808</b>	<b>44,662</b>	<b>40,411</b>	<b>41,546</b>	<b>48,849</b>	<b>42,928</b>	<b>41,360</b>
<b>Total Application of Capital Funding (D)</b>	<b>88,243</b>	<b>52,985</b>	<b>42,225</b>	<b>50,969</b>	<b>48,808</b>	<b>44,662</b>	<b>40,411</b>	<b>41,546</b>	<b>48,849</b>	<b>42,928</b>	<b>41,360</b>
<b>Difference of Capital Funding (C-D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# FEES AND CHARGES FOR 2018/2019

The following is a consolidated list of Hutt City Council's fees and charges. All fees and charges include Goods and Services Tax (GST).

## ANIMAL SERVICES

	2018/2019
<b>Dog</b>	
Entire Dog	\$135.00
Neutered	\$100.00
All dogs not registered by 3 August	\$185.00
Classified "Dangerous"	\$150.00
Classified "Dangerous" and not registered by 3 August	\$225.00
Responsible Dog Owner (RDO) status	\$75.00
Disability assist dogs	\$0.00
Replacement registration tags	\$5.00
Euthanasia at owner's request	\$35.00
Dog disposal/surrender fee (plus sustenance fee below if required)	\$35.00
Licence fee for keeping more than two dogs	\$65.00
After hours collection fee	\$40.00
Requested Dog pick-up/delivery	\$65.00
RDO property inspection	\$65.00
<b>Infringement fees set in the Dog Control Act 1996 apply</b>	
Micro-chipping fee	\$35.00
Boarding fee per day	\$25.00
<b>Impounding and Sustenance Fees (Registered Dogs)</b>	
First impounding during year of registration	\$100.00
Second impounding during year of registration	\$160.00
Sustenance fee per dog per day	\$25.00
Seizure fee	\$80.00
<b>Impounding and Sustenance Fees (Unregistered Dogs)</b>	
First impounding during year of registration	\$120.00
Second impounding during year of registration	\$200.00
Sustenance fee per dog per day	\$25.00
Seizure fee	\$120.00

## ARCHIVES

	2018/2019
There is no charge for inspecting items at the public reading room	
<b>Search Fees</b> for information on a topic, individual or property where Archive staff can identify the records by searching the finding aids	
First hour of research	Free of charge
Fee per additional half-hour or part thereof	\$38.00
<b>Research Fees</b> for information on a topic, individual or property where Archive staff need to retrieve and research the records for any relevant information	
Fee per half-hour or part thereof	\$38.00
<b>Photocopy and Scanning Fees for A4 and A3</b>	
Please note the following: Researchers can use their own camera. There is a separate charge for postage and for DVD-RW discs. Copying is subject to the physical condition, type of the item and in some cases copyright legislation.	
Photocopying and Scanning A4, up to 20 pages	Free of charge
Photocopying A4 - after the first 20 pages	\$0.20 per page*
Scanning A4 - after the first 20 pages	\$0.10 per page*
Photocopying A3 - Black and White, and Colour	\$2.00 per page*
Scanning A3 - Black and White, and Colour	\$1.00 per page*
For Scanning and photocopying items larger than A3 staff will inform you of the cost.	

\*Fees to recover the cost of staff time may apply at \$38 per half hour.

## BOAT SHEDS

	2018/2019
Boat shed	Independent valuation on a square metre basis

## CEMETERIES

	2018/2019
<b>Plot Purchase and Maintenance In-perpetuity</b>	
Child (1 to 12 years)	\$685.00
Infant (under 1 year)	\$150.00
Ashes	\$615.00
Ashes garden, Taita and Wainuiomata	\$995.00
Memorial tree plots, Block 18	\$1,000.00
Ponga trail, Block 19	\$800.00
Ponga trail, Block 19	\$760.00
<b>Interment Fees</b>	
Adult	\$835.00
Child (1 to 12 years)	\$540.00
Infant (under 1 year)	\$150.00
Ashes	\$110.00
<b>RSA Section</b>	
Burial plot purchase	Free of charge
Burial interment fee	\$835.00
Ashes plot purchase	Free of charge
Ashes interment fee	\$110.00
Ashes interment (memorial wall)	110.00
<b>Disinterments</b>	
Burial (body) <sup>1</sup>	\$2,100.00
Ashes <sup>1</sup>	\$210.00
<b>Re-interments</b>	
To be charged as for interment fees	
<b>Special Fees and Charges</b>	
Outside district fees <sup>2</sup>	\$1,115.00
Outside district fee - children under 12 <sup>2</sup>	\$980.00
Outside district fee - RSA <sup>2</sup>	\$1,115.00
Outside district fee - ashes <sup>2</sup>	\$800.00
Casket larger than standard	\$250.00
Extra depth (90 centimetres)	\$200.00
Weekend interment - casket	\$430.00
Weekend interment - ashes	\$210.00

2018/2019	
<b>Special Fees and Charges</b>	
Plaque/Memorial fees	\$80.00
Plot cancellation fee	\$55.00
Transfer of exclusive right	\$55.00
Breaking of concrete	Actual Cost
Search fee: per entry (up to 30 minutes)	\$25.00

- 1 These figures are indicative only and the actual cost may differ depending on the nature of the disinterment.
- 2 Applies to all plot purchases where deceased has lived outside the city for the last five or more years.

Reimbursement for unused plots is calculated at the rates originally paid for the plots.

## ENCROACHMENT ON HUTT CITY COUNCIL LAND

2018/2019	
Application fee (new applications)	\$300.00
Application fee (alterations to existing use)	\$300.00
Changes to existing licences	\$100.00
Gardens <sup>1</sup>	\$780.00pa
Garage (per car park) <sup>1</sup>	\$271.00pa
Drainage reserve <sup>1</sup>	\$914.00pa
Pavement <sup>1</sup>	\$288.00pa
Commercial	Assessed by Council at a market rate

- 1 These are average fees and are based on the percentage of market rent. Actual charges may differ depending on the nature of the encroachment and the resulting market rent. Other encroachment types will be assessed by Council on an individual basis.

## ENGINEERING RECORDS AND LAND INFORMATION SERVICES

PRINT SIZE	2018/2019	
	80 GSM JETBOND	95 GSM COATED
A0	\$5.00	\$8.50
A1	\$2.50	\$4.25
A2	\$1.25	\$2.15
A3	\$1.00	\$1.05
A4	\$0.50	\$0.50
GIS Specialist's time (per hour)		\$70.00

## ENVIRONMENTAL CONSENTS

### Resource Consents

All fees include GST and are payable under section 36 of the Resource Management Act (RMA) 1991.

Additional charges may apply (see below). Application fees cover the cost of processing your application only. Consultant's fees and costs of disbursements will also be additionally charged and invoiced when consent is completed.

After you start building, there may be charges to cover Council's monitoring costs; such as site visits, research, photos, communications and administration.

If your application is withdrawn or cancelled, a refund may be given based on the amount of time already spent on it.

NON-COMPLYING, DISCRETIONARY, RESTRICTED DISCRETIONARY, CONTROLLED		2018/2019
Pre-application meetings		Free of charge
Notified application - hearing required (includes up to 50 hours of processing and administration, and one hour of monitoring).		\$8,160.00
If application is required to be notified in a daily newspaper, an additional fee of \$1,000.00 is required		
Notified application - no hearing required (includes up to 30 hours of processing and administration, and one hour of monitoring)		\$4,960.00
Limited notification (includes up to 35 hours of processing and administration, and one hour of monitoring)		\$5,760.00
Non-notified resource consent (includes up to seven hours of processing and administration, and one hour of monitoring)		\$1,280.00
Non-notified resource consent - residential additions and alterations (includes up to five hours of processing and administration, and one hour of monitoring)		\$960.00
All additional processing, administration and monitoring (per hour)		\$160.00
Hearing Commissioner time to be recovered from applicants for time spent in hearings and deliberating (per hour)		Council Commissioners: Chair \$100.00 Members \$80.00 Independent Commissioners: Chair - Actual cost Member of hearing panel - Actual cost
Fast Track - non-notified consents only - issued within 10 days (conditions apply, applications will be accepted on a case-by-case basis)		Two times normal fee (payment of twice normal initial fee at receipt of application: \$320.00 per hour of additional processing time will be charged)

NON-COMPLYING, DISCRETIONARY, RESTRICTED DISCRETIONARY, CONTROLLED	2018/2019
Fast Track - non-notified consents only - issued within five days (conditions apply, applications will be accepted on a case-by-case basis)	Three times normal fee (payment of three times normal initial fee at receipt of application: \$480.00 per hour of additional processing time will be charged)
Boundary deemed permitted activities (includes up to 3 hours of processing and administration)	\$495.00
Marginal or temporary activity exemptions (includes up to 3 hours of processing and administration)	\$495.00

SUBDIVISIONS (INCLUDING UNIT TITLE, CROSS LEASE)	2018/2019
Pre-application meetings	Free of charge
Notified application – hearing required (includes up to 52 hours of processing and administration, and one hour of monitoring)	\$8,480.00
If application is required to be notified in a daily newspaper, an additional fee of \$1,000.00 is required	
Notified application – no hearing required (includes up to 37 hours of processing and administration, and one hour of monitoring)	\$6,080.00
Limited notification (includes up to 32 hours of processing and administration, and one hour of monitoring)	\$5,280.00
Subdivision consent including land use consent (includes up to 14 hours of processing and administration, and one hour of monitoring)	\$2,400.00
Subdivision consent including certificate under section 223 of the RMA (includes up to 12 hours of processing and administration, and one hour of monitoring)	\$2,080.00
All additional processing, administration and monitoring (per hour)	\$160.00
Certificate under section 224 of the RMA (includes up to four hours of processing)	\$640.00

SUBDIVISIONS (INCLUDING UNIT TITLE, CROSS LEASE)	2018/2019
Certificate under section 226 of the RMA (includes up to six hours of processing)	\$960.00
Section 241 and 243 RMA application (includes up to six hours of processing)	\$960.00
Rights of way (includes six hours of processing)	\$960.00
Rights of way sealing fee (includes up to two hours of processing)	\$320.00
Hearing Commissioner time to be recovered from applicants for time spent in hearings and deliberating (per hour)	Council Commissioners: Chair \$100.00 Members \$80.00 Independent Commissioners: Chair - Actual cost Member of hearing panel - Actual cost

OTHER FEES	2018/2019
Sec 139A Existing Use Certificate application (includes up to six hours of processing)	\$960.00
Certificate of Compliance (includes up to six hours of processing)	\$960.00
Outline Plan (includes up to six hours of processing and one monitoring inspection)	\$1,120.00
Outline Plan waiver (includes up to six hours of processing)	\$1,120.00
Section 10 waiver, section 37 waiver, section 125 extension, section 126 cancellation, sections 127 & 128 review (non-notified) RMA (includes up to six hours of processing)	\$960.00
Certificate of Use under the Sale and Supply of Alcohol Act 2012	\$320.00
Any special inspections (per hour)	\$160.00
Sealing fee (for urgent applications for registrable instruments)	\$155.00
Certificate under Overseas Investment Act 1973	\$465.00
Cost of disbursements, i.e. venue hire, photocopying, catering, postage, public notification	Actual cost
Independent consultants, advisors, specialists	Actual cost

OTHER FEES	2018/2019
All consents and certificates additional processing hours (per hour)	\$155.00
Discharge or withdrawal of registrable instruments – legal costs plus officers' time at (per hour)	\$155.00
Processing request for removal of building line (includes up to one hour of processing time)	\$155.00 (additional time will be charged at \$155.00 per hour, disbursements will be charged at actual cost)
Approval, variation or revocation of easements – legal costs plus officers' time at (per hour)	\$155.00
Bond preparation and/or release (includes two hours of processing time)	\$310.00 (additional time will be charged at \$155.00 per hour, disbursements will be charged at actual cost)

ENVIRONMENTAL SUSTAINABILITY INITIATIVES	2018/2019
Eco Design Advisor home visit (two hours)	Free of charge
Domestic solar hot water heating panels	Free of charge for up to five hours of initial processing and one monitoring inspection, after which standard charges for the category of consent will apply
Solar water heating systems	
Hot water systems, i.e. wetbacks associated with wood pellet stoves or low-emission wood burners	
Hot water heat pump systems	
Solar photo-voltaic systems	
Double glazing retrofits on buildings pre-2000	
Rainwater tanks	
Demolition of chimney	
Home Star certified assessment	\$460.00
All additional monitoring inspections (per visit)	\$150.00

## RESOURCE CONSENT TERMS AND LATE PAYMENT

### Initial and Additional Fees

Fees must be paid before applications are processed/work undertaken by Council. Further charges will be invoiced if additional time is spent processing requests and/or disbursements.

### Terms of Payment

Payment of additional fees is due by the 20th of the month following invoice processing.

Late payment will incur:

- an additional administrative fee (lesser of 10% of the overdue amount or \$300.00)
- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

### BUILDING CONSENTS

All fees include GST and if your application is withdrawn or cancelled, a refund may be given based on the amount of time already spent on it. Additional charges may apply.

Please note that the fees listed below are initial fees only. They include administration time, processing time and a specified number of inspections. They do not include any additional administration, processing or inspections, disbursements, consultant fees, Building Research Association of NZ (BRANZ) and Ministry of Business, Innovation and Employment (MBIE) levies.

The BRANZ levy is \$1.00 per \$1,000.00 for works \$20,000.00 and over, and MBIE levy is \$2.01 per \$1,000.00 for works \$20,444.00 and over. You will be notified of these additional fees after the process has been completed.

BCA Accreditation Levy: \$25 for works \$20,000.00 and over.

TOTAL BC VALUE OF WORK	2018/2019
	BC
Pre-application meetings	Free of charge
Free standing and Inbuilt fire (includes 1.5 hours processing and admin)	\$400.00 1 inspection visit
Fast Track – five days	
Minor works (minor drainage) (includes 2 hours processing and admin)	\$480.00 1 inspection visit
Standard garages (includes up to 2.25 hours processing and admin)	\$680.00 2 inspection visits
Fast Track - five days < \$5,000 (includes up to 2.75 hours processing and admin)	\$760.00 2 inspection visits
To \$10,000 (includes up to 5 hours processing and admin)	\$1,120.00 2 inspection visits
To \$19,999 (includes up to 5.5 hours processing and admin)	\$1,360.00 3 inspection visits
To \$50,000 (includes up to 7 hours processing and admin)	\$1,760.00 4 inspection visits
To \$100,000 (includes up to 8 hours processing and admin)	\$2,080.00 5 inspection visits
To \$200,000 (includes up to 10 hours processing and admin)	\$2,560.00 6 inspection visits
To \$300,000 (includes up to 11 hours processing and admin)	\$2,880.00 7 inspection visits
To \$500,000 (includes up to 12 hours processing and admin)	\$3,200.00 8 inspection visits
To \$1,000,000 (includes up to 14 hours processing and admin)	\$3,520.00 8 inspection visits

TOTAL BC VALUE OF WORK	2018/2019
	BC
Over \$1,000,000 (includes up to 16 hours processing and admin)	\$3,840.00 8 inspection visits
Fast Track - processed within 10 working days (conditions apply, applications will be accepted on a case-by-case basis)	Two times application fee (additional time will be charged at \$320.00 per hour)
Fast Track - processed within 5 working days (conditions apply, applications will be accepted on a case-by-case basis)	Three times application fee (additional time will be charged at \$480.00 per hour)
Building consent for demolition of chimney	Free of charge
Building consent for pool fence (includes up to one hour processing and admin)	\$320.00 1 inspection visit
Extension of time	\$80.00
Owner supplied information	\$160.00
Schedule 1 exemption - minor works (includes two hours of processing time)	\$320.00 (additional time will be charged at \$160 per hour)
Schedule 1 exemption - all others (includes four hours of processing time)	\$640.00 (additional time will be charged at \$160.00 per hour)
Notice to fix	\$160.00



OTHER FEES	2018/2019
Restricted Building Work (for works \$20,000.00 and over)	\$80.00
BCA Accreditation Levy (for works \$20,000.00 and over)	\$25.00
Code Compliance Certificate processing fee (for works \$20,000.00 and over)	\$80.00
All additional processing and admin (per hour)	\$160.00
All additional inspection visits (per visit)	\$160.00
Amendment to building consent	\$160.00 (additional time will be charged at \$160.00 per hour)
PIM (includes two hours processing)	\$320.00 (additional time will be charged at \$160.00 per hour)
<b>Approved Building Consent</b>	
Your approved consent will be sent electronically unless you state otherwise. A fee will apply if a hardcopy is requested.	
Minor Works Consent (hardcopy)	\$40.00
Residential Consent (hardcopy)	\$80.00
Commercial Consent (hardcopy)	\$160.00 (for the first hour + \$160.00 per hour or part, thereafter)
Section 72 - building on land subject to natural hazards	Actual cost
Section 75 - building on two or more allotments	Actual cost
Vehicle crossing construction	Actual cost
Structural checking fee	Actual cost + \$160.00 inspection charge
Water connection/alteration	Actual cost to approved contractors
Sewer/stormwater connection/disconnection	Actual cost to approved contractors

OTHER FEES	2018/2019
Stormwater TV survey	Actual cost to approved contractors
List of building consents – monthly (received or granted)	Available free on our website
<b>Service connection application fees</b>	
Wastewater	\$90.00
Stormwater	\$90.00
Water	\$90.00
Certificate for public use	\$320.00 (additional time will be charged at \$160.00 per hour)
<b>Certificate of acceptance</b>	
Works under \$100,000.00	\$900 (deposit plus normal consent fees and levies for MBIE)
Works \$100,000.00 and over	\$2,600.00 (deposit plus normal consent fees and levies for MBIE)
<b>Compliance schedule (CS)/Building warrant of fitness (BWOFF)</b>	
BWOFF renewal	\$160.00
BWOFF/CS audit	\$160 per hour
Amendment to CS	\$160.00 (additional time will be charged at \$160.00 per hour)
Notice to fix	\$160.00 (additional time will be charged at \$160.00 per hour)
Commercial cable car	\$160.00
Residential cable car	Free of charge

OTHER FEES	2018/2019
<b>Earthquake Prone Buildings</b>	
Extension of time	\$160.00 (additional time will be charged at \$160.00 per hour)
Exemption	\$160.00 (additional time will be charged at \$160.00 per hour)
<b>Residential Pools</b>	
Pool audit inspection	\$130.00
Pool re-inspection (1 to 3 items)	\$70.00
Pool re-inspection (4 to 6 items)	\$100.00
Pool re-inspection (7 or more items)	\$130.00

## BUILDING CONSENT TERMS AND LATE PAYMENT

### Initial Fees and Additional Fees

Initial fees must be paid before applications are processed/work undertaken by Council. Further charges will be invoiced for disbursements and if additional time is spent processing the application.

### Terms of Payment

Payment of additional consenting, administration, disbursements and consultants fees shall be paid before application is issued. Additional inspection fees shall be paid before Code Compliance Certificate is issued.

Late payment will incur:

- an additional administrative fee (lesser of 10% of the overdue amount or \$300.00)

- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

### POOLS LATE PAYMENT

If payment is not received by the 20th of the month following the date of the invoice, the following will apply:

- an additional administrative fee (lesser of 10% of the overdue amount or \$300.00)
- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

### BUILDING WARRANT OF FITNESS TERMS AND LATE PAYMENT

Registration fees must be paid between the Building Warrant of Fitness renewal date and the 20th of the following month.

If payment is not received by the 20th of the month following the renewal date of your Building Warrant of Fitness, the following will apply:

- an additional administrative fee (lesser of 10% of the overdue amount or \$300.00)
- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

### BUILDING WARRANTS OF FITNESS INSPECTIONS TERMS AND LATE PAYMENT

#### Terms of payment

Payment to be made before the 20th of the following month.

#### Late payment

If payment is not received by the 20th of the month following, the following will apply:

- an additional administrative fee (lesser of 10% of the overdue amount or \$310)
- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

### DEVELOPMENT AND FINANCIAL CONTRIBUTIONS

Development and financial contributions are payable in relation to the subdivision and development of land. The amounts payable are described in Council's Policy on Development and Financial Contributions.

### BUILDING INFORMATION

2018/2019	
Approved Building Permit and Building Consent Information	Available free on our website
Request for Building information sent by email	Residential: \$25.00 (includes 30 minutes processing) plus \$50.00 per half-hour thereafter Commercial: \$50.00 (includes one hour processing) plus \$50.00 per half-hour thereafter
Request for Building information hardcopy	\$1.00 per A4 \$2.00 per A3
Plumbing & Drainage Plan	Available free on our website
Aerial photography	Available free on our website
A4 colour aerial photo	\$1.00
A3 colour aerial photo	\$1.00
Certificate of Title	\$20.00
Interests/document, e.g. transfer, easement, covenant, lease	\$20.00

### LAND INFORMATION MEMORANDUM (LIM)

All fees include GST and if your application is withdrawn a refund may be given based on the amount of time already spent processing the LIM. Costs of disbursements, where applicable, will also be additionally charged and invoiced when LIM is completed.

2018/2019	
Residential Property LIM	\$350.00
Commercial property LIM (deposit – includes 5.5 hours processing time)	\$550.00
Additional processing hours (per hour)	\$100.00
Fast Track - processed within five working days (conditions apply, applications will be accepted on a case-by-case basis)	\$485.00
<b>Completed LIM</b>	
Your LIM will be sent electronically unless you state otherwise. A fee will apply if a hardcopy is requested.	
Residential LIM (hardcopy)	\$50.00
Commercial LIM (hardcopy)	\$50.00 (for the first 30 minutes + \$100 per hour or part, thereafter)

### LIMS/PROPERTY INFORMATION TERMS AND LATE PAYMENT

#### Initial Fees and Additional Fees

Fees must be paid before applications are processed/work undertaken by Council. Further charges will be invoiced for disbursements and if additional time is spent processing the application.

## Terms of Payment

Payment of additional processing, administration and disbursements shall be paid before application is issued.

Late payment will incur:

- an additional administrative fee (10% of the overdue amount)
- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

## ENVIRONMENTAL HEALTH

Council is part way through a three year transition from the Food Hygiene Regulations 1974 to the Food Act 2014. Year 1 of the transition ran from March 2016 to March 2017, with Year 2 from March 2017 to March 2018 and Year 3 from March 2018 to March 2019. The transition timetable for various categories of business is outlined in the Food Regulations 2015. Until the three year transition has been completed, tables of fees and charges under both pieces of legislation remain of relevance.

FOOD ACT 2014 REGISTRATION	2018/2019 FEE
Application for registration of Food Control Plan (FCP) based on a template or model issued by MPI	\$320.00 (includes two hours of processing of application) \$160.00 per hour for every extra hour of registration activities
Application for registration of a business subject to a plan or model for National Programmes	\$160.00 (includes one hour of processing of application) \$160.00 per hour for every extra hour of registration activities

FOOD ACT 2014 REGISTRATION	2018/2019 FEE
Application for renewal of registration	\$160.00 (includes one hour of processing of application) \$160.00 per hour for every extra hour of registration activities
Application for amendment to registration	\$160.00 (includes one hour of processing of application) \$160.00 per hour for every extra hour of processing the application
Significant amendment to Food Control Plan	\$160.00 (includes one hour of processing of application) \$160.00 per hour for every extra hour of processing the application

Note: Food premises operating under approved Food Control Plans will continue to be charged according to the listed risk category.

FOOD ACT 2014 VERIFICATION	2018/2019 FEE
Verification of a Food Control Plan (FCP) based on a template or model issued by MPI	\$560.00 (includes three and a half hours of verification activity) \$160.00 per hour for every extra hour of verification activities
Verification of a plan or model for National Programme Three (NP3)	\$400.00 (includes two and a half hours of verification activity) \$160.00 per hour for every extra hour of verification activities
Verification of a plan or model for National Programme Two or One (NP2 or NP1)	\$320.00 (includes two hours of verification activities) \$160.00 per hour for every extra hour of verification activities

FOOD ACT 2014 COMPLIANCE	2018/2019 FEE
Issue of improvement notice	\$160.00 per notice (includes one hour of improvement notice activity) \$160.00 per hour for every extra hour of improvement notice activities
Application for review of issue of improvement notice	\$160.00 per application (includes one hour of review activity) \$160.00 per hour for every extra hour of review activities
All other services for which a fee may be set under the Food Act	\$160.00 per hour

OTHER LICENSES	2018/2019 FEE
Travelling shops – no food	\$160.00
Hairdressers	\$230.00
Camping grounds	\$300.00
Hawkers	\$160.00
Permanent amusement devices	\$160.00
Mortuaries	\$230.00
Offensive trades	\$230.00

ADDITIONAL CHARGES		2018/2019
		FEE
FCP template and record blanks (photocopy and bound)		\$25.00
Replacement diary (photocopy and bound)		\$45.00
FCP guidance		\$25.00
NP guidance and record blanks (photocopy and bound)		\$25.00
Thermometer		\$30.00
Additional inspections of registered premises or follow-up visits for non-compliance with Food Control Plan (corrective actions)		\$160.00 per hour
Complaints Investigations		\$160.00 per hour
Change of ownership (non-food premises)		\$160.00
General administration fee		\$160.00 per hour

NOISE CONTROL		2018/2019
Seizure fine (stereo equipment)		\$170.00 and \$1.00 per day after the 1st month of storage
		\$300.00 for any subsequent seizures from a property or equipment within a six month period and \$1.00 per day after the 1st month of storage
Security alarms – daytime attendances		Time cost charge
Security alarms – after hours attendances		Time cost charge
Consultancy and survey fee		\$160.00 per hour

## GAMBLING VENUE AND BOARD VENUE

NOISE CONTROL		2018/2019
Class 4 Gambling Venue and Board Venue applications (covers two hours' work)		\$320.00 (includes two hours of processing time)
		\$160.00 per hour for every extra hour of processing the application

## ENVIRONMENTAL HEALTH TERMS AND LATE PAYMENT

### Initial Fees and Additional Fees

Initial fees must be paid before applications are processed/work undertaken by Council. Further charges will be invoiced for disbursements and if additional time is spent processing the application.

### Terms of Payment

Payment of additional fees for work shall be paid by due date.

Late payment will incur:

- an additional administrative fee (lesser of 10% of the overdue amount or \$300.00)
- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

## ENVIRONMENTAL POLICY

		2018/2019
<b>Requests for Change to District Plan (deposit)</b>		\$5,111.00
All actual costs related to the proposed plan change, including Council officers' time, will be borne by the applicant as follows:		
• All work undertaken by Council officers in connection with the request for the change shall be charged against the deposit at:		\$150.00 per hour
• All work undertaken by independent consultants, advisors and/or specialists in connection with the request for the change shall be charged at the actual costs plus disbursements against the deposit.		
• Any hearing shall be charged against the deposit at:		\$1,022.00 per day or part day
• Hearing Commissioner time shall be recovered for time spent in hearings and deliberating (per hour)		Council Commissioners: Chair: \$100.00 Members: \$80.00 Independent Commissioners: Chair: Actual cost Member of hearing panel: Actual cost
• If the proposed change is notified publicly, advertising charges will be actual costs payable by the applicant.		
• All information requested by Council shall be supplied at the applicant's cost.		
<b>Notice of Requirement and Alterations to Notices of Requirement (deposit)</b>		\$5,111.00
All actual costs related to the requirement, including Council officers' time, will be borne by the Requiring Authority as follows:		
• All work undertaken by Council officers in connection with the requirement shall be charged against the deposit at:		\$150.00 per hour
• All work undertaken by independent consultants, advisors and/or specialists in connection with the requirement shall be charged at the actual costs plus disbursements against the deposit.		

2018/2019	
• Any hearing shall be charged against the deposit at:	\$1,022.00 per day or part day
• Hearing Commissioner time shall be recovered for time spent in hearings and deliberating (per hour)	Council Commissioners: Chair: \$100.00 Members: \$80.00 Independent Commissioners: Chair: Actual cost Member of hearing panel: Actual cost
• If the requirement is notified publicly, advertising charges will be actual costs payable by the Requiring Authority.	
• All information requested by Council shall be supplied at the Requiring Authority's cost.	
Operative District Plan	
Electronic Copy	The official, legal version of the District Plan is available online for viewing or printing free of charge
Complete, hard copy printout in folders, provided by Council	\$500.00
Text volume in folder	\$250.00
A3 Map volume in folder	\$250.00

## LANDFILLS (ALL CHARGES INCLUDE GOVERNMENT WASTE AND EMISSIONS LEVIES)

2018/2019	
<b>Domestic Vehicles (cash only)</b>	
Cars and station wagons	\$15.00
Vans, utilities, SUV (four-wheel drives), small trailers (Maximum refuse dimensions: 2.5 metres long, one metre high, 1.5 metres wide)	\$32.00
Note: Combinations of vehicles (vans, utilities, small trucks) and trailers will cost the sum of their respective charges	
<b>All Other Vehicles (per tonne)</b>	\$123.00
Minimum charge	\$61.50
<b>Special Wastes</b>	\$165.00
Minimum charge	\$82.50
<b>Potentially Hazardous Wastes</b>	
By negotiation - refer to the 'Hutt City Landfill – Waste Disposal Guide'	
<b>Car Bodies (per tonne)</b>	\$120.00
<b>Tyres</b>	
Disposal of more than four tyres (per tonne) regardless of vehicle type	\$320.00
Minimum charge	\$160.00
<b>Polystyrene (per tonne)</b>	\$320.00
Minimum charge	\$160.00
<b>Refuse Bags Including Government Levy</b>	
Plastic bags – packet of 5	\$12.50
Plastic bags – packet of 10	\$25.00
Plastic bags – packet of 50	\$125.00

## LIBRARIES

2018/2019	
Interloans (non-urgent) per request	\$15.00
Interloans (urgent)	At cost
Lost/damaged items	Cost of the item at time of purchase by Hutt City Libraries
Rental collections	Vary according to format
Overdue charges	\$0.50 per day to a maximum of \$10.00 per item
Borrower's card replacement (per card)	\$5.00
Internet access and computer use	\$1.00 per half-hour

## LITTERING INFRINGEMENT FEES

2018/2019	
Minor littering	Infringement fee \$100.00

Minor littering is defined as depositing in or on a public place or in or on private land without the consent of the occupier: cigarette butts; wrappers/paper; chewing gum; small food waste; take-away food/drink containers; fish & chip papers; plastic drink bottle(s); and aluminium can(s).

Note: For cigarette butt littering, this is a two-step enforcement process.

First step: Educate/warning – offender advised this is not acceptable.

Second step: If a person is found depositing cigarette butt litter having already been warned, an infringement fee of \$100.00 will be issued.

2018/2019	
Medium littering	Infringement fee \$200.00

Medium littering is defined as depositing in or on a public place or in or on private land without the consent of the occupier: single used disposable nappy or nappies; small dumping (eg shopping bags) – domestic/commercial waste in, or by, public litter bins; small dumping in or by commercial waste bins/clothing bins/recycling stations; persistent use of unofficial (non-Council) refuse bags; and small insecure load from truck or trailer.

Note: Small dumping is defined as up to four shopping bags or two refuse bags or single items. Small insecure load is defined as paper, a single item, grass clippings and dust that has come off a truck or trailer.

2018/2019	
Major littering	Infringement fee \$400.00

Major littering is defined as depositing in or on a public place or in or on private land without the consent of the occupier: household waste; commercial waste; green waste; car parts; and any other litter as defined in the Litter Act 1979 not defined as minor or medium littering above.

Note: The Litter Act 1979 defines the depositing of glass or glass bottles (or broken glass or bottles) as a dangerous form of litter and thus it is considered by Council as a major littering offence. The decision whether to issue an infringement notice for major littering or to refer the matter to the District Court will be determined on a case-by-case basis, based on the severity and malicious intent of the alleged offence.

## OFFICIAL INFORMATION

2018/2019	
The following charges shall apply for requests made 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, 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 the basis of charging (except for the issue of a LIM under section 44A of the Act) is as follows:	
<ul style="list-style-type: none"> <li>charge per additional half-hour or part thereof including search, retrieval, provision of information and supervision</li> </ul>	\$38.00
c) Photocopying on standard A4 where the total number of pages exceeds 20 (the first 20 pages will be free).	\$0.20 per page
d) All other charges incurred shall be fixed at an amount that recovers the actual costs involved. This will include:	
<ul style="list-style-type: none"> <li>producing a document by computer or other like equipment</li> <li>reproducing a photograph, film, video or audio recording</li> <li>arranging for the applicant to hear or view an audio or visual recording</li> </ul>	

2018/2019	
<ul style="list-style-type: none"> <li>providing a copy of any map, plan or other document larger than A4, retrieval of information off-site, or any situation in which a direct charge is incurred by Council in providing the information</li> <li>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.</li> </ul>	
e) A charge may be modified or waived at the discretion of a General Manager 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:	
<ul style="list-style-type: none"> <li>information that is not where it ought to be</li> <li>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).</li> </ul>	
g) Charges shall be paid in advance of receipt of information.	

## PARKING

Council operates Pay & Display metered parking in the CBD of Lower Hutt. It is also possible to pay for parking using the parking payment app, PayMyPark; cars that have paid using PayMyPark do not display a ticket from the meter (the warden checks whether there is a current payment against the vehicle's registration), however, the parking charges and rules remain the same.

The metered area is generally from Market Grove at the southern end of the CBD to Downer Street at the northern end, bounded by Cornwall Street and the Riverbank car park.

Meter charges are structured into three tariff tiers HC2 to HC4.

A small number of P15, P30 and P60 spaces are provided, free of charge, throughout the metered area for additional public convenience.

Mobility car parks are provided throughout the CBD, at the prevailing metered tariff.

Saturday parking is free from fees within the CBD. Time restrictions (P120) apply on Saturday to the Green HC2 parking zone.

Sunday parking – no fee or time restrictions apply on Sunday.

## Hours of Meter Operation

Pay and Display parking meters operate for the following hours: 9am to 5pm Monday to Friday.

## TARIFF STRUCTURE

2018/2019	
Shoppers (Green HC2) Zone	\$1.50 per hour Two-hour maximum parking duration Monday to Friday 9am to 5pm Saturday P120 (no charge) Sunday and public holidays unrestricted
Commuter (Yellow HC3) Zone	\$1.00 per hour \$6.00 maximum daily charge No daily maximum parking duration Monday to Friday 9am to 5pm Saturday, Sunday and public holidays unrestricted

2018/2019	
Riverbank car park (Yellow HC4) Zone	<p>Monday to Friday 9am to 5pm \$0.70 cents per hour \$4.00 maximum daily charge</p> <p>Saturday 7am to 2pm \$2.00 per hour \$4.00 maximum daily charge</p> <p>Sunday and public holidays unrestricted</p> <p>A monthly pass is available at \$62.00 per month (reduced to \$46.00 for December and January)</p> <p>No daily maximum parking duration</p>

## OTHER CHARGES

Council Pay & Display machines support alternative payments from mobile telephone, text or credit cards/Pay Wave when the network permits. A \$0.50 per transaction fee applies.

Council supports the use of SmartPark in-car meters for on-street areas where parking fees apply.

Council allows customers to pay through the PayMyPark smart phone app. If a customer pays for parking without an account (on a 'casual' basis) a \$0.50 per transaction fee applies. If a customer creates and tops up a PayMyPark account, transaction fees apply only for the top-up transaction.

Reserved spaces - \$15.00 per day for short-term applications are available from Parking Enforcement.

Construction and Temporary Traffic Management exemptions are site specific. Charges are assessed on a case-by-case basis.

## Parking Zones

Council has adopted the following zone structure. Small changes may be required from time to time as the CBD continues to develop.

### *Green Shopper HC2 Zone*

High Street – Laings Road to Waterloo Road portion

Queens Drive – Laings Road to Waterloo Road portion

Laings Road – High Street to Queens Drive portion

Bunny Street

Margaret Street

Waterloo Road - Queens Drive to High Street portion

Stevens Grove parallel parks

Knights Road – Bunny Street to Laings Road portion

Queens Drive – Laings Road to Fraser Street portion

Fraser Street

High Street – Fraser Street to Laings Road portion

Ward Street

Market Grove north side

Knights Road south side – Bloomfield Terrace to Myrtle Street

Myrtle Street east side angle parking – Knights Road to Laings Road portion

Andrews Avenue

Dudley Street

Daly Street – Margaret Street to Andrews Avenue

Rutherford Street, south end

High Street – Waterloo Road to Downer Street

Cornwall Street – Pretoria Street to Kings Crescent

Cornwall Street west side – Waterloo Road to Kings Crescent

Pretoria Street, west end within CBD

Raroa Road – east of Cornwall Street

Kings Crescent – Cornwall Street to Queens Drive

Osborne Place

Queens Drive – Kings Crescent to Waterloo Road

Waterloo Road – Bloomfield Terrace to Queens Drive

Bloomfield Terrace – Kings Crescent to Knights Road

Dowse car park

Laings Road – Queens Drive to Myrtle Street

### *Yellow Commuter HC3 Zone*

Fountain car park (Laings Road)

Myrtle Street west side – Laings Road to Knights Road

Stevens Grove angle parking portion

Rutherford Street, south of Queens Drive

Raroa Road – High Street to Cornwall Street

Cornwall Street east side – Kings Crescent to Waterloo Road

Cornwall Street – Waterloo Road to Knights Road

Knights Road – Cornwall Street to Bloomfield Terrace

Knights Road north side – Myrtle Street to Bloomfield Terrace

Market Grove south side

### Yellow Riverbank HC4 Zone

Riverbank car park

Myrtle Street – west side only, Laings Road to Huia Street

### RESIDENTS' PARKING SCHEMES

Council has one Residents' Parking Scheme in operation in High Street, Petone.

### INFRINGEMENTS FOR METERED PARKING

	2018/2019
Failure to display a valid Pay & Display ticket	\$40.00
Overstaying, where the excess time is:	
Less than 30 minutes	\$12.00
More than 30 minutes	\$15.00
More than one hour	\$21.00
More than two hours	\$30.00
More than four hours	\$42.00
More than six hours	\$57.00
Parking on a Mobility car park, without displaying a valid Mobility Pass card	\$150.00

### RECYCLING

	2018/2019
Replacement recycling containers	\$15.00
Enviro-flexinets	\$13.00

### ROADING

#### Subdivision Inspection and Approval Charges

	2018/2019
Boundary adjustment	\$150.00
Additional lots/unit titles - 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. This is the minimum fee irrespective of whether any construction work is necessary.	\$150.00

MOTOR CROSSING CHARGES	2018/2019	
	STANDARD FEE	ADMIN/INSPECTION
Concrete dished crossing per square metre	\$160.00	\$160.00
Extensions to existing concrete crossings per square metre	\$160.00	\$160.00
Installation of concrete dished crossing in conjunction with road reconstruction work per square metre	\$70.00	\$160.00
Concrete block crossing/pipe crossing/'slot' type crossing per square metre	\$160.00	\$160.00
Deposit for privately installed crossing (\$200.00 refunded upon satisfactory completion of crossing)	\$360.00	
Deposit for installation of a Heavy Duty or Extra Heavy Duty vehicle crossing (\$500.00 refunded upon satisfactory completion of crossing)	\$660.00	

### CORRIDOR ACCESS REQUEST FEES

	2018/2019
Corridor Access Request – Minor Work (per CAR request)	\$60.00
Corridor Access Request – Major Work (per CAR request)	\$120.00
Corridor Access Request – Project Work (per CAR request)	\$900.00
Fee for texturizing seal coat of a trench in carriageway	\$6.00/m <sup>2</sup>
Re-inspection Fee	\$160.00 per inspection

### SIGNBOARDS

There are four signboards located in Lower Hutt, each side of a signboard is hired out by the week.

	2018/2019	
	HIRE PER WEEK	PRODUCTION PER BOOKING
Hirage of all 4 signboards		
Side A	\$500.00	\$600.00
Side B	\$500.00	\$600.00
Hirage of Cambridge Terrace, Naenae		
Side A	\$80.00	\$150.00
Side B	\$80.00	\$150.00
Hirage of Ewen Bridge, Lower Hutt		
Side A	\$160.00	\$150.00
Side B	\$160.00	\$150.00
Hirage of Kennedy Good Bridge, Avalon		
Side A	\$130.00	\$150.00
Side B	\$130.00	\$150.00
Hirage of Waione Street Bridge, Seaview		
Side A	\$130.00	\$150.00
Side B	\$130.00	\$150.00



## SPORTSFIELDS AND PARKS

### Season Charges

Set to recover the percentage of operating cost identified below plus the full operating cost of ancillary services:

RECOVERY RATES PERCENTAGE	2018/2019				
	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	2018/2019
Events and commercial operators	By quotation
Picnic bookings (30 or more people)	\$50.00
Filming per hour	\$400.00 per day
Marquees for picnics/promotions	\$100.00
- small	
- up to 50m2	\$200.00
- up to 100m2	\$400.00
- larger	\$600.00
Weddings	\$100.00
Hire of rooms, social facilities, training fields etc.	By quotation
No. 1 field at Hutt Recreation Ground	\$650.00

Note: Bookings for the season will take priority over casual bookings. A bond may be payable in certain circumstances.

## SWIMMING POOLS

	2018/2019
<b>Casual Rates</b>	
Adult	\$5.50
Child	\$3.50
Over 65s	\$4.00
Spectator (non-supervising adult)	\$2.00
Family pass (two adults/four children)	\$18.00
<b>Concession Rates</b>	
Adult 10 swim	\$47.00
Adult 30 swim	\$115.00
Accessibility 10 swim (for people with a disability)*	\$34.00
Child 10 swim	\$30.00
Child 30 swim	\$73.00
Over 65s 10 swim	\$34.00
Over 65s 30 swim	\$84.00
<b>Pool Hire</b>	
Regular hire (25 metres per hour)	\$65.00
Casual hire (25 metres per hour)	\$120.00
Regular hire (50 metres per hour) – Naenae and Wainuiomata Pools	\$150.00
Casual hire (50 metres per hour) – Naenae and Wainuiomata Pools	\$250.00
Lane charge (25 metres per hour)	\$20.00
<b>School Groups</b>	
Group hire for lessons (per head)	\$1.20
<b>Meeting Rooms</b>	
Casual hire (per hour)	\$22.00

\*Carers or support people assisting them receive free admission.



## VENUE HIRE

### Community Halls

Rates for hall hire are set out below. Upon application, discounts are available for regular hirers.

CHARGE PER HOUR	2018/2019					
	COMMUNITY RATE				COMMERCIAL RATE	
	MAIN HALL ONLY OR ALL FACILITIES MON - FRI	MAIN HALL ONLY OR ALL FACILITIES WEEKENDS AND HOLIDAYS	MEETING ROOM MON - FRI	MEETING ROOM WEEKENDS AND HOLIDAYS	MON - FRI	WEEKENDS AND HOLIDAYS
Moera, Eastbourne, Belmont, Hardwick-Smith Lounge, Treadwell	\$18.00	\$23.00	N/A	N/A	\$28.00	\$33.00
Wainuiomata, Naenae	\$18.00	\$23.00	\$13.00	\$15.00	\$28.00	\$33.00

### Little Theatre

HOURS AND SESSIONS	2018/2019	
	MONDAY TO FRIDAY	WEEKENDS AND PUBLIC HOLIDAYS
One session (8am-1pm, 1pm-6pm or 6pm-11pm)	\$140.00	\$205.00
Two sessions in one day	\$225.00	\$306.00
Three sessions in one day	\$338.00	\$462.00
Per hour after 11 pm	\$76.00	\$107.00
Note: 25% discount for community organisations.		
Technician		\$69.00 Hourly
Minimum 3 hours. Minimum 6 hours for bookings over 3 days		

## STADIUMS

WALTER NASH STADIUM	2018/2019
One court (per hour)	\$75.00
Two courts (per hour)	\$135.00
Three courts (per hour)	\$200.00
Four courts (per hour)	\$250.00
Five courts (per hour)	\$300.00
<b>Meeting rooms</b>	
Small	\$20.00
Medium	\$35.00
Large	\$50.00
Large combined	\$100.00

Note: These are maximum charges for community use. Commercial activities incur separate charges available on enquiry.

KORAUNUI STOKES VALLEY COMMUNITY HUB – NEW FEES	2018/2019	
	COMMUNITY	COMMERCIAL
<b>Meeting rooms</b>		
Small (per hour)	\$10.00	\$15.00
Medium A (per hour)	\$20.00	\$20.00
Medium B (per hour)	\$20.00	\$20.00
Large A (per hour)	\$30.00	\$50.00
Large B (per hour)	\$30.00	\$50.00
Large combined (per hour)	\$50.00	\$100.00

Note: These are maximum charges. These charges include AV for Large combined and Medium B.

## STORMWATER

2018/2019	
Stormwater connection application fee	\$90.00
Stormwater connection fee	Actual cost to approved contractors

## WASTEWATER

2018/2019	
Wastewater connection application fee	\$90.00
Wastewater connection fee	Actual cost to approved contractors

## Trade Waste Class

	2018/2019	
	CONSENT FEES	CONSENT + \$165 IF CONDITIONAL CONSENT REQUIRED
Class 1: High Risk	\$1640.00	\$1805.00
Class 2: Moderate Risk	\$825.00	\$990.00
Class 3: Low Risk	\$460.00	\$625.00
Class 4: Minimal Risk	\$225.00	\$390.00
Class 5: Minimal Risk Low Flow	\$105.00	N/A
Application fee	\$95.00	
Re-inspection fee	\$95.00	
Late payment additional fee	\$95.00	
Transfer additional fee		

### PROPOSED HUTT VALLEY COLLECTION AND TRANSPORTATION OF WASTES BYLAW 2017

If the proposed bylaw is proceeded with then the application fee and annual licence fee is proposed to be \$105.00

## Trade Waste User Charges

2018/2019	
Flow (per cubic metre)	\$0.518 per cubic metre
Total suspended solids	\$0.998 per kilogram
COD (chemical oxygen demand)	\$0.344 per kilogram

## WATER

2018/2019	
Upper Belmont Development Levy (per lot)	\$6,686.00
Water connection fee	\$90.00
Fee for use of water by builders on unmetered industrial and commercial sites	\$75.00
<b>Charge for ordinary supply Class 2 Water</b>	
Minimum charge	Uniform Annual Charge
Domestic water meter rental	\$70.00
<b>Normal users per cubic metre</b>	
Up to 100,000 cubic metres	\$2.18
In excess of 100,000 cubic metres	\$1.56
<b>Water supplied by hydrant</b>	
Per cubic metre	\$2.18
Minimum charge	\$32.00
Back flow prevention – annual inspection charge	\$175.00



# INDEPENDENT AUDITOR'S REPORT

## TO THE READER:

### INDEPENDENT AUDITOR'S REPORT ON HUTT CITY COUNCIL'S 2018 28 LONG TERM PLAN

I am the Auditor-General's appointed auditor for Hutt City Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's long term plan (the plan). Section 259C of the Act requires a report on disclosures made under certain regulations. We have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 28 June 2018.

#### OPINION

In my opinion:

- the plan provides a reasonable basis for:
  - long term, integrated decision making and co ordination of the Council's resources; and
  - accountability of the Council to the community; and
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 186 to 189 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

#### BASIS OF OPINION

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

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the information in the plan is based on materially complete and reliable information;

- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

## RESPONSIBILITIES OF THE COUNCIL AND AUDITOR

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

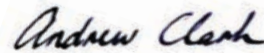
I am responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

## INDEPENDENCE

In carrying out our work, we complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 (Revised); and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended).

Other than our work in carrying out all legally required external audits, and an assurance review of the Council's Debenture Trust Deed which is compatible with those requirements, we have no relationship or interest in the Council or its subsidiaries.



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

# DEFINITIONS

These definitions are intended to define terms used in this Long Term Plan in plain English. For legal definitions see the Local Government Act 2002.

## ANNUAL PLAN

A plan that describes the activities of the local authority, with a particular focus on the financial year for which the document is produced.

## APPROPRIATION/APPROPRIATED

Money that has been set aside from, or brought into, an operating or revenue account.

## ASSET

Something of value that Council owns on behalf of the people of Lower Hutt, 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.

## 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. Hutt City Council has three community boards: Eastbourne, Petone and Wainuiomata.

## COMMUNITY OUTCOME

An outcome for the community that is identified as a priority.

## COMMUNITY PANELS

Community Panels replace previous community committee structure. Role of the panels are to represent and act as an advocate for the interests of their communities. Hutt City Council has four community panels in the Central, Eastern, Northern and Western ward communities.

## COUNCIL-CONTROLLED ORGANISATIONS (CCOS)

Companies in which Council is at least 50% shareholder that independently manage facilities and deliver services and undertake developments on behalf of the Lower Hutt community. Where necessary, Council funds these organisations.

## COUNCIL-CONTROLLED TRADING ORGANISATIONS (CCTOS)

CCOs that operate a trading undertaking for the purpose of making a profit.

## 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.

## FORECAST FINANCIAL STATEMENT

This is a 10-year plan for Council's revenue and expenditure, cash flows, and borrowing programme.

## 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 Council.

## LONG TERM 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.

## MAINTENANCE COSTS

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

## N/A

Not applicable.

## 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 also include Targeted Rates.

## SUPPLIER COSTS

Expenditure for the purchase of general goods and services.

## SUPPORT COSTS

The internal allocation of expenditure incorporated in the Support Services activity.

## 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.



# CONTACT DETAILS

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30 Laings Rd, Lower Hutt

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**Facebook:** [facebook.com/HuttCityCouncil](https://www.facebook.com/HuttCityCouncil)

**Twitter:** [twitter.com/HuttCityCouncil](https://twitter.com/HuttCityCouncil)

## WAR MEMORIAL LIBRARY

**Address:** Cnr Queens Drive & Woburn Road, Lower Hutt  
**Telephone:** 04 570 6633

## EASTBOURNE COMMUNITY LIBRARY

**Address:** Rimu Street, Eastbourne  
**Telephone:** 04 562 8042

## MOERA COMMUNITY LIBRARY

**Address:** Cnr Randwick Road  
& Randwick Crescent, Moera  
**Telephone:** 04 568 4720

## NAENAE COMMUNITY LIBRARY

**Address:** Hillary Court, Naenae  
**Telephone:** 04 567 2859

## PETONE COMMUNITY LIBRARY

**Address:** Britannia Street, Petone  
**Telephone:** 04 568 6253

## STOKES VALLEY COMMUNITY LIBRARY

**Address:** Scott Court, Stokes Valley  
**Telephone:** 04 562 9050

## WALTER NASH CENTRE LIBRARY

**Address:** Taine Street, Taita  
**Telephone:** 04 567 2767

## WAINUIOMATA COMMUNITY LIBRARY

**Address:** Queen Street, Wainuiomata  
**Telephone:** 04 564 5822



## MAYOR

### Ray Wallace, JP

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## WAINUIOMATA WARD COUNCILLORS

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## CENTRAL WARD COUNCILLORS

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## HARBOUR WARD COUNCILLORS

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## WESTERN WARD COUNCILLORS

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## EASTERN WARD COUNCILLORS

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### Lisa Bridson

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**Facebook:** facebook.com/CrLisaBridson

## COMMUNITY BOARDS

	TELEPHONE	MOBILE	EMAIL
<b>EASTBOURNE COMMUNITY BOARD</b>			
Ginny Horrocks CHAIR	04 562 8381	021 230 8210	virginia.horrocks@huttcity.govt.nz
Murray Gibbons DEPUTY CHAIR	04 562 8567	021 236 1099	murray.gibbons@huttcity.govt.nz
Robert Ashe	04 817 6714	027 449 0409	robert.ashe@huttcity.govt.nz
Liz Knight	04 562 6375	021 207 2012	liz.knight@huttcity.govt.nz
Anna Sutherland	04 568 4889	022 091 4620	anna.sutherland@huttcity.govt.nz
<b>PETONE COMMUNITY BOARD</b>			
Pam Hanna CHAIR	04 972 8791	021 086 69366	pam.hanna@huttcity.govt.nz
Mike Fisher DEPUTY CHAIR	04 976 7322	021 252 1773	mike.fisher@huttcity.govt.nz
Mason Branch	04 569 1270	027 480 0365	mason.branch@huttcity.govt.nz
Brady Dyer		021 246 8888	brady.dyer@huttcity.govt.nz
Peter Foese	04 586 2945	027 920 1876	peter.foese@huttcity.govt.nz
Karen (Kaz) Yung			kaz.yung@huttcity.govt.nz facebook.com/KazForCommunity
<b>WAINUIOMATA COMMUNITY BOARD</b>			
Richard Sinnott CHAIR	04 564 1332	027 263 2538	richard.sinnott@huttcity.govt.nz
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## STRATEGIC LEADERSHIP TEAM

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Matt Reid GM City and Community Services	04 570 6761	matt.reid@huttcity.govt.nz
Lyndon Allott, Chief Information Officer	04 570 6739	lyndon.allott@huttcity.govt.nz

## COMMUNITY PANEL

	TELEPHONE
<b>CENTRAL COMMUNITY PANEL</b>	
Jo Clendon (Chair)	04 570 6666
Alex Bengree	04 570 6666
Chris Hay	04 570 6666
Prabha Ravi	04 570 6666
Matt Renata	04 570 6666
David Bassett (Deputy Mayor)	04 566 4929
Simon Edwards (Councillor)	04 565 1084
<b>EASTERN COMMUNITY PANEL</b>	
Michael Ellis (Chair)	04 570 6666
Lorraine Dick	04 570 6666
Ted Heslin	04 570 6666
Luke Qin	04 570 6666
Christine Wakefield	04 570 6666
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<b>NORTHERN COMMUNITY PANEL</b>	
Haley Small (Chair)	04 570 6666
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Matesha Kells	04 570 6666
Jay Waters	04 570 6666
Gwen McDonald (Councillor)	04 563 7212
Leigh Sutton (Councillor)	04 563 5184
<b>WESTERN COMMUNITY PANEL</b>	
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Ellen Jackman	04 570 6666
Margaret Cousins (Councillor)	04 586 2135
Chris Milne (Councillor)	04 586 3890





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