

Mahere Pae Tawhiti | 2021 – 2031
Long Term Plan



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Nau mai | Welcome

He mea whakawhanake, he mea whakaahu hoki tēnei Mahere Pae Tawhiti i raro i ngā huringa o te wā. Kua tino huri ngā whakahaerenga o hanga o te ao, o te motu anō hoki i ngā ākinga nui o te KOWHEORI-19, anei, kua tau mai, ā, e rere tonu nei i te ao. Ahakoa kāore i pērā rawa te kaha o te ngau o tēnei mate i konei, i Aotearoa, e ai ki tā ngā matapaetanga i kī mai ai, ka āhua roa tonu te pāngia mai o tātou me ā tātou anō whakahaere e ngā āhuetanga ka pupū ake i tāwāhi.

Hei āpiti atu, kua tīmata tā te Kāwanatanga whakatutuki i āna awhero nui i roto i ngā wāhi o te tukuhanga o ngā ratonga a Three Waters, te Ture Whakahaere Rawa, otirā, te arotakenga 'Future of Local Government' kātahi anō ka puta mai. Me uaua ka kore e pāngia nuitia te āhua o ngā kāwanatanga ā-kāinga me ngā ratonga ka tukuna e ngā Kaunihera hei ā raurangi rā e ēnei panonitanga.

Nō ērā āhuetanga e rērere ana i te takiwā, me te kore o tātou e kite, e matapae rānei he aha kei tua, ko ngā kaupapa matua e ārahi ana i tēnei mahere ko te whai kia tipu, kia toitū, kia pakari hoki o tātou hapori ahakoa rā te aituā ka tūponotia e tātou, aituā ā-taiao nei, aituā ā-wheori nei rānei. Ahakoa ngā tini āheinga ka puta i tā tātou aro ki te tipuranga, ka ngāngahu hoki te kitea atu me maha ake ngā whare noho, ngā hanganga ā-taone mō tēnei taupori e tipu haere nei, otirā, ngā rawa e tika ana mō tētahi taone ngangahau. Me mātua aro hoki tātou kia toitū te karawhiu, kia iti hoki te utu o ngā mahi, kia kore ai hoki e ngaro ētahi o ngā tino wāhanga o tō tātou taone e aroha nuitia ana.

Nō reira, ko ngā aronga matua o tēnei Mahere Pae Tawhiti, ko te whakangao atu i ngā pūtea ki ngā hanganga matua o te taone, ki ngā waka me te wai. I roto i te 10 tau, ka whakapaua te nuinga o ngā moni tōpū ki ēnei wāhi, tōna \$240 M. He moni hoki ka whakapaua hei whakahou i ētahi whare e tika ana mō tētahi taone e tipu nei, e aro nei ki te whānau, e whakaaro nei hoki ki te āpōpō, pēnei i te whakahoutanga o H₂O Xtream, o Maidstone Community Sports Hub, me tētahi Community Hub.

This Long Term Plan has been developed and shaped under the influence of change. COVID-19, which has had a significant disruptive effect on global and national economies, has been and is still around. Although, the brunt of this pandemic here in New Zealand has not been as severe as originally predicted, our country and economy will continue to be impacted by the situation in other countries for some time to come.

Additionally, the Government has embarked on an ambitious reform agenda in the areas of the delivery of Three Waters services, the Resource Management Act and the recently announced 'Future of Local Government' review. The change that could flow from these reforms will potentially be considerable in terms of the responsibilities of local government and the services that Councils will be delivering in the future.

While all of that is going on with indirect and somewhat unclear impacts, the more direct drivers for our planning are growth, sustainability, and building resilience in our communities to natural or pandemic type disasters. While growth will bring opportunities, it also brings into sharp focus the need for sufficient housing, infrastructure to meet the growing population and facilities expected of a vibrant city. These have to be catered for in a sustainable and affordable manner and without compromising some of the key aspects of our city that we hold dear.

Our priorities therefore, for this Long Term Plan, are investment in our core infrastructure of transport and waters. This is where the majority of our capital expenditure is aimed, of nearly \$240 M over the next 10 years. We have also planned renewals and upgrades to facilities that a growing, family focussed, future thinking city needs like redevelopment of H₂O Xtream, Maidstone Community Sports Hub, and a Community Hub.

Ko te whāinga kia whakaūngia ētahi kaupapa toitū rerekē, nō reira, ka whakapaua te \$20 M i roto i te 10 tau ki te whakatū hanganga mō te hīkoi me te eke paihikara. Ka whai tonu mātou ki te whakawhanake i ngā putanga ohaoha me te whakapai ake i te pokapū o te taone, ā, ka whakahaeretia tonutia ngā kaupapa me ngā ratonga e whai hua ana, e whai tikanga ana ki ngā hiahia ā-oranga hapori, ā-oranga ahurea hoki o ngā kainoho—pēnei i ō tātou kaitiaki whare pukapuka, ngā akoranga korikori, tākaro anō hoki, te mahi tahi ki ngā rōpū o te hapori, hei whakahua noa i ētahi.

I tohaina e mātou ā mātou whakaritenga me ā mātou tono ki a koutou, me te aha, tōna 1,000 ngā whakahokinga kōrero, whakaaro hoki mai i a koutou katoa. Nā konei a mihi e rere atu nei ki a koutou. He mea nui ā koutou kōrero i roto i te whakaahu, te whakaū hoki i ngā whakaritenga mō āpōpō. Ka tau ō mātou mauri ki ā mātou i whakatau ai i te mōhio e whakahoki kōrero mai ana tētahi wāhanga nui o ngā tāngata e noho ana i konei.

Ko ngā wāhanga matua i kōrerohia mai e koutou i ā koutou whakahokinga e aro atu ana ki ngā whakaritenga me te tukunga o ngā hanganga ā-taone, te noho toitū me te noho mataara, te tiaki taiao me te pokapū o tō tātou taone. Nā konā i mōhio ai e tika ana ngā whāinga matua e arohia ana mō te 10 tau e tū mai nei.

Kua whakarite anō mātou i tētahi mahere e aro atu ana ki ngā manako o nāiane, o āpōpō hoki o tō tātou taone, engari i runga i te āta whakaaro ki ngā pūtea e whakapaua ana. Kua piki ake te utu taurite o ngā rēti mō te 10 tau e tū mai nei ki te 4.8% i ia tau. Ahakoa he nui ake tēnei i ngā Mahere Pae Tawhiti o mua, he mea nui te arotau, te āta penapena hoki i ō tātou pūtea, kia kore ai ngā reanga o āpōpō e mate ki te utu pire, te whakanui utu hoki.

E hihiko ana i ngā kaupapa kei mua i te aroaro o tō tātou taone, ā, e hiamō ana mātou ki te kōkiri i ngā mahi mā te Kaunihera, me kore e noho hei wāhi papai mō ngā whānau, hei wāhi noho, wāhi mahi, wāhi tākaro hoki.



Wayne Guppy
KOROMATUA | MAYOR




Peter Kelly
TE TUMU WHAKARAE | CHIEF EXECUTIVE



We plan to implement various sustainability initiatives including spending about \$20 M on walking and cycling infrastructure over the next 10 years. Economic development of our city and enhancing the vibrancy of our city centre will continue to be our focus and we will continue with initiatives and services that are key contributors to the social and cultural wellbeing of our residents—like our libraries, active and play programmes, working with community groups, to name a few.

We shared our plans and proposals with you and received a record number of nearly 1,000 submissions with your thoughts and feedback. For this we want to extend our sincere thanks. Your feedback is valuable in shaping and confirming our plans for the future. It helps us in our decision making when we know that we are hearing from a larger proportion of our residents.

The key areas of feedback through your submissions was about focussing on infrastructure planning and delivery, sustainability and resilience, environmental protection, and our city centre. It confirmed to us that we are on the right track with the priority areas we have decided for delivery over the next 10 years.

As always, we have worked on delivering a plan that is focused on meeting both the current and future needs of our city, but in a financially prudent manner. Our average rates increase over 10 years is 4.8% per annum. While this is higher than our past Long Term Plans, it is important that we steadily and optimally invest so that our future generations are not faced with backlogs and large increases.

We have exciting times ahead as a city and we look forward to continuing to deliver, as a Council, on our vision of being a great place for families to live, work, and play.

Stepping through this document

SECTION A
Whakarāpopototanga
Overview



This section provides an overview of this Long Term Plan—the overarching outcomes drivers and feedback that have informed the development of this plan.

SECTION B
Ngā manahau whakatōpū
Groups of activities



This section provides detail of the activities and services provided by Council—the key deliverables, how we measure performance, and the costs and funding required for our activities.

SECTION C
Ngā rautaki me ngā ahumoni
Strategies and financials



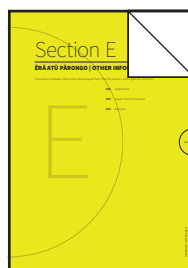
This section details how Council proposes to manage the funding it receives and spends on its operations throughout the Long Term Plan period. It also outlines how Council will perform against legislated benchmarks.

SECTION D
Ngā whakapae me ngā kaupapa here
Assumptions and policies



This section includes policies that have guided our planning and decision-making as we developed this Long Term Plan.

SECTION E
Ērā atū pārongo
Other information



This section includes information about Upper Hutt, the City Council and a glossary of terms.

Independent auditor's report

To the reader: Independent auditor's report on Upper Hutt City Council's 2021-31 long-term plan

I am the Auditor-General's appointed auditor for Upper Hutt City Council (the Council). The Local Government Act 2002 (the Act) requires the Council's long-term plan (plan) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's plan. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 29 June 2021.

Opinion

In our 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;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 104 to 110 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.

EMPHASIS OF MATTERS

Without modifying our opinion, we draw attention to the following disclosures.

Uncertainty over three waters reforms

Pages 14, 229 and 230 outline the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because no decisions have been made. The plan was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the plan has been based.

Uncertainty over the three waters asset renewals forecasts

Pages 128 and 155 outline that the Council continues to improve its asset condition information. The Council primarily uses aged based information to forecast its three waters asset renewals, which means there is a higher degree of uncertainty about how the Council prioritises its investment needs.

Uncertainty over the delivery of the capital programme

Page 237 outlines that the Council is proposing to spend \$359 million on capital projects over the next 10 years. Although the Council is taking steps to deliver its planned capital programme, there is uncertainty over the delivery of the programme due to a number of factors, including the significant constraints in the construction market. If the Council is unable to deliver on a planned project, it could affect intended levels of service.

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:

- ① the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- ① the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- ① the Council's forecasts to replace existing assets are consistent with its approach to replace its assets, and reasonably take into account the Council's knowledge of the assets' condition and performance;
- ① the information in the plan is based on materially complete and reliable information;
- ① the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- ① 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;
- ① 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.

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We are 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 and quality control

We have complied with the Auditor-General’s:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council.



Andrew Clark

Audit New Zealand

On behalf of the Auditor-General

Wellington, New Zealand