



Te Kaunihera o
Te Awa Kairangi ki Uta
Upper Hutt City Council

Council | Kaunihera

Agenda

Monday 30 June 2025, 3.00 pm

Council Chambers, Civic Building, 838 - 842 Fergusson Drive, Upper Hutt

Chair: His Worship the Mayor W N Guppy

Deputy Chair: Deputy Mayor H Swales

Members: Councillor D M Bentley

Councillor M G Carey

Councillor C B G Carson

Councillor J B Griffiths

Councillor A W Hammond

Councillor E Holderness

Councillor H Newell

Councillor T M Ultra

Councillor D Wheeler

Have your say

Members of the public can speak to any issue, idea or matter that falls within the meeting's [terms of reference](#). If you do wish to speak, it is preferable to let us know by midday of the day before the meeting. This can be done by emailing askus@uhcc.govt.nz, calling 04 527 2169, or registering on our [website](#). All Council and principal standing committee meetings are live-streamed through our [YouTube channel](#).

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- Civic Building, 838 - 842 Fergusson Drive, Upper Hutt
- Upper Hutt Central Library, 844 Fergusson Drive, Upper Hutt
- Pinehaven Library, Corner Jocelyn Crescent and Pinehaven Road, Upper Hutt

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Terms of Reference | Ngā Tohutoro

These Terms of Reference set out the principle areas for which Council maintains overall responsibility. They also set out the delegations of Council functions, duties and powers to Council committees, panels and groups. The delegations in these Terms of Reference are expressed in general terms. They are to be read together with the following propositions.

These Terms of Reference:

- Set out to assist elected members in undertaking their governance role,
- Do not delegate any function, duty or power which a statute (for example, clause 32 of Schedule 7 of the Local Government Act 2002) prohibits from being delegated,
- Are subject to Council's authority to elect to exercise any of the powers delegated in these Terms of Reference, and,
- Do not affect any delegation which the Council has already made or subsequently makes to a Council officer or other member of staff.

Membership:	Mayor and all Councillors Mayor Wayne Guppy (Chair), Deputy Mayor Hellen Swales (Deputy Chair), Councillor Dylan Bentley, Councillor Matt Carey, Councillor Chris Carson, Councillor Blair Griffiths, Councillor Bill Hammond, Councillor Emma Holderness, Councillor Heather Newell, Councillor Tracey Ultra and Councillor Dave Wheeler.
Meeting cycle:	Council meets on a six-weekly basis (Extraordinary Meetings can be called following a resolution of Council; or on the requisition of the Chair or one-third of the total membership of Council)
Quorum:	The quorum for a meeting of the council is: - Half of the members physically present, where the number of members (including vacancies) is even, and - A majority of the members are physically present, where the number of members (including vacancies) is odd.
Power to (being a power that is not capable of being delegated) Mana Kaunihera • Make a rate • Make bylaws • Borrow money • Purchase or dispose of assets other than in accordance with the LTP • Adopt the LTP, Annual Plan and Annual Report • Adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the LTP or developed for the purpose of the Local Governance Statement • Appoint the Chief Executive • Undertake all other actions which are by legislation not permitted to be delegated • Adopt an Employment and Remuneration Policy	
Decide on Hei Kōwhiri Policy issues • Adoption of all policy required by legislation • Adoption of policies with a city-wide or strategic focus District Plan • Make determinations relating to the District Plan, as required by Council, under the Resource Management Act 1991 Representation, electoral and governance matters • The method of voting for the triennial elections • Representation reviews • Council's Code of Conduct and Local Governance Statement • Elected Members Remuneration • The outcome of any extraordinary vacancies on Council • Any other matters for which a local authority decision is required under the Local Electoral Act 2001 Delegations and employment of the Chief Executive • The review and negotiation of the contract, performance agreement and remuneration of the Chief Executive Meetings and committees • Standing Orders for Council and its committees • Council's annual meeting schedule Operational matters • Civil Defence Emergency Management Group matters requiring Council's input • Road closing and road stopping matters • All other matters for which final authority is not delegated Appoint • The non-elected members of the Standing Committees (including extraordinary vacancies of non- elected representatives) • Council's nominee on any Trust • Council representatives on any outside organisations • The Chief Executive of Upper Hutt City Council • Council's Electoral Officer and any other appointments required by statute	

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Monday 30 June 2025

Council Chambers, Civic Building, 838 - 842 Fergusson Drive, Upper Hutt

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	Elected members must declare any interests with items on the agenda that may arise between their roles as members and any private or other external interests they may have. If this happens, members should stand aside from decision-making related to any such interests. The current register of interests is on the Council website: https://www.upperhuttcity.com/files/assets/public/yourcouncil/meetings/register-of-interest/register-of-interest-elected-members-publicly-listed.pdf	
3.	Public forum	
	Public forums are a defined period of time, which, at the discretion of a meeting is put aside for the purpose of public input. In the case of a committee or subcommittee, any issue, idea or matter raised in a public forum must fall within the terms of reference of that body. More information about attending and speaking at Council and Committee meetings is on our website: upperhuttcity.com/your-Council/Council-Meetings/Attending-and-speaking-at-Council-and-committee-meetings .	
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	Report from the Chief Advisor through the Group Manager of Corporate Services dated 19 June 2025.	
5.	Adoption of the Schedule Fees and Charges 2025–26	30
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6.	Adoption of the Revenue and Financing Policy, Alcohol Fees Bylaw and Class 4 Gambling Venues Policy	84
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Geoff Swainson

Chief Executive | Te Tumu Whakarae



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30 June 2025

Decision on Local Water Done Well Water Services Delivery Model and Next Steps

Purpose of report | Te pūtake

1. The purpose of this report is to:
 - A. recommend that Council confirms its Local Water Done Well water services delivery model following consultation, and
 - B. seek subsequent decisions to enable the next steps required to deliver Council's Water Services Delivery Plan and commence specific establishment activities to implement this plan.
2. This report follows on from earlier reports to the Council meetings as set out and linked in the background section below.
3. A table of frequently used terms in this report is appended as [Attachment 1](#) – additional background information is also available on [Council's Local Water Done Well information page](#).

Recommendations | He tūtohunga

4. It is recommended that Council:
 - A. receives the report, titled Decision on Local Water Done Well Water Services Delivery Model and next steps;
 - B. Notes the consultation feedback considered at the 11 June 2025 deliberations meeting, with a majority (84%) support for the preferred option, as is summarised in [Attachment 2](#);
 - C. confirm its water service delivery model as the preferred consultation option of a new Wellington multi-council owned Water Services Council Controlled Organisation (WSCCO), which will deliver the Council's Water Supply, Wastewater and Stormwater services;
 - D. requests officers develop a joint Water Services Delivery Plan for Council adoption in August 2025, prior to the Water Services Delivery Plan being submitted to the Secretary of Local Government (via Department of Internal Affairs) by 3 September 2025;
 - E. agrees to jointly establish and co-own a new Water Services Council Controlled Organisation (water organisation) for Water Supply, Wastewater and Stormwater services, together with Porirua City Council, Hutt City Council, Wellington City Council, and Greater Wellington Regional Council;
 - F. notes the intention to transfer its assets, debt, liabilities and services in relation to Water Supply, Wastewater and Stormwater to the new jointly owned water organisation on or by 1 July 2026;

- G. requests officers develop new water organisation draft foundation documents for Council's endorsement in August 2025;
- H. notes the following Upper Hutt City Council priorities as enduring principles for the establishment of the new water organisation and its future direction to be reflected in foundation documents:
 - i. keeping water services and assets as publicly owned;
 - ii. ensuring Te Tiriti is upheld, along with reflecting and promoting mana whenua priorities and outcomes for water;
 - iii. ensuring water services are delivered on the basis of fair, equitable pricing and charging, reflecting the 'cost to serve' and a priority focus on value for money for the community,
 - iv. and ensuring there is full transparency and accountability of the new water organisation to both the public and governance, including shareholding Councils.
- I. notes the outline steps for preparation of the new water organisation foundation documents (comprising the Constitution, Stakeholders Agreement, Statement of Expectations principles, Consumer Charter principles and Transfer Agreement principles) through to December 2025 (as outlined in paragraph 21);
- J. agrees to amend the terms of reference for the Advisory Oversight Group as shown in [Attachment 3](#), to allow the AOG to undertake specific establishment activities to give effect to the Council's agreed water services delivery model;
- K. delegates to the Mayor and any alternate (as the Council's representative on the Advisory Oversight Group) the power to make decisions on the following establishment activities only:
 - i. the appointment, removal, and remuneration of interim directors of the new water organisation; and
 - ii. the approval of the new water organisation's draft Constitution and draft Stakeholders Agreement.

Background | Papamuri

- 5. A sequential summary of the Local Water Done Well implementation process to date, and key document and information links are available on Council's [Local Water Done Well Reform](#) (link) webpage – see the 'What's happened so far' section.
- 6. The previous Council decisions in the Local Water Done Well process are summarised in [paragraph 44](#) under the 'Previous relevant Council decisions' section.

Local Water Done Well policy and implementation

- 7. The Local Water Done Well policy is the Government's framework for reform of the way that water services are delivered in New Zealand. Once all new legislation is enacted, Local Water Done Well will establish a new regulatory system that involves Government oversight, and new standards and requirements for all water services and water service providers. The Department of Internal Affairs has published an [implementation roadmap](#) (link) for reference.
- 8. The combined Local Water Done Well legislation will set minimum requirements for water service delivery models that include:
 - A. New economic, environmental and water quality regulations

- B. A new planning and accountability framework
 - C. Financial sustainability objectives as defined in section 5 of the Act (including investment and revenue sufficiency)
 - D. New statutory objectives consistent for all water providers
 - E. Restrictions against privatisation.
9. The Local Government (Water Services) Bill (the Bill) was introduced in December 2024, is the Government's third piece of water reform legislation. It sets out various structural, governance, operational and regulatory provisions. It reflects key policy decisions announced by the Government in August 2024. The Bill is expected to be finalised following the submission process (closed 23 February 2025) and enacted in July or August 2025.

Discussion | Te matapaki

Water Services Delivery Model and Plan

CONSULTATION

10. Council has followed the alternative requirements provided for under the Local Government (Water Services Preliminary Arrangements) Act 2024 (the Act) sections 60 – 64. This requires consultation on a preferred water services delivery model, with the confirmed model then forming the basis for development of the Water Services Delivery Plan before its submission to the Department of Internal Affairs by 3 September 2025 for their review and approval.
11. The consultation options presented were in accordance with the joint planning process Council has participated in since March 2024 and Council decision-making since then – see paragraph 44. As part of the joint five council collaboration, the core joint elements and overall content of the consultation document were legally reviewed for compliance with the requirements of the Act.
12. The consultation document outlined the rationale for the preferred option with a focus on two key reasons. Firstly, due to Council having financial capacity constraints to fund the investment required to meet new water regulations and standards, and secondly given the nature of the shared water services Upper Hutt relies on for both drinking water supply and wastewater services.
13. Council received 104 submissions on the water service delivery model consultation. A summary of the consultation information and feedback themes for all five councils is at [Attachment 2](#). The UHCC consultation results were that 84% of submitters supported Option1 (Preferred option - Establish a new multi council owned CCO) and 16% supported Option 2 (Modified version of the current Wellington Water model, with a new planning, regulatory and accountability framework). Five submitters did not select either of the consultation options.

NEXT STEPS

14. The scope, process and timing of this reform including the specified consultation are driven by legislative requirements. All councils are required to, firstly, consult on their water service delivery model, for this model to then inform preparation of a Water Service Delivery Plan; and secondly, to submit their plans to the Secretary of Local Government (via Department of Internal Affairs) by 3 September 2025 for review and approval.
15. The critical issue for the water service delivery model consultation was not so much what the level of investment should be or the details of how the model would be implemented – but rather under any investment scenario, which delivery model will achieve the best results. This was reflected by

Council's preferred option for new Wellington multi-council owned Water Services Council Controlled Organisation (WSCCO), which will deliver the Council's Water Supply, Wastewater and Stormwater services.

16. More detailed and expanded information will follow in the draft Water Service Delivery Plan to be adopted by Council on 20 August 2025, noting the contents of this plan are specified by the Act and will be reviewed and approved by the Department of Internal Affairs.
17. Through developing a Water Services Delivery Plan, councils will need to provide an assessment of their water infrastructure, determine how much they need to invest in water services to meet regulatory requirements which will apply to water quality and infrastructure investment, and set out how they plan to finance and deliver it through their proposed future water services delivery model.

Foundation documents for new water organisation

18. The key foundation documents or elements thereof that are required or being proposed for the establishment of the new water organisation are:
 - A. Constitution – Required for legal establishment of new entity, plays an important role in the corporate governance of a company, outlining the rules for managing the company, including the rights and responsibilities of shareholders, directors, and officers, and any limitations or restrictions to be applied to the company, ensuring legal compliance.
 - B. Stakeholders Agreement – Required for legal establishment of new entity, setting out the key terms for the governance and management of the relationship between the shareholding councils and the water organisation that are not addressed in the Constitution. However, unlike the Constitution, it will primarily provide the framework for the governance and management of the relationship between the individual shareholding councils (for example director appointment and removal process, the process for agreeing the Statement of Expectations; and the establishment of a Shareholder Committee of Representatives).
 - C. Statement of Expectations (principles) – Provided for and required in the Local Government (Water Services) Bill, including describing its content. Issued to a water organisation by its shareholders setting out the strategic and performance expectations, a water organisation will be required to give effect to the statement of expectations, including in its water services strategy (required by legislation). Can also address other matters that are important to the shareholding councils, such as a requirement to undertake community or consumer engagement, and the contents of that engagement.
 - D. Consumer Charter (principles) – Optional document requested and desired by the joint council group, The charter will be developed by the new water organisation as it will be responsible for the customer relationships and service delivery, and may include how customers will be treated and what actions the organisation will take to resolve any issues. Councils have opportunity to provide input on principles which will be handed over to the new organisation to inform the charter.
 - E. Transfer Agreement (principles) – Provided for and required in the Local Government (Water Services) Bill, setting out all specific transfer arrangements to occur between the new entity and councils (and Wellington Water as the Councils' current water service provider). The agreement is to be completed early in 2026, in the interim Councils will be providing input on principles for this agreement.
19. These documents will collectively set out the relationship between the shareholding councils and the new entity's Board, how the organisation will operate and be accountable, how the Board will be

appointed, how assets will be transferred, expectations for managing customers and service delivery, and so on.

20. The preparation of these documents provides the opportunity for the Councils to set out positions and reflect important priorities for the future delivery of water services. Depending on the individual document's scope and purpose, input on this suite of documents will relate to both the structural elements of how the entity will be established in the short term, such as the constitution and shareholding arrangement, and its enduring direction in relation to the delivery of water services, notably the Statement of Expectations the Consumer Charter principles.
21. The current outline process and timeline for completion of the foundation documents are as follows:
 - A. UHCC workshop briefing on draft foundation documents scheduled for 29 July 2025.
 - B. The draft foundation documents will be presented for Council endorsement with the Water Service Delivery Plan on 20 August 2025.
 - C. Delegated AOG representatives (subject to Council decision-making, see below 'Interim Role of Advisory Oversight Group') will continue providing direction on foundation document development - including approval of the draft Constitution and Stakeholders Agreement – up to the local body election.
 - D. Final foundation documents will be presented for Council ratification in December 2025.

Interim Role of Advisory Oversight Group

22. As part of working together on the joint water services delivery model, Councils previously agreed to establish a joint governance group called the 'Advisory Oversight Group' (AOG). In its current form the AOG is not a decision-making body, rather the Terms of Reference stipulate that decisions remain with respective Councils. AOG membership comprises of: Mayors, GWRC elected member and representatives of Taranaki Whānui ki Te Upoko o Te Ika and Te Rūnanga o Ngāti Toa. and an independent Chairperson, Dame Kerry Prendergast.
23. The main role of the AOG to date has been to guide the joint programme to develop a joint Water Services Delivery Plan, including options for future delivery models based on strategic option selection and high-level design.
24. The timeline to stand up an operational new water organisation for 1 July 2026 is ambitious and requires a continued focus on momentum and timely decision making. As a result AOG representatives have discussed extending the role of the AOG as an interim step in order to ensure a smooth establishment and transition.
25. In order to achieve this, the simplest way is to repurpose the AOG by:
 - A. amending the existing AOG terms of reference to reflect the change in function and the addition of decision-making powers on some limited matters ([Attachment 3](#)) and
 - B. asking each council to ratify the updated terms of reference and to make the required delegations to its AOG representative as set out in this report's recommendations.
26. Note that the requested limited delegation and role of AOG relates to progressing the draft Constitution and Stakeholders Agreement, and appointment of the Establishment Board only, which is an interim, transitional structure. Once the new Stakeholder Committee is formed by December 2025, a key role for it will be to appoint the enduring Board for the new water organisation (expected in 2026, timeframe to be confirmed).

27. It is the intention of all parties that the repurposed AOG will be disbanded by or before the local body election on 11 October 2025. It is expected that the repurposed AOG will appoint interim directors and approve the draft Constitution and Stakeholders Agreement before it is disbanded.
28. If decisions are required during the short window of time between the election and new councils being formed, it is likely that any decision could be made by each Chief Executive acting on behalf of the participating council. Likewise, if the AOG is disbanded before it is able to appoint directors, approve the draft Constitution, or approve the Stakeholders Agreement (or any combination of those three), it is likely that the Chief Executive of each council could perform those actions to the extent required.

Options | Ngā kōwhiringa

29. The options for decision-making to confirm Council's water service delivery model options are limited to those consulted on and are required by legislation.

Option One – Confirm water service delivery model as the preferred consultation option of a new Wellington multi-council owned Water Services Council Controlled Organisation (WSCCO), which will deliver the Council's Water Supply, Wastewater and Stormwater services (Recommended)

30. The recommended option is for Council to confirm its water service delivery model as the preferred consultation option as consulted on, being a new Wellington multi-council owned Water Services Council Controlled Organisation (WSCCO), which will deliver the Council's Water Supply, Wastewater and Stormwater services
31. Not following the recommended option would delay completion of the legislatively required consultation and legislated timeframe to complete a Water Services Delivery Plan for submission to the Department of Internal Affairs by 3 September 2025.
32. Not following the recommended option would also place this Council out of step with the four other councils we have agreed to work together with to date.
33. Associated with this recommended decision, there are consequential recommendations to give effect to this decision, including preparing a joint Water Service Delivery Plan for submission by the legislated deadline of 3 September 2025 and associated steps to commence establishment activities for a new water organisation.
34. The specific and limited consequential decisions are being sought to enable achieving the desired legal establishment of a new water organisation from 1 October 2025, and this new the entity being operational from 1 July 2026. This is in keeping with the collective agreement and preference that a change from the status quo would be beneficial as soon as it is practicable, rather than later.

Option Two – Confirm water service delivery model as the alternative option of an enhanced version of the status quo arrangements (i.e. Wellington Water Limited), with changes to ensure legislative compliance (mandatory option required under legislation) (Not recommended)

35. There are major practical issues with potential continuance of a modified status quo option. The current regional approach of the Wellington Water Limited model would only be viable if all partners agreed and would be constrained by the ability to submit a compliant and feasible Water Services Delivery Plan within the available timeframe.

36. This option was not supported by submission feedback nor by Council in the process to date, and it is not preferred by the four partner councils in the joint planning process – at the time of writing, two of whom have made decisions confirming the preferred option a new Wellington multi-council owned Water Services Council Controlled Organisation (WSCCO), which will deliver the Council's Water Supply, Wastewater and Stormwater services.

Considerations for decision-making | Ngā whai whakaarotanga

37. Given the nature of the reform process including the ongoing development of the legislation, the decision on the preferred model needs to be made in the absence of full certainty and clarity over the future management and governance of the new water entity. Ideally the legislation would be in place at this time to give Elected Members assurance of the scope and nature of their future role in relation to a water organisation, however this is not the case. We are not unique in this position; it applies to all potential partner councils, and universally across the country where councils are considering the future of water services delivery.
38. During the process to date, the Government has expressed an expectation of, and preference for, joint or regional collaboration and utilisation of the new Water Services Council-Controlled Organisation model established through its Local Water Done Well legislative framework.
39. The Minister of Local Government has signalled in communication to all councils that he expects the Water Services Delivery Plan deadline to be met, and noted the ability and willingness to intervene by installing a Crown observer if councils do not meet this deadline.
40. Future water services delivery will be subject to the financial, economic and regulatory requirements of current and any future legislation and associated Government oversight, including approval of Council's Water Service Delivery Plan. This requirement applies to the overall provision of all water services under any model or combination of models.
41. There will also be additional requirements to ensure that water organisations are operated and governed effectively through new planning and accountability frameworks.
42. Based on community preferences as identified through community consultation (both locally and regionally) and on the assessment of advantages and disadvantages of the two models, officers recommend the establishment of a multi-Council owned water organisation in partnership with Porirua City Council, Hutt City Council, Wellington City Council and Greater Wellington Regional Council.
43. Governance arrangements for the proposed new water organisation will be addressed in the foundation documents for the new entity. Elected Member and iwi involvement in the preparation of these documents is both important and necessary. If a joint water service delivery model is confirmed as per the preferred option from consultation, over the next two months officers will work with the proposed partner councils to progress a set of draft foundation documents for Council endorsement in August.

Previous relevant Council decisions | Ngā whakataunga o mua

44. Key Council decisions on Local Water Done Well to date are outlined as follows:
- A. [6 March 2024](#) (agenda link) - signed a Memorandum of Understanding (MoU) with nine other councils committing Council to a collaborative and non-binding partnership between councils in the Wellington region to work together on the Local Water done Well water service planning.
 - B. [6 November 2024](#) (agenda link) – decided to continue collaboration with other councils within the Advisory Oversight Group towards the development of a joint water services delivery plan,

with the legislatively required public consultation on the future water services model options planned to take place alongside the Annual Plan in early 2025. Five of the original ten councils working together remained in the joint group from this point onwards.

- C. [11 December 2024](#) (agenda link) - Council endorsed continuation of the development of a joint Water Services Delivery Plan and implementation plan alongside other councils in the Wellington region. Council directed further work to consider matters relating to stormwater services and assets.
- D. [12 February 2025](#) (agenda link) – confirmed the two delivery model options for community consultation, in accordance with the alternative requirements provided for in the Local Government (Water Services Preliminary Arrangements) Act 2024, to occur in conjunction with of the Annual Plan consultation process.
- E. [19 March 2025](#) (agenda link) – Council adopted its water service delivery model consultation document including with two options, the preferred being to deliver water services through a new Wellington multi-council owned Water Services Council Controlled Organisation (WSCCO), which will deliver the Council's Water Supply, Wastewater and Stormwater services.
- F. [19 and 20 May 2025](#) (agenda link) – Council heard from 11 submitters wishing to verbally present their submissions on this consultation at the Council hearing.
- G. [11 June 2025](#) (agenda link) – Council deliberated on the submissions received during consultation and agreed to this further report being the next step in decision-making on its water services delivery model.

Identification of inconsistent decisions | Te tautuhi o ngā whakataunga hārakiraki

- 45. There are no inconsistent decisions relevant to this report. The decisions sought to complete consultation on Council's water service delivery model options are required by legislation.

Significance and engagement assessment | Te tino aromatawai

- 46. In considering Council's Significance and Engagement Policy, two points are of note:
 - A. Changes to the delivery of water services would be assessed as having high significance for the community.
 - B. Council's three waters network assets are included as Strategic Assets in the policy.
- 47. The requirements for this water service delivery model consultation process differ from those used routinely under the Local Government Act 2002.
- 48. Part 3 of the Act sets out modified consultation and decision-making requirements for councils in place of certain consultation and decision-making requirements in the Local Government Act 2002 (the alternative requirements).
- 49. The alternative requirements in sections 60 to 64 of the Act are a simplified process to assist with the preparation, consultation and adoption of a Water Services Delivery Plan. It is a relaxation of the usual requirements for option identification and assessment and consequential streamlining for consultation. A council must use the alternative requirements when consulting on or making decisions on the preferred water services delivery model, which will be part of the Water Services Delivery Plan.

50. Before deciding on its preferred water services delivery model, Council must consult with the community on at least two delivery model options. One of these options must be the existing delivery model (i.e. status quo option).
51. Following this consultation, the confirmed water service delivery model must be included in the Water Services Delivery Plan due for submission to the Department of Internal Affairs by 3 September 2025 for their review and approval.

Proposed transfer of three waters strategic assets

52. The proposed transfer of three waters strategic assets has been noted in the consultation decision-making process and information.
53. Transfer of ownership or control of a strategic asset (as identified in a Significance and Engagement Policy) normally requires consultation and inclusion in the Long Term Plan (Local Government Act 2002 section 97).
54. Under section 63 of the Local Government (Water Services Preliminary Arrangements) Act 2024, if a council has completed the following, then it does not need to comply with the Local Government Act 2002 requirement to consult on a proposal to transfer ownership or control of a strategic asset from the local authority:
 - Already consulted its community on a proposed service delivery model under the Water Services Delivery Plan; and
 - is satisfied that the community has a good understanding of the proposal, and that it understands the community's views on the proposal.
55. Section 63(3) of the Act expressly says that the section applies (i.e. that further or separate consultation is not required if the requirements of section 63(2) are met) despite anything to the contrary in a Significance and Engagement Policy.

Sustainability | Rautaki whakauka

56. There are no direct sustainability considerations resulting from the decisions sought in this report to complete the consultation process on Council's water service delivery model.
57. The forthcoming Water Services Delivery Plan is expected to set out more information about environmental outcomes and related direction for the proposed new water organisation.
58. The Local Water Done Well reform has some implications for environmental sustainability and associated outcomes relating to future water service delivery. This includes the introduction of new environmental standards and ensuring future long-term sustainable investment to meet the needs of both communities and the environment on an intergenerational basis.

Financial and resourcing | Mahere pūtea

59. There are no specific or new resourcing considerations from the decisions sought in this report to confirm Council's water service delivery model.
60. There remains a significant resourcing effort on the large and complex programme that is moving at pace to give effect to the reform. Council officers are continuing to work with council counterparts and the joint water services planning team, including a range of engaged specialists on implementation and planning, with a focus on the preparation of the Water Service Delivery Plan for submission by 3 September 2025, and commencing supporting establishment activities for its implementation.

Financial considerations and modelling

61. The financial modelling for the consultation document content was prepared by the regional team and not by Council officers. The starting point for the financial modelling was the Department of Internal Affairs model titled “Wellington Regional Model”, which was then overlaid with the councils’ Long Term Plan 2024 - 2034 information and used a consistent set of assumptions and methodology for the five councils.
62. The investment levels used in the modelling to forecast debt and water charges were higher than what is in Council’s Long Term Plan 2024 – 2034. The modelling incorporated the new compliance requirements, the considerable backlog of deferred works and the greater borrowing capacity available under the new water services approach. Investment in the Pākuratahi Lakes (third lake) and the renewal of the Seaview wastewater outfall pipe were included in the modelling due to their criticality to the region.
63. One of the primary objectives of the financial modelling for consultation purposes, as required by the Act, was to provide a high-level indication of potential pricing which demonstrated how the new water services entity could be financial sustainability (as defined in the Act) from 1 July 2028.
64. Under either option presented in the consultation document, substantial increases in water charges over the Long Term Plan forecast for the 10-year period will be inevitable if the backlog of renewals is to be progressed and new environmental and financial regulatory requirements are to be met within the timeframes set down.
65. The consultation material showed that by 2034, the preferred option (new multi-council-owned water organisation) could result in water charges which are indicative of about a third less than the modified status quo option.
66. Since consultation, further work has continued on refining the financial models, with a focus on meeting the input requirements of the Water Services Delivery Plan (WSDP), in particular Part C: Economic and Financial Analysis. In addition, there remains a further focus on adjustments aimed at the overall deliverability and affordability of the investment programme proposed in the plan.
67. The resulting information will form part of the draft Water Services Delivery Plan presented for Council adoption on 20 August 2025.
68. Since consultation, the most material change to Upper Hutt’s financial analysis has been to increase operational expenditure above the Long Term Plan level to cover all operating activity costs without carrying significant operating risk. After this addition, the water services charges modelled for the draft plan are currently projected to be 3.3% of the projected median household income by 2034, noting the abovementioned ongoing work regarding the deliverability and affordability of the investment programme.
69. Financial modelling, debt and asset transfer, invoicing and billing systems work continue to be undertaken and will continue throughout the proposed water organisation establishment period.

Legal | Ture

70. The recommended decisions sought and information provided in this report contribute to Council meeting its obligations to give effect to Local Water Done Well policy, notably the Local Government (Water Services Preliminary Arrangements) Act 2024 requirements to consult on a water service delivery model, and to develop a Water Services Delivery Plan for submission to the Department of Internal Affairs by 3 September 2025.

71. Regardless of the delivery model chosen, all local government water services providers will have to meet new and existing regulatory standards and financial sustainability requirements and adhere to new planning and accountability frameworks.

Risk | Tūraru

72. Central government has set an expectation that Local Water Done Well will be implemented by councils to deliver collaborative, long-term financially sustainable, and regulatory compliant outcomes for water services. The risk of not responding to Local Water Done Well policy expectations is that the Minister of Local Government may appoint a Crown Water Services Specialist to do the work on Council's behalf and at Council's expense.
73. The Water Services Bill is expected to be enacted in July or August 2025. There is a risk that changes may occur in the legislative environment which have implications for the recommended model and preparation of Council's water services delivery plan. The environment in which all councils are operating in this reform is complex and continuously evolving.
74. The financial modelling undertaken by the joint Wellington group is underpinned by all three waters transferring for all five councils. If one council were to decide otherwise, this has the potential to impact the modelling, associated information and initial planning for the preparation of the Water Service Delivery Plan.
75. If Council were to not confirm its water service delivery model by 30 June 2025 as scheduled, the completion and submission of the Water Service Delivery Plan by the legislative deadline of 3 September 2025 will be at risk.
76. Subject to confirmation of the council's delivery model, the programme to commence the desired establishment activities and planning for a new water entity to be operational on 1 July 2025 is ambitious, complex and brings a range of risks due to the pace and scale of the work required.

Included attachments | Ngā Āpitihanga

- | | | |
|-------------------|---|-------------------------|
| 77. Attachment 1: | Table of frequently used terms in this report | Page 15 |
| 78. Attachment 2: | Joint five council consultation summary to Advisory Oversight Group meeting dated 16 May 2025 | Page 16 |
| 79. Attachment 3: | Draft Amended Terms of Reference for Advisory Oversight Group (AOG) with tracked changes | Page 26 |

Date of report: 19 June 2025

Report writer:

Liezel Jahnke

Chief Advisor

Reviewed by:

Kate Thomson

Group Manager Corporate Services

Approved by:

Geoff Swainson

Chief Executive | Te Tumu Whakarae

Table of frequently used terms in this report

Additional background information is available on [Council's information page](#)

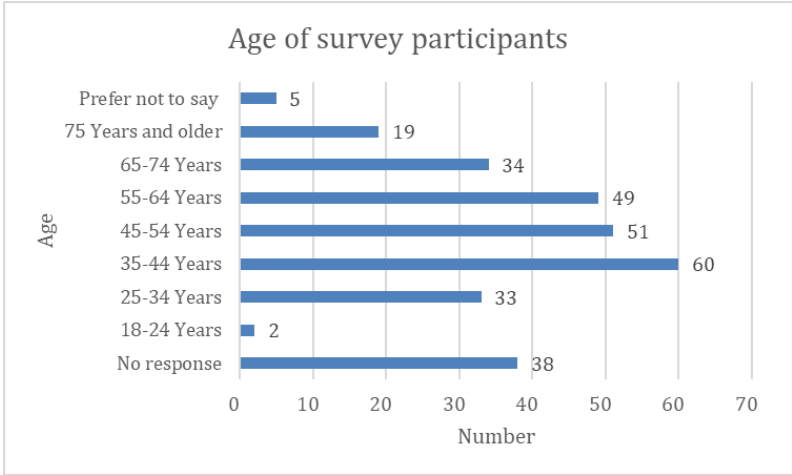
Water Services Delivery Plan (WSDP)	Legislated term : Core requirement of the Local Water Done Well framework: all councils are to prepare a plan containing prescribed information about the current state of all water services and assets, as well as the proposed future delivery model (for example delivery in-house or via a water organisation – see below) to ensure water services are financially sustainable by 30 June 2028.
Financial sustainability	Legislated term : in relation to a council's delivery of water services, meaning: The revenue applied to the council's delivery of those water services is sufficient to ensure the council's long-term investment in delivering water services; and The council is financially able to meet all regulatory standards and requirements for the council's delivery of those water services.
Water Services Council-Controlled Organisation (WSCCO)	Legislated term : means a council-controlled organisation that delivers water services; or provides goods or services that are incidental and related to, or consequential on, delivering water services; and includes a joint water services council-controlled organisation. This is the preferred Wellington collective (five councils) delivery model, also referred to in plain English as a new multi-council owned water services organisation, or just water organisation.
Multi-council owned water services organisation	One of the specified service delivery models available . Refers to the preferred Wellington collective (five councils) delivery model, which is proposed to be a Water Services Council-Controlled Organisation (WSCCO) enabled through the legislation as per the above.
Water organisation	Refers only to separate organisations (being companies) that councils establish to provide water services (including current or future council-controlled organisations that provide water services), but does not include councils with direct, in-house delivery (see <i>water service providers</i> below).
Water service providers	The term 'water service provider' includes both councils that continue with direct (in-house) delivery and water organisations (created by councils).
Advisory Oversight Group (AOG)	Following a Memorandum of Understanding signed in March 2023 , an Advisory Oversight Group (AOG) was established with elected member representatives and Iwi/Māori partners. The councils and Iwi/Māori partners made a commitment to work together on regional water services planning through a collaborative and non-binding process.

Wellington Metro Water Services Delivery Planning: Summary of views from communities across the proposed joint service area

Summary as of 12 May 2025¹

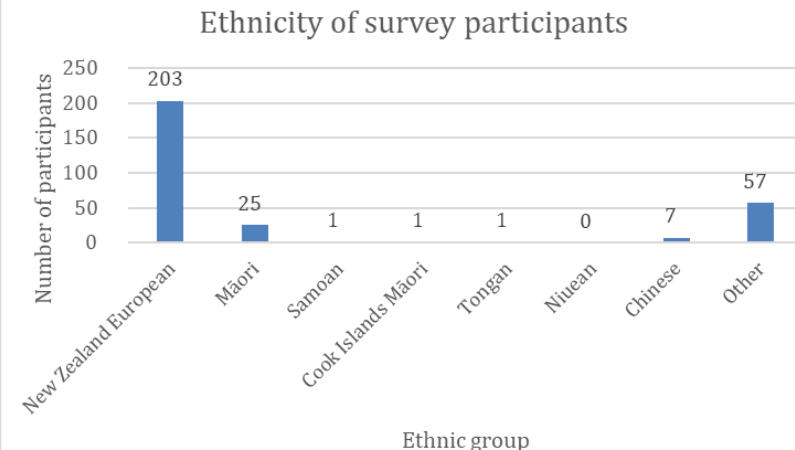
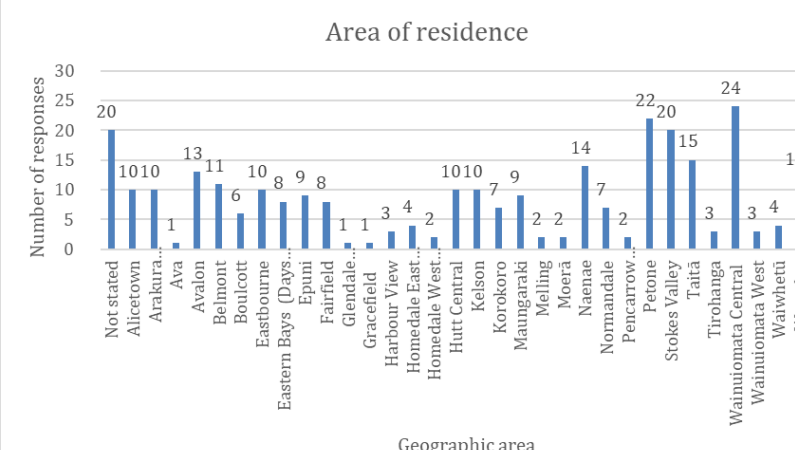
Through April 2025 Hutt, Porirua, Upper Hutt and Wellington City Councils, along with Greater Wellington Regional Council, undertook public consultation on water service delivery model options. A summary² from each council is presented below.

Hutt City Council

Consultation dates:	20 March 2025 to 20 April 2025																						
Submissions received:	291																						
Preferences	Option 1 – the establishment of a new multi council owned water services organisation	73.4%																					
	Option 2 – a modified version of the existing WWL arrangement	26.6%																					
Demographics	Age	Age of survey participants <table><thead><tr><th>Age</th><th>Number</th></tr></thead><tbody><tr><td>Prefer not to say</td><td>5</td></tr><tr><td>75 Years and older</td><td>19</td></tr><tr><td>65-74 Years</td><td>34</td></tr><tr><td>55-64 Years</td><td>49</td></tr><tr><td>45-54 Years</td><td>51</td></tr><tr><td>35-44 Years</td><td>60</td></tr><tr><td>25-34 Years</td><td>33</td></tr><tr><td>18-24 Years</td><td>2</td></tr><tr><td>No response</td><td>38</td></tr></tbody></table>		Age	Number	Prefer not to say	5	75 Years and older	19	65-74 Years	34	55-64 Years	49	45-54 Years	51	35-44 Years	60	25-34 Years	33	18-24 Years	2	No response	38
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Gender																							

¹ This summary dated 12.05.25 has been prepared ahead of some councils completing all hearings. This report will be re-run once all councils have fully completed the consultation process.

² Refer to each Council's deliberations report for full analysis of consultation results.

	Ethnicity Ethnicity of survey participants <table><thead><tr><th>Ethnic group</th><th>Number of participants</th></tr></thead><tbody><tr><td>New Zealand European</td><td>203</td></tr><tr><td>Māori</td><td>25</td></tr><tr><td>Samoan</td><td>1</td></tr><tr><td>Cook Islands Māori</td><td>1</td></tr><tr><td>Tongan</td><td>1</td></tr><tr><td>Niuean</td><td>0</td></tr><tr><td>Chinese</td><td>7</td></tr><tr><td>Other</td><td>57</td></tr></tbody></table>	Ethnic group	Number of participants	New Zealand European	203	Māori	25	Samoan	1	Cook Islands Māori	1	Tongan	1	Niuean	0	Chinese	7	Other	57																																																				
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Top themes from free text:																																																																							
Infrastructure and Maintenance	Respondents highlighted significant concerns about the ageing water infrastructure in Lower Hutt, particularly the deteriorating condition of pipes and frequent leaks. Many stressed the need for major replacement programs to mitigate the risk of outages and service failures. Additionally, there were frustrations with delayed repairs and short-term maintenance solutions, with calls for a more proactive approach to asset management focusing on systematic upgrades rather than reactive patching.																																																																						
Service Delivery and Governance	There was widespread dissatisfaction with the quality and reliability of water services, with frequent disruptions and a lack of responsiveness to issues being common complaints. Wellington Water Ltd was a focal point of criticism, with respondents citing poor management practices, lack of cost control, and perceived inefficiency. Concerns about transparency and public accountability were also evident, with calls for greater openness and clearer governance structures.																																																																						
Financial Sustainability	Affordability emerged as a strong theme, with many respondents worried about rising rates and charges related to water services.																																																																						

	There were anxieties about the ability to continue paying for essential services if costs rise unchecked. Some participants questioned whether existing funding was being used effectively, calling for more rigorous financial oversight and better prioritization of essential infrastructure investment over non-core projects.
Water Quality and Environmental Health	Respondents frequently mentioned the need for clean, safe drinking water, with concerns about chlorination, contamination risks, and the overall trustworthiness of the water supply system. The Seaview Wastewater Treatment Plant was singled out for its odour issues, pollution risks, and perceived non-compliance, with calls for urgent upgrades and tighter environmental controls. Stormwater management and urban flooding were also raised as significant concerns.
Future Planning and Climate Resilience	Respondents emphasized the importance of long-term planning and investment to future-proof water infrastructure. Participants stressed the need for sustained investment, strategic asset management, and resilience-focused approaches. Concerns about the effects of climate change on the water network were also raised, with increased rainfall intensity, sea level rise, and the potential for more frequent flooding identified as challenges requiring urgent action.

Porirua City Council

Consultation dates:	20 March – 20 April 2025	
Submissions received:	271	
Preferences	Option 1	77.1 %
	Option 2	22.9 %
Demographics	Age	

		16-25 26-35 36-45 46-55 56-65 66-75 76+ Prefer not to say 0 (0.0%) 8 (2.8%) 74 (26.2%) 89 (31.6%) 50 (17.7%) 30 (10.6%) 20 (7.1%) 7 (2.5%) 4 (1.4%)								
Gender		Male 42% Female 58%								
Ethnicity		Submissions by Ethnicity Pacific Other Asian Māori New Zealander Not Stated European 0% 10% 20% 30% 40% <table><tr><td>European</td><td>35%</td></tr><tr><td>Not Stated</td><td>21%</td></tr><tr><td>New Zealander</td><td>13%</td></tr><tr><td>Māori</td><td>12%</td></tr></table>	European	35%	Not Stated	21%	New Zealander	13%	Māori	12%
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Affordability	People are worried about how the new water service plan will affect their finances. Many fear that costs will rise for households, especially for big families and those already struggling. Concerns include the introduction of water meters and separate charges for water.																																														
Management and Responsibility	There's a strong desire for better management and accountability in the new water management setup. Many don't trust current management because of past failures and lack of expertise. People want independent oversight and clear decision-making processes.																																														
Infrastructure and Resource Use	Feedback points out problems with current infrastructure, like leaks and poor planning. While there's support for centralising water services to boost efficiency, there's scepticism due to past management issues.																																														
Fairness and Social Impact	Concerns are raised about fair distribution of costs and resources, especially for low-income communities and underfunded councils. There's worry that less affluent councils might bear more burden due to previous underfunding.																																														
Environment and Sustainability	Many emphasise the need to address environmental issues like stormwater pollution and sustainable water management. There's support for initiatives like grey water recycling and protecting local ecosystems.																																														

Support for Multi-Council Model and transparency	Majority favour a water organisation owned by multiple councils as a solution to existing challenges. However, there are concerns about how it will be implemented and want clear communication about costs. There's a strong call for more openness and community input in planning and decisions. People want to be informed and have a say in managing and funding water services.
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Upper Hutt City Council

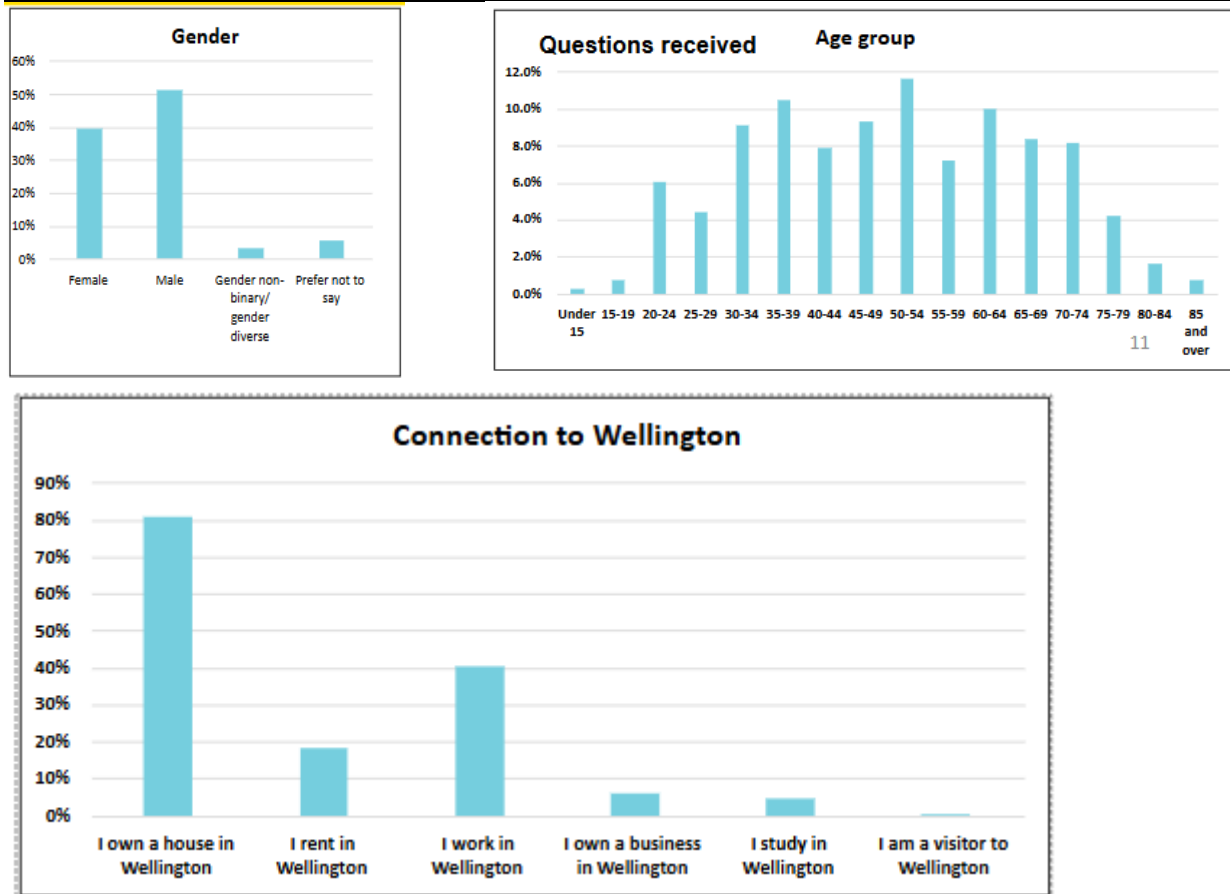
Consultation dates:	24 March – 27 April																																																									
Submissions received:	104																																																									
Preferences	Option 1 - Establish a new multi council owned CCO (preferred option)	84%																																																								
	Option 2 – Modified version of the current Wellington Water model (with a new planning, regulatory and accountability framework)	16%																																																								
	(5 responses selected neither option)																																																									
Demographics	<table><tr><th>Type of submitter</th><th>Yes</th><th>No</th></tr><tr><td>Resident</td><td>98%</td><td>2%</td></tr><tr><td>Ratepayer</td><td>92%</td><td>8%</td></tr><tr><td>Work in Upper Hutt</td><td>27%</td><td>73%</td></tr></table> Where submitters live <table><thead><tr><th>Area</th><th>Percentage</th></tr></thead><tbody><tr><td>Te Marua</td><td>1%</td></tr><tr><td>Taita</td><td>1%</td></tr><tr><td>Kaitoke</td><td>1%</td></tr><tr><td>Blue Mountains</td><td>1%</td></tr><tr><td>Whiteman's Valley</td><td>2%</td></tr><tr><td>Maoribank</td><td>2%</td></tr><tr><td>Heretaunga</td><td>2%</td></tr><tr><td>Riverstone Terraces</td><td>2%</td></tr><tr><td>Ebdentown</td><td>3%</td></tr><tr><td>Timberlea</td><td>3%</td></tr><tr><td>Pinehaven</td><td>3%</td></tr><tr><td>Akatarawa</td><td>4%</td></tr><tr><td>Totara Park</td><td>4%</td></tr><tr><td>Upper Hutt</td><td>4%</td></tr><tr><td>Brown Owl</td><td>4%</td></tr><tr><td>Birchville</td><td>5%</td></tr><tr><td>Elderslea</td><td>6%</td></tr><tr><td>Wallaceville</td><td>6%</td></tr><tr><td>Clouston Park</td><td>11%</td></tr><tr><td>Trentham</td><td>14%</td></tr><tr><td>Silverstream</td><td>18%</td></tr></tbody></table>		Type of submitter	Yes	No	Resident	98%	2%	Ratepayer	92%	8%	Work in Upper Hutt	27%	73%	Area	Percentage	Te Marua	1%	Taita	1%	Kaitoke	1%	Blue Mountains	1%	Whiteman's Valley	2%	Maoribank	2%	Heretaunga	2%	Riverstone Terraces	2%	Ebdentown	3%	Timberlea	3%	Pinehaven	3%	Akatarawa	4%	Totara Park	4%	Upper Hutt	4%	Brown Owl	4%	Birchville	5%	Elderslea	6%	Wallaceville	6%	Clouston Park	11%	Trentham	14%	Silverstream	18%
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General Support for change	• A clear majority support Option 1 (preferred option for a new multi-council owned water organisation), along with comments that change is needed to address aging infrastructure and systemic issues. • General sentiment that urgent action is needed to fix water infrastructure and governance. • Underlying frustration with a long history of mismanagement, rate increases, and poor service delivery. • A significant number of comments were on concerns, frustration and issues with the current Wellington Water model and its performance.
Cost, Rates and Affordability	• Extensive comments and concerns regarding high rates, financial modelling being unclear or lacking detail, and criticism of debt-driven spending. • Comments on the cost of establishing a new entity.
Better Infrastructure Investment and Management	• Strong asset management planning and information are essential before any new billing systems are introduced. • Infrastructure upgrades and pipe replacements and must be accelerated. Reactive leak repairs are inefficient; proactive full pipe replacement should be prioritised. • Mixed views on water meters: some strongly opposed to water meters, citing affordability concerns and fear of hidden charges. Others support water metering for conservation and fairness, especially if essential water use remains free or subsidized.
Governance, Capability and Accountability	• Numerous comments of distrust in the current governance, lack of water expertise, and mismanagement over decades. • Concerns a new entity might just replicate Wellington Water's failures unless governance and leadership are entirely overhauled. • Calls for greater public accountability, including transparent audits. • Comments against potential future privatization, and in support of having protections for consumers and vulnerable users.

Wellington City Council

Consultation dates:	20 March – 21 April 2025	
Submissions received:	713	
Preferences (Submission / Residents' Survey)	Option 1 – establish multi council CCO (preferred option)	Submission: 72% Residents' survey: 82%
	Option 2 – establish WCC only CCO	Submission: 15% Residents' survey: 8%
	Option 3 – retain existing arrangements (modified to meet legislative requirements)	Submission: 13% Residents' survey: 10%

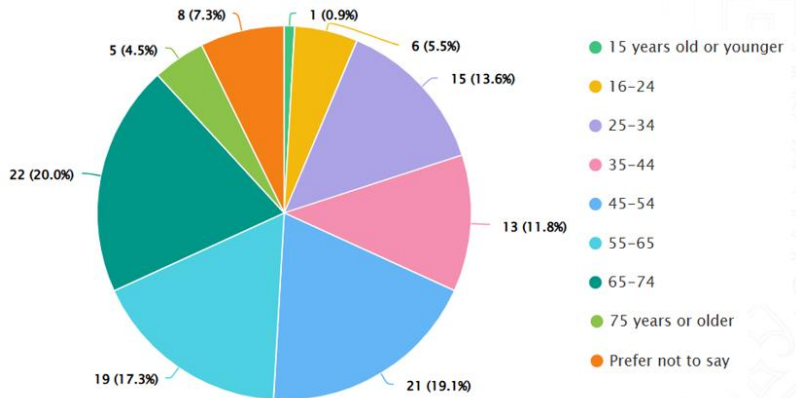
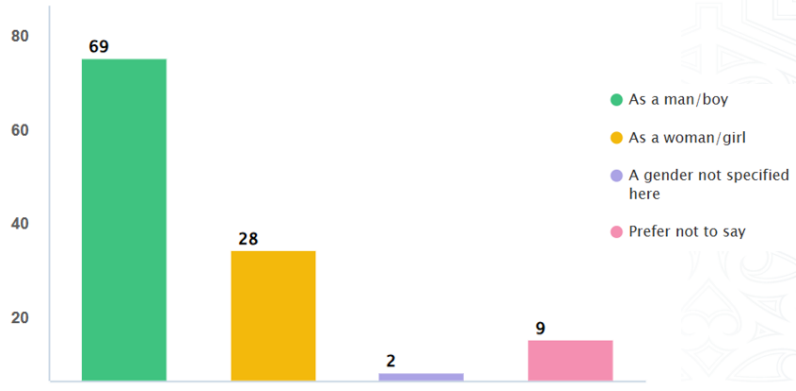
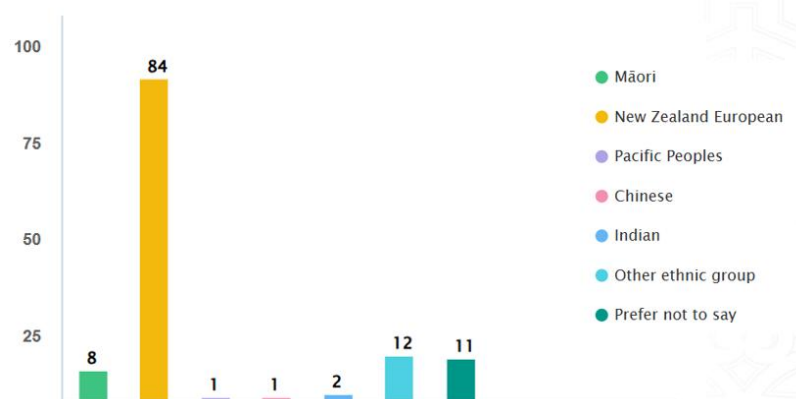
Demographics

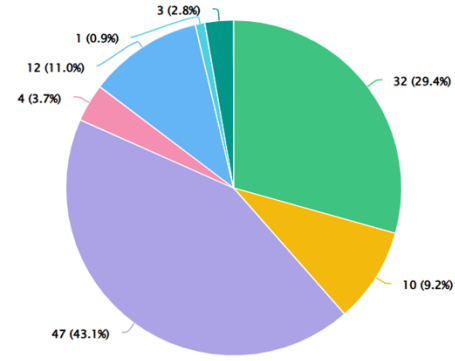


Top themes from free text:

Support for a New Multi-Council-Owned Entity	In support of option 1, submitters identified the opportunity for greater efficiencies, the existing inter-connectedness of the network, access to increased funding and better positioned for the future / long term planning.
Wellington Water performance	Submitters raised concerns about the performance of Wellington Water, noting concerns about contractor management and costs.
Strong leadership and accountability is important	Submitters identified the need for transparency of decision making, costs an outcomes noting the need to work in partnership (option 1) and for effective governance to be in place for any delivery model. Submitters expressed views on the need for subject expertise / infrastructure expertise to be represented on the Board and minimal /no political representation.
Water charges / affordability	A number of submissions raise concerns about the affordability of increased water charges alongside increasing council rates. Some identified a concern for non-ratepayers ill now have to pay for water usage (i.e. meters). General support for equity to be a factor when setting water charges.
Privatisation	Several submissions are concerned at the possibility (now or into the future) of water assets being privatised.

Greater Wellington

Consultation dates:	20 March – 22 April																															
Submissions received:	113																															
Preferences	Option 1	79.6 %																														
	Option 2	20.4 %																														
Demographics	Age	 <table><thead><tr><th>Age Group</th><th>Count</th><th>Percentage</th></tr></thead><tbody><tr><td>15 years old or younger</td><td>1</td><td>0.9%</td></tr><tr><td>16-24</td><td>6</td><td>5.5%</td></tr><tr><td>25-34</td><td>8</td><td>7.3%</td></tr><tr><td>35-44</td><td>13</td><td>11.8%</td></tr><tr><td>45-54</td><td>21</td><td>19.1%</td></tr><tr><td>55-65</td><td>19</td><td>17.3%</td></tr><tr><td>65-74</td><td>22</td><td>20.0%</td></tr><tr><td>75 years or older</td><td>5</td><td>4.5%</td></tr><tr><td>Prefer not to say</td><td>1</td><td>0.9%</td></tr></tbody></table>	Age Group	Count	Percentage	15 years old or younger	1	0.9%	16-24	6	5.5%	25-34	8	7.3%	35-44	13	11.8%	45-54	21	19.1%	55-65	19	17.3%	65-74	22	20.0%	75 years or older	5	4.5%	Prefer not to say	1	0.9%
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	Location	 Legend: - Te Awa Kairangi ki Tai Lower Hutt - Te Awa Kairangi ki Uta Upper Hutt - Te Whanganui-a-Tara Wellington city - Wairarapa - Porirua - Kāpiti - I don't live in the Wellington Region
Top themes from free text:		
Distrust in Current Management	- Many comments express a lack of trust in Wellington Water's ability to manage water infrastructure effectively. There are concerns about poor management, blame culture, and inefficiency. - The submitters feel that Wellington Water has failed to deliver on its promises and has wasted resources, leading to a call for a new management structure.	
Support for a New Multi-Council-Owned Entity	- A significant number of comments supported the preferred option (out of the two presented), a new multi-council-owned water organization. This is seen to improve accountability, efficiency, and long-term planning. - The new entity is expected to leverage regional assets better and provide a more unified approach to water management.	
Need for Improved Accountability and Transparency	- There is a strong demand for greater accountability and transparency in water management. The submitters indicated that clear oversight and democratic control over the new water entity is very important. - Ensuring that the new organization operates with public ownership and transparency is a priority for many respondents.	
Environmental improvements and Te Titiri	- Many respondents emphasised the importance of environmental responsibility and long-term planning in water management. They want the new entity to prioritize climate resilience and sustainable practices. - There is a call for the new organization to uphold Te Tiriti o Waitangi obligations and involve Māori groups in governance.	
Concerns About Privatisation and GW's land holdings	- Several comments express concerns that centralising water assets could lead to future privatisation, despite current assurances to the contrary - The public wants guarantees that water resources will remain publicly owned and managed for the benefit of all - Submitters also want to ensure that GW-owned lands stay in GW ownership.	

Updated Terms of Reference for the Advisory Oversight Group

Regional approach to a water services plan

Councils in the Wellington region have committed to a process of working together to develop a water services plan in response to the Government's *Local Water Done Well* policy. Councils have agreed to establish a joint governance oversight group called the 'Advisory Oversight Group' (AOG) made up of council elected members and Iwi representation.

This process represents a collaborative partnership approach between councils in the Wellington region and Iwi / Māori partners. This will ensure that the regions' councils can collaboratively work through this process robustly and efficiently.

Outcomes and options

The water services plan and future models and options to be considered will need to respond to agreed objectives and consider future approaches that are workable, affordable, sustainable and meet the needs of communities and the environment.

The key deliverables from this joint process ~~include: would be-~~

- developing a joint water services plan for the region, including options for future delivery models based on strategic option selection and high-level design; and
- taking initial steps to give effect to the agreed water services delivery model, including undertaking specific establishment activities (as set out in these Terms of Reference) until a Stakeholders Committee of the participating councils and iwi can be established.

This process and outputs do not preclude any council from choosing to develop its own water services plan.

Critical success factors for the plan and any future delivery model include:

- supported by all participating councils and Iwi / Māori partners,
- supported by the Government policy and enabled through legislative change,
- based on a sustainable funding model,
- enables councils and Government to commit to subsequent phases of detailed design, delivery and implementation.

Advisory Oversight Group

As part of this approach, councils have agreed to establish a joint governance oversight group called the 'Advisory Oversight Group' (AOG) made up of elected members. Iwi / Māori partner representatives will also form part of this group, with the approach to be confirmed working with Iwi / Māori partners during the establishment phase. It is the intention of all parties that the Advisory Oversight Group will be disestablished by or before the local elections on 11 October 2025 and a Stakeholders Committee of the participating councils and iwi will be established following ratification of a Stakeholders Agreement by the participating councils and iwi.

Decision making and delegations

Once the water services delivery model is agreed by the participating councils, The AOG does not have any formal decision-making responsibilities or delegation each council will:

- - delegate to its elected member on the AOG, and that person's alternate, all responsibilities and powers in relation to the following establishment activities:
 - the appointment, removal and remuneration of the interim directors of any new water organisation established pursuant to the agreed water services delivery model);
 - and
 - approval of the draft Constitution and draft Stakeholder Agreement for any new water organisation
- ("Establishment Activities")**

~~These All other decision-making powers, including ratifying any final Constitution and Stakeholders Agreement for a new water organisation, will remain with each council, including any future decisions on preferred models or commitments to future change.~~

The AOG is not a formal joint committee. Formation of the AOG forms part of the commitment by councils and Iwi / Māori partners to work together through a collaborative ~~and non-binding~~ process.

Where direction on the process or options being considered is required from the AOG, this will as far as possible be undertaken by consensus.

Key tasks and partnerships outcomes

The AOG will work in partnership to:

- Provide political oversight and alignment of this process to demonstrate visible and collaborative leadership.
- Build trust and stronger organisational relationships.
- Build better understanding of partners' perspectives and identify shared objectives and areas of alignment.
- Operate at a strategic level owning key relationships for the future water model process and supporting the mitigation of any escalated risks.
- Test and confirm the direction for the process, including investment objectives, options analysis and required analysis in order to provide confidence and certainty to stakeholders and the community.
- Provide advice and direction and to assist the responsible staff to manage and resolve issues and risks including alignment with wider strategic regional issues, the expectations of key partners, stakeholders and the community.
- Assist information sharing, efficient and effective working including opportunities to collaborate, and provide a stronger voice when advocating to others including a shared story for the people of the Wellington region and for investment.
- Undertake the Establishment Activities to give effect to the agreed service delivery model.

Advisory Oversight Group membership and structure

Membership

The Advisory Oversight Group shall consist of:

- an independent Chair,
- an elected representative from each of the partner councils,
- representative from Iwi / Māori partners-to be confirmed working with Iwi / Māori partners,
- any other person considered necessary by the AOG to ensure the effective functions of the group.

Attendance at meetings would include council Chief Executives, and the Board Chair and Chief Executive of Wellington Water Limited.

Structure for AOG

- A quorum will be the majority of members, or half the members where there is an even number of members. No business may be transacted at a meeting if a quorum is not present.
- Members are expected to attend all meetings, except in exceptional circumstances, as notified to and agreed by the Chair.
- In the event that the Chair is unavailable, attendees shall agree an alternative Chair ~~1Q to~~ chair the meeting.
- In the event that any member is unavailable for a meeting, ~~any of the partners may nominate an-an~~ alternate will represent the relevant organisation.
- The AOG will be supported by a Secretariat and Project Team. The role and focus of this Secretariat is set out below.
- The AOG shall meet at least four times during the concept phase, or as otherwise required. Meetings shall be hosted by one of the partners as agreed. Invites and coordination of meetings shall be managed by the project team.

- Wider invites to relevant partner organisations (such as DIA), shall be determined by the meeting agenda.
- The meetings are not public but shall be transparent in terms of agenda and outcomes. Effort will be made to distribute any meeting papers at least 3 working days ahead of the meeting date. ~~Recognising that the AOG does not hold any formal decision-making powers or delegations, p~~Papers shall be brief and avoid duplication with matters best dealt with through existing council decision making processes and delegations.
- Membership shall be reviewed and reconfirmed on an annual basis or if the project moves beyond confirmation of a plan to the implementation of a delivery model.
- The AOG will strive to make all decisions by consensus. In the event that a consensus on a particular matter before the AOG is not able to be reached, each AOG Member will be entitled to one vote. In that situation the particular matter must be approved by a vote of at least a majority of AOG members at any meeting at which a quorum is present. To avoid doubt, the Chair is not entitled to a vote.
- Other than for those matters for which the AOG has decision-making capacity through these Terms of Reference, each participating council retains its powers to make its own decisions on matters referred to it by the AOG, including the final decision to approve and ratify the new water organisation's Constitution and Stakeholders Agreement.

Chief Executives' group

The AOG will be supported by a Chief Executives' group of the partners. This will consist of Chief Executives or nominees from each partner organisation (CE or GM level).

This group will be chaired by a nominated Chair.

The role and focus of the Chief Executives' Group is to ensure advice and support to the AOG is effective and efficient, including:

- Provide senior management oversight and alignment of this process to demonstrate visible and collaborative leadership.
- Test and confirm the direction for the process including objectives, options analysis and analysis to provide confidence and certainty to stakeholders and the community.
- Provide advice and direction and to assist the responsible staff to manage and resolve issues and risks including alignment with wider strategic regional issues, the expectations of key partners, stakeholders and the community.
- Support the identification, mitigation or management of key risks and issues.
- Assist information sharing, efficient and effective working, and provide a stronger voice when advocating to others including a shared story for the people of the Wellington region and for investment.
- Ensure that the project team is resourced and supported.

Project team and secretariat – role, responsibilities, and membership

Support for the AOG will be provided by the project team based on a small core team supported by resources from partners.

- Project Director reporting to the lead Chief Executive. This role will lead the project and be responsible for coordination of the agenda for AOG meetings (including actions) and programme design and delivery across the partners.
- Technical Director reporting to the lead CE. This role is responsible for coordination of financial and funding requirements, governance and legal requirements, and to manage and coordinate concept design.
- 3-4 technical resources providing expertise and workstream leadership for:
 - secretariat support for AOG and Chief Executives' group project management,
 - financial and options analysis,
 - high level design of financial, funding, legal, and governance elements for the preferred option,
 - evidence, options, reporting and change management,
 - communications planning and delivery for partners and support for iwi engagement,
 - DIA relationship,

- operational requirements.
- Nb. Other resources and functions to be confirmed by agreement of the scope and timeline e.g. financial analysis, options analysis, change management / HR requirements etc as detailed in the project plan.

Funding

Funding required for this process will include the independent Chair, project lead, workstream leads, secretariat and programme resources.

The partners will confirm a budget. A funding plan shall be developed with the costs split on an agreed basis. This budget and funding plan shall be reviewed and updated at least on an annual basis.

Communications and media protocols

The partners commit to working together to ensure a coordinated communications and engagement approach to ensure a no surprises basis. This includes utilisation of agreed key messages and communications plan along with any developed communications brand and website as required.

The partners will develop and agree a communications plan that sets out key messages, protocols and channels in more detail as required for each phase of the project. This shall be reviewed and updated at least on an annual basis.



Te Kaunihera o
Te Awa Kairangi ki Uta
Upper Hutt City Council

Council | Kaunihera
30 June 2025

Adoption of the Schedule of Fees and Charges 2025-26

Purpose of report | Te pūtake

1. The purpose of this report is to present the Schedule of Fees and Charges 2025–26 to Council for adoption following consultation. Fees and Charges require consultation before adoption under the Local Government Act 2002, the Resource Management Act 1991, Building Act 2004, Food Act 2014, and Sale and Supply of Alcohol Act 2012. This does not include the Dog Control Act 1996.

Recommendation | He tūtohunga

2. It is recommended that Council,
 - a. receives the report titled Adoption of Schedule of Fees and Charges 2025–26,
 - b. adopts the Schedule of Fees and Charges 2025–26 appended as [Attachment 1](#),
 - c. publicly notifies the Schedule of Fees and Charges 2025–26 in accordance with legislative requirements,
 - d. agrees that the officer's report be released as public information following Council's approval,
 - e. authorises officers to make any consequential amendments to this document based on direction provided at this meeting to correct any minor editorial, typographical, arithmetical, or formatting errors that are identified.

Background | Papamuri

3. To fulfil statutory requirements, the 'Dog control fees' for 2025–26 were adopted separately at the Extraordinary Council Meeting held on 19 March 2025 for implementation from 1 July 2025. Dog control fees are not subject to consultation but are included in the Schedule of Fees and Charges for transparency.
4. The draft Schedule of Fees and Charges document was adopted for consultation by Council on 19 March 2025. Consultation ran concurrently with the Annual Plan Consultation Document, Supplementary Information and Local Water Done Well from 24 March to 27 April 2025.
5. Council received 286 submissions on the Annual Plan and concurrent consultation (not including Local Water Done Well consultation).
6. Verbal submissions were heard at Council meetings held on 19 and 20 May 2025.
7. A Deliberations Meeting was held on 11 June 2025 where Councillors deliberated on the

feedback received through the consultation period.

8. The summary of responses and copies of the 98 submissions related to the Fees and Charges were described in the Deliberations Report delivered to Council for the 11 June 2025 Council Meeting.

Discussion | Te matapaki

9. Responses to the Proposed Alcohol Fees Bylaw were described in the Deliberations Report and discussed at the Deliberations Meeting on 11 June 2025. The decision at that meeting was to increase these fees over three years.
10. There were two changes made to the proposed Fees and Charges at the deliberations meeting, these were:
 - a. A minor change to child admission to H₂O Xtream to change the age of a child from 5-14 years to 5-15 years
 - b. A change to cemetery plot fees for stillborn and child under 1-year plots to be free.
11. In addition, a new facility within H₂O Xtream for parties and meetings has been made available with hire costs for this facility included in the Schedule of Fees and Charges 2025-26. These fees were approved under delegated authority and commenced being charged in May 2025.

Options | Ngā kōwhiringa

Option One – Approve the Schedule of Fees and Charges 2025–26 (recommended option)

12. Agree to proceed with the Schedule of Fees and Charges 2025–26 proposed in [Attachment 1](#).

Option Two – Make additional changes to the Schedule of Fees and Charges 2025-26 (not recommended option)

13. Make additional changes to one or more parts of the Fees and Charges

Considerations for decision-making | Ngā whai whakaarotanga

14. During the Deliberations Meeting on 11 June 2025, Council considered the proposed Alcohol Fees Setting Bylaw, and submission feedback on the draft Schedule of Fees and Charges. The following changes were raised in the deliberations:
 - a. A minor change to child admission to H₂O Xtream to change the age of a child from 5-14 years to 5-15 years
 - b. A change to cemetery plot fees for stillborn and child under 1-year plots to be free.

Previous relevant Council decisions | Ngā whakataunga o mua

15. The decision to consult on the Schedule of Fees and Charges on 19 March 2025 and the decision made on 11 June 2025 to adopt the fees and charges with amendments noted in paragraph 13 above.

Identification of inconsistent decisions | Te tautuhi o ngā whakataunga Hārakiraki

16. There are no inconsistent decisions. Council is required to review and adopt the Schedule of Fees and Charges annually.

Significance and engagement assessment | Te tino aromatawai

17. Council is required to undertake a special consultative procedure when proposing changes to certain fees and charges set under different legislation. Consultation was conducted in accordance with the requirements of the Local Government Act 2002, Resource Management Act 1991, Building Act 2004, Food Act 2014, and Sale and Supply of Alcohol Act 2012.

Sustainability | Rautaki whakauka

18. There are no sustainability implications of adopting these fees and charges.

Financial and resourcing | Mahere pūtea

19. The fees and charges in this report generate income for a range of activities and cost centres across Council.
20. The fees and charges support the revenue levels included in year 2 of the Long-Term Plan (LTP) 2024–2034. The Revenue and Financing Policy sets out how Council funds each of its activities.

Legal | Ture

21. The Schedule of Fees and Charges 2025–26 complies with legislative requirements. The Local Government Act 2002 Section 150(1) allows Council to prescribe fees and charges payable for a certificate, authority, approval, permit or consent form, or inspection by Council in respect of a matter in a Bylaw, or any other Act. Section 150(4) states that the fees must only allow for Council to recover the reasonable costs incurred by Council for the matter which the fee is charged.

Risk | Tūraru

22. There is a risk that if the fees and charges do not reflect the cost recovery needed, or do not align with the underlying Revenue and Financing Policy, the burden of the cost will fall to the ratepayer, or Council will not be able to recover costs to the extent that is prudent.
23. There is a risk that if the fees are set too high, services provided by Council will be too expensive for the users of the service. Setting fees and charges needs to balance affordability and user-pays principles. To mitigate these risks, Council reviews fees and charges annually.

Included attachment | Ngā āpitihanga

24. Attachment 1: [Schedule of Fees and Charges 1 July 2025 – 30 June 2026](#)

[page 34](#)

Date of report: 26 June 2025

Report writer:

Harman Singh

Senior Corporate Planner

Reviewed by:

Emily Thomson

Strategy Planning and Policy Manager

Approved

Gunther

Group Manager of Engagement, Strategy and Planning Services

by:

Wild

Geoff Swainson

Chief Executive | Te Tumu Whakarae

SCHEDULE OF

Fees and Charges

1 JULY 2025 - 30 JUNE 2026

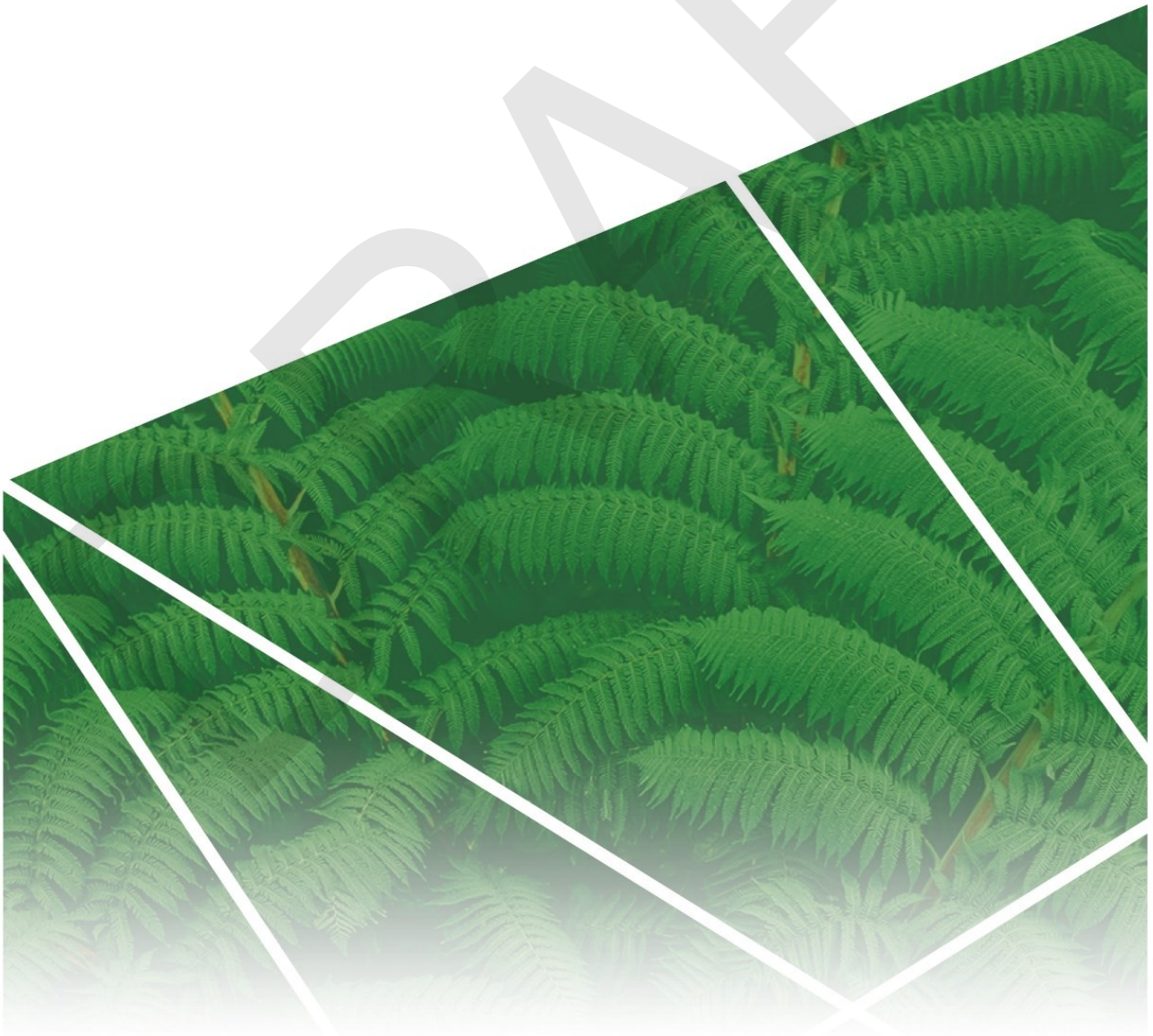


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Note: If a fee or charge for a Council service is not specifically listed in this schedule the charge or fee will be the total of the actual cost of materials, and officer time incurred to provide the service and GST.

Administration/miscellaneous

Cost recovery rates

	2025/26
1 Technical Administration Officer (cost per hour)	\$145.00

Photocopying

2 Black and white copying up to 10 pages (per side)	\$0
3 Black and white copying 11 pages or more (per side)	\$0.10
4 Colour copying A4 (per side)	\$0.20
5 Colour copying A3 (per side)	\$0.40

Building packet data

(Historical building records) The charges below relate to standard residential properties for a maximum of two building documents carried out by UHCC Customer Services Team. All requests for building documents for non-residential (eg rural, commercial, industrial), and complex residential buildings will be carried out by UHCC Building Control Services Team at full cost recovery (refer Perusal Fee).

All other standard residential requests (eg 2+ documents) will be charged on an hourly rate basis.

6 On a USB stick (per stick)	\$12.00
7 Delivered electronically (each)	\$10.00

Other

8 Rainwater tanks (per tank)	\$128.00
9 Debt collection fees to be fully reimbursed. (All costs incurred in Council initiated debt collection action may be recovered from the debtor involved).	

Akatārawa Cemetery

Plots

	2025/26
10 Adults (plaque and monumental)	\$1,159.00
11 Children under one year and stillborn	\$0
12 Children up to 12 years (plaque and monumental)	\$494.50
13 Ashes (plaque and memorial)	\$415.00
14 Ashes – memorial garden	\$731.00
15 Service personnel in service sections	\$0
16 Issue of duplicate grant	\$0
17 Transfer of grant per plot	\$0
18 Monumental trees	\$1,660.00

Interment (includes 2nd interments)

19 Adults (plaque and monumental)	\$1,061.00
20 Children under one year and stillborn	\$0
21 Children 1-12 years	\$427.50
22 Ashes	\$137.00
23 Indigents (certified)	\$121.50
24 Memorial permits	\$36.00
25 Service personnel in service sections (ashes)	\$137.00
26 RSA interment	\$1,061.00

Maintenance in perpetuity

	2025/26
27 Adults (plaque and monumental)	\$850.00
28 Children under 12 years	\$342.00
29 Service personnel in service sections	\$0
30 Ashes	\$340.00
31 Memorial gardens	\$491.50

Out of district fee

32 Adults	\$1,483.00
33 Children under 12 years	\$1,203.00
34 Service personnel in service sections	\$1,366.00
35 Ashes	\$988.80

Extra charges included under interment

36 Oversized caskets (adults only)	\$302.00
37 Double depth (usually 45cm)	\$154.50
38 Triple depth (usually 90cm)	\$248.00
39 Lowering device and burial mats	\$100.00
40 Weekend or holiday grave digging, including RSA personnel	\$280.00

Saturday interments (8am to 1pm)

41 Burials	\$273.00
42 Ashes	\$125.00

Disinterment

		2025/26
43	Body	\$1,161.00
44	Ashes	\$96.00

Re-interment

45	Adults	\$1,161.00
46	Children	\$427.50

Book of Remembrance

47	Two-line entry	\$134.00
48	Additional four lines (per line)	\$49.50
49	Next four lines (per line) (maximum eight additional lines)	\$123.60

Building Services

Base fee

The base fee is calculated on the estimated building costs (labour + materials) inclusive of GST.

		2025/26
50	\$0.00 - \$5,000 of estimated building costs	\$453.20
51	\$5,001 - \$15,000 of estimated building costs (6% plus)	\$17.67
52	\$15,001 - \$200,000 of estimated building costs (0.6% plus)	\$830.78
53	\$200,001 and greater of estimated building costs (0.195% plus)	\$1,818.66

Exceptions to the base fee are amendments, fire units, and alternative solutions.

54	Amendments (includes one hour processing and the audit fee) (additional time charged at \$226.60/hour)	\$299.50
55	Swimming pool fencing building consent (30mins processing and 1 inspection)	\$339.90

Fire units

56	Freestanding (includes one inspection)	\$500.00
57	Fire units In-built or any wetback fireplace (two inspections)	\$700.00

NOTE: Fire unit fees cover; allocated processing and inspection, the audit fee and certification

58	Alternative solutions and bespoke design	Recovery rates
59	External review of specific design reports, fire reports, and alternative solutions	at cost
60	NOTE: All fire reports are subject to review. In most cases fire reports are sent to our consultant reviewer and costs will be charged to the applicant. Where fire reports are reviewed in-house, a charge of \$226.60/hour applies.	

Activity fee (where applicable)

		2025/26
61	Accreditation Levy applies to all applications Simpli and GoGet (fees are not set by the Council, collected on behalf of suppliers)	\$41.20
62	Simpli portal charge - applicable to all applications	\$51.75
63	GoGet fixed fee (Applies to project information memorandum and certificate for public use applications)	\$80.00
64	GoGet fee - Building work equal to or less than \$124,999 (Applies to building consent, amendment and certificate of acceptance applications)	\$80.00
65	GoGet fee - Building work greater than \$125,000 (Applies to building consent and amendment applications)	0.075% of value of works
66	Goget fixed fee - Building work greater than \$125,000 (Applies to certificate of acceptance applications only)	\$350.00
67	Completeness check fee applies to all applications for consents and certificates (includes 30 minutes assessment, additional time charged at cost)	\$72.50
68	Application scanning and data entry fees	at cost

Certification fee applies to all applications for building work

69	Residential CCC (includes 1-hour technical time)	\$226.60
70	Commercial CCC (includes 2-hours technical time)	\$453.20
71	Site inspections fees (per inspection)	\$226.60
72	Commercial inspection charge (additional to final inspection when specified systems are included in scope of works) (per hour)	\$226.60
73	Review of old consent files for certification decisions. (base fee includes technical review plus 2 hours processing, additional time charged at hourly cost recovery rates)	\$744.00

Depending on the type of building project the number of inspections will vary. The estimated number of inspections is charged at the application stage, additional fees will be recovered if extra inspections are required.

Levy fee applies only to consents \$20,000 or more in value

Levies are collected on behalf of the Ministry of Business, Innovation and Employment (MBIE), and building research levies on behalf of the Building Research Association of New Zealand (BRANZ).

		2025/26
74	Building Research Association if New Zealand Levy (this levy is not subject to GST and applies to consents with building work exceeding \$20,000)	0.1% value of work
75	Building Levy (applies to consents \$65,000 or more in value)	\$1.75 per \$1,000.00 or part thereof
Note: For staged projects, levies are assessed on the total project value		
76	District Plan/Resource Consent Check (30 minutes)	\$107.50

Administration and pre-application meetings

77	Pre-application meetings: (2 hours total officer time free, then charged per hour)	\$226.60
78	Administration fee for refunds on cancelled, lapsed or superseded consents	\$72.50
79	Administration fee (other), hourly rate	\$145.00

Project Information Memorandum (PIM)

The following fees apply for a PIM application: additional time charged at cost recovery rates

80	Simple residential Project Information Memorandum	\$484.10
81	Multi-residential and commercial Project Information memorandum	\$690.10

Fees for other applications

82	Certificate of Acceptance applications (project value up to \$19,999) (plus building consent base fees and levies)	\$1,000.00
83	Certificate of Acceptance applications (project value over \$19,999) (plus building consent base fees and levies)	\$2,000.00
84	Certificate of Public Use application (Includes 1hr processing, 1 inspection and 30mins admin) (additional time charges at cost recovery rates)	\$525.70

85	National multiple-use application (Includes 3hrs processing and 30mins admin) (additional time charges at cost recovery rates)	\$752.30
86	Schedule 1 Territorial Authority discretionary exemption – Minor works (includes 1 hour of processing and 1 hour admin) (additional time charges at cost recovery rates)	\$299.10
87	Schedule 1 Territorial Authority discretionary exemption – Major works (includes 3 hours of processing and 1 hour admin)	\$824.80
88	Owner supplied information – (includes 1 hour of processing) (additional time charges at cost recovery rates)	\$247.00
89	Receipt and filing of records from another authority	\$75.00
90	Notice to fix (Includes 1 hr time related. Additional time charged at \$226.60 per hour)	\$226.60

Lodging a change to a Record of Title

91	S72 land subject to natural hazards	\$336.00
92	S77 building over two or more allotments	\$336.00
93	(S72 and S77 include \$130 LINZ fees and 1 hr processing time. Additional charges or changes to LINZ fees will be charged at cost)	at cost
94	Additional Legal fees (per hour)	\$220.00

Building Warrant of Fitness

95	BWOF 1-2 specified systems (includes 30 mins processing) (Time after 30 mins will be charged at cost recovery rates)	\$113.30
96	BWOF 3-8 specified systems (includes 1 hour processing) (Time after 1 hour will be charged at cost recovery rates)	\$226.60
97	BWOF 8+ specified systems (includes 1.5 hours processing) (Time after 1.5 hours will be charged at cost recovery rates)	\$340.00
98	Second and subsequent reminder letters, time related to notice to fix (additional time charged at cost recovery rates)	\$206.00
99	Building warrant of fitness audits and inspections (additional time charged at cost recovery rates)	\$206.00
100	Amendment to a compliance schedule (additional time charged at cost recovery rates)	\$206.00
101	New Compliance Schedule (additional time charged at cost recovery rates)	\$257.50

Earthquake prone buildings

		2025/26
102	Earthquake prone building report/status review (per hour)	\$206.00
103	Earthquake engineer assessment (structural)	at cost

Swimming pools

104	Pool safety audit inspection (includes one-hour, additional time charged at hourly cost recovery rates)	\$206.00
105	Pool reinspection or independent qualified pool inspector (IQPI) report review (includes half hour, additional time charged at hourly cost recovery rates)	\$103.00

Perusal fee

106	Building packet research and/or related tasks	Cost recovery
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Building consent list

107	List of building consent applicants for the year to date (per year)	\$89.10
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Cost recovery rates

108	Internal Technical Officer (Building Officer) (per hour)	\$226.60
109	Internal Technical Officer (Senior/Manager) (per hour)	\$247.20
110	Technical Officer - Compliance Officer (per hour)	\$206.00
111	Technical Administration Officer (per hour)	\$145.00
112	Engineer (e.g. fire, structural, geotechnical)	at cost

Finance

			2025/26
113	An administration fee will be added to the total value of rates postponed on the first successful postponement application granted on each rating unit.		Actual costs
114	Annually on 30 June interest will be charged in arrears on rates postponed. This will equate to the Council's average cost of borrowing at that date.		Actual costs

H₂O Xtream

Admission

Child

		2025/26	
		Single Pass	10 Trip Pass
115	Child under one	\$2.00	N/A
116	Child under five	\$3.50	\$28.00
117	Children (5 - 15 years)	\$4.50	\$35.00
118	Child membership		\$9.00/week
119	Group of 10 or more – per child	\$3.50	

Adult

		Single Pass	10 Trip Pass
120	Adult – single	\$6.50	\$55.00 ((\$90.00 20 Trip Pass))
121	Adult membership		\$15.00/week
122	Community service swim adult	\$3.50	
123	Adult over 65 (allows access to the sauna, steam room, spa pool during hours of availability, in addition to the normal access to both pools and the cafeteria).	\$5.50	\$45.00
124	Disability – single	\$3.50	\$25.00

Family passes

	2025/26
125 Four people, minimum one adult, maximum two adults	\$18.50
126 Family plus slide pass, minimum one adult, maximum two adults	\$32.00
127 Extra family members	\$4.00
128 Extra slide pass	\$4.00

Slides (unlimited use)

	Single Pass	10 Trip Pass
129 Child/Adult	\$5.00	\$45.00
130 Group discount (10 people or more)	\$4.50	NA

Hydrorobics

	Single Pass	10 Trip Pass
131 Adult	\$7.50	\$65.00
132 Adult over 65	\$6.50	\$55.00
133 Community service card	\$5.00	\$40.00

Corporate and Government

	Single Pass	10 Trip Pass
134 Adult	\$4.50	\$45.00

Other

135 Adult supervising under five year old	\$0
136 Non-swimming supervising adult of child aged 5 - 15 years	\$0
137 Caregiver of person with disability	\$0
138 Spectators	\$0

Additional charges

Seasonal programmes and activities may attract charges. Please ask at H₂O Xstream Reception for more information.

Lockers

	2025/26
139 Price per four hours of use (\$20 deposit plus \$5 cost)	\$5.00

Private facility hire – payment is advance is required

140 Full facility	\$700.00
141 Full facility with inflatables	\$800.00
142 BBQ facility hire (per token)	\$28.00

Lane hire (per lane, per hour)

143 General hire	\$12.00
144 Schools and community group hire	\$8.50
145 Commercial hire	\$40.00

Upper Hutt Schools

Lane Pool

146 Lane Pool (per lane, per hour)	\$8.50
147 School term 1 to 4 (per child (plus lane hire)	\$2.50

Leisure Pool

148 School term 1 to 4 (per child)	\$4.00
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NOTE: For classes with an external instructor, admission allows access to the lane or leisure pool.

Learn to swim – These fees will be applicable when the pool reopens in 2025

	2025/26
149 Pre-school	\$13.50
150 School age	\$14.50
151 Adults	\$15.00
152 Squad	\$14.50
153 Private one-on-one lessons (all ages) per person/per half hour	\$48.00
154 Assisted lessons (child)	\$20.00

NOTE: Assisted lessons are one-on-one lessons designed to support children with additional needs i.e. where a group class may be a barrier to participation. H₂O staff can advise on eligibility.

Flipperball

155 Per season per team (13 games)	\$400.00
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Floorball

156 Per season per team (15 games)	\$300.00
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Holiday programme

157 On-site per day (8.00am – 5.00pm)	\$44.00
158 Off-site day trips per day (8.00am – 5.00pm)	\$54.00
159 On-site after hours per day (before hours: 7.00am - 8.00am)	\$12.00
160 On-site after hours per day (after hours 5.00pm – 6.00pm)	\$12.00
161 On-site after hours per day (before and after hours)	\$20.00

Party hire packages

Package 1 (includes) \$125.00

- 2 hours of hire for Party Room
- 10 swim and slide passes for children (5 – 15 years)
- Each additional person is \$7.50 per person

Package 2 (includes) \$85.00

- 2 hours of hire for Party Room
- 10 swim only passes for children (5 – 15 years)
- Each additional person is \$3.50 per person

Package 3 (includes) \$74.80

- 2 hours of hire for Party Room
- 10 swim only passes for children under 5s
- Each additional person is \$2.50 per person

Add-ons to Packages 1, 2 and 3

- BBQ facility hire \$25.00 per hour
- Inflatable in the Junior Leisure Pool hire \$50.00 per hour

Hire of Meeting/Community Rooms

- Community Room A (the above Party Room without packages) \$30.00 per hour
- Meeting room (by reception) \$23.00 per hour
- \$86.25 per 4 hours
- \$160 per 8 hours

Land Information Memorandum (LIM)

Requests for a Land Information Memorandum (LIM) is a report issued by Council which provides a summary of all the information that local authority has on file about that property, in particular, all works on the property that council has had involvement in.

		2025/26
162	Residential/rural minimum fee	\$445.00
163	Commercial/Industrial minimum fee	\$662.00

Cancellation fee

- 164 If a request is made to cancel a LIM application within 3 working days of the application being lodged, 75% of the lodgement fee will be refunded.

Additional charges

- 165 Additional time per hour (after three hours of compilation of LIM for residential/rural and 4.5 hours for commercial/industrial) \$145.00

Minimum fee covers:

- 166 3 hours officer processing time for residential/rural; 4.5 hours non-residential/rural
Delivery by one of the following methods: USB stick, electronic drop box, or paper (100 pages of printing, additional pages attract an additional charge). Delivery by more than one method or additional LIMs must be ordered with the LIM application.
- Note: An invoice will be issued for officer time and/or printing in excess of the amounts included in the minimum fee

Land transport

Street works - Corridor Access Request (CAR) fees

Corridor access request fees cover the costs of administering the CAR process and undertaking the verification inspections of the work.

They have been set to a lump sum for each of the work categories contained within the “National Code of Practice for Utilities’ Access to Transport Corridors” and have been set at a level that reflects the expected workload applicable to each work category.

All CAR’s will attract a fee.

The definitions of each work category are as per the National Code.

	2025/26
167 Non- excavation	\$60.00
168 Minor works	\$155.00
169 Major works	\$280.00
170 Project works	\$1,300.00

Where the inspector is advised that the work is ready for the completion inspection, but the reinstatement has not been completed, a further fee will be charged for each additional inspection.

171 Re-inspection fee (per visit)	\$185.00
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Council is prepared to carry out compaction testing using a soils impact tester on request, the fee will be per visit to site as follows:

172 up to 10 tests (per site visit)	\$125.00
173 10 to 20 tests (per site visit)	\$200.00
174 over 20 tests (per site visit)	over 20 tests is by agreement

Corridor access request (CAR) for subdivision developments

175 Treated as a major work	\$280.00
176 Additional unforeseen inspections would incur an additional charge (per inspection)	\$185.00

To be charged for each re-inspection required where a works completion notice is lodged and when inspected, the works are not completed to Council’s requirements and further inspection is required.

Unauthorised excavation fee

To be charged where an excavation is commenced without proper notification, or a Work Access Permit is being issued. This charge is an addition to the normal CAR fees.

2025/26

177	Unauthorised excavation fee (per excavation)	\$280.00
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Non-conformance fee

To be charged when the work is carried out in a way that fails to comply with the Work Access Permit conditions, and a non-conformance notice is issued as a result. This charge is an addition to the normal CAR fees.

178	Non-conformance fee (per event)	\$280.00
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Bonds

Contractors who have been excluded from having the right to work within the city as described in *clause 4.6.2 of schedule c, attachment 1 – ‘Local Conditions – Hutt City and Upper Hutt City’*, shall be required to pay a bond to Council prior to the CAR being issued.

The bond shall be an amount as calculated by Council as the possible reinstatement of any work which may be left uncompleted by the contractor or may not be completed to standard by the contractor. The bond shall take into account the previous track record of the contractor concerned.

Chip sealing fee

179	A fee to cover the resurfacing of the seals less than four years of age in place of the existing requirement under clause 5.6.4 of the “National Code of Practice for Utilities’ Access to Transport Corridors” – Hutt Valley Local Conditions (per square metre)	\$8.50
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Registration of delegated authority to approve Traffic Management

To cover the administration costs of registering the delegation of a Site Traffic Management Supervisor (STMS) for Traffic Management Plan (TMP) approvals.

180	Registration fee (per STMS/first STMS)	\$140.00
181	Registration fee for an application for two or more STMS made at the same time (first STMS)	\$140.00

182	Registration fee for an application for two or more STMS made at the same time (each subsequent STMS)	\$105.00
183	Registration fee to transfer a current STMS holder's delegation from one company to another (per STMS)	\$70.00
184	Renewal of delegation (per STMS)	\$85.00
185	Renewal of delegation for an application for two or more STMS made at the same time (first STMS)	\$85.00
186	Renewal of delegation for an application for two or more STMS made at the same time (each subsequent STMS)	\$70.00

Note: Delegations are specific to the individual STMS certificate holder and to the company they are employed by at the time of the application.

Overweight permit fees

To cover vetting, issuing, and where appropriate, the bridge supervision for an overweight load that starts and finishes its journey in Upper Hutt City or for a load traversing that for some reason has not had a permit issued by Transit NZ.

		2025/26
187	Single permit - no bridges involved	\$130.00
188	Single permit - fee where structural checking required	\$280.00
189	Additional fee where bridge supervision required	\$330.00
190	Continuous permit	\$260.00
191	Re-issue of identical single permit	\$100.00
192	Re-issue of identical continuous permit	\$100.00

NOTE: The above fees for overweight permits are minimum fees. Actual costs will be charged where the time to process or supervise exceeds the allowed time.

Encroachment licence fee

193	To assess, process, and issue an encroachment licence for work carried out within the legal road including:	\$250.00
	• The construction of a structure (e.g. garage, carport, or retaining wall) • Erecting a fence outside the property boundary • The allocation of an outdoor dining area on a footpath or parking area • The erection of permanent or long-term signs and advertising hoardings	

NOTE:

1. An encroachment is not required for a driveway or standard vehicle crossing. The fee is based on evaluation and processing time, and the associated overheads. No annual fee is currently charged for encroachments.
2. Encroachment licences will only be approved as a means of last resort. No encroachment into the legal road will be approved unless:
 - There is no viable alternative option within the adjacent property
 - The encroachment will not impede the use of the road corridor or create a hazard to road users
3. An encroachment may be cancelled at any time if the Council requires the land for roading purposes

Micro-mobility Device Operators

Fee for commercial operators providing micro-mobility devices (e-scooters, e-bikes, etc.) for hire within the road corridor.

		2025/26
194	Application fee - To assess, process, and issue an application by a new operator to provide micro-mobility devices for hire	\$320.00
195	Annual operating fee - To assess existing and on-going compliance with requirements and issue and renewal.	\$160.00

Legal

	2025/26
196 Legal services lawyer	\$220.00
197 Legal services administrator	\$145.00
198 External legal input (outsourced work)	Actual cost
199 Disbursements (e.g. photocopying, postage, travel)	Actual cost

Library

	2025/26
200 Replacement membership cards	\$0
201 Compact disc rental	\$0
202 Reproduction of archival photographs	Actual costs
203 Requests for adult material	\$0
204 Requests for children's and teen's material	\$0
205 Interloans (per item)	\$13.00
206 Black and white printing and/or copying (per page)	\$0.20
207 Colour printing and/or copying (per page)	\$1.00
208 Overdue books, magazines and audio visual material	\$0
209 Lost or damaged library material (books, DVD's)	Replacement costs
210 Board Game Lending	\$6.00

Parks and Reserves

Seasons

WINTER PERIOD: 1 April to 31 August

SUMMER PERIOD: October (Labour Weekend) to March 31

(Subject to grounds maintenance requirements, a transition period between seasons may impact availability during seasonal changeover). Sportsfield fees commence 1 September each year.

Fees and charges for artificial turfs at Maidstone Park

Charges relating to the use of the artificial turfs at Maidstone Park will be set by the respective Trusts.

Maidstone Park sportsfield lights (excluding artificial turfs)

		2025/26
211	Training Lights per season (per training night each week)	\$550.00
212	No 1 & No 2 Field lights	By individual quotation
213	Tennis Courts per hour	\$25.00

Cancellation Policy

Should Council close any facility because of inclement conditions, the hirer shall be entitled to a full refund for casual use only.

Should the hirer cancel or postpone when ground conditions are acceptable with less than 24 hours' notice, they shall forfeit 50% of their fee. Where they give three days' notice, they shall forfeit 20% of their fees and where more than one week notice is given, they shall be entitled to a full refund.

Winter codes

Winter codes – seasonal

Maidstone Park sand field

	2025/26
214 Rugby Union (per field)	\$9,120.00
215 Other users	By quotation

Other fields

216 Rugby Union	\$1,830.00
217 Rugby League	\$1,830.00
218 Soccer	\$1,830.00
219 Junior grounds (under 16) (25% of the senior fee)	\$458.00

Winter codes casual – charge per game*

220 Maidstone Park Sand Field	By quotation
221 Community Organisations	By quotation
222 Commercial operations	By quotation
223 Other sports fields	By quotation
224 Senior	\$114.00
225 Under 16	\$31.80
226 Training areas	By quotation
227 Tournament	By quotation

If preparation of any sports field is required outside normal working hours, an additional charge of 20% on top of the normal charge will apply.

Summer codes

Cricket - seasonal

	2025/26
228 Barton Oval	\$7,560.00
229 Senior	\$7,000.00
230 Club	\$4,284.00
231 Artificial	\$1,113.00
232 Junior Strips (grass under 16)	\$252.00

Cricket – casual*

233 Barton Oval senior (with approval of sports field's officer)	\$210.00
234 Barton Oval junior (with approval of sports field's officer)	By quotation
235 Senior/Club	\$146.00
236 Junior strips (grass under 16)	\$37.00
237 Junior rep game on senior strip (if preparation required)	\$62.00
238 Artificial senior	\$73.50
239 Artificial junior	\$21.00
240 Tournament	By quotation
241* If preparation of any sports field is required outside normal working hours, an additional charge of 20% on top of the normal charge will apply.	

Softball - seasonal

242 Club skin diamond	\$1,524.00
243 Senior grass	\$985.00
244 Junior grass	\$246.00

Softball – casual *

245 Club skin diamond	\$169.50
246 Senior grass	\$106.00
247 Junior grass	\$28.00

**Sundays and Public Holidays - If preparation of any sports field is required outside normal working hours, an additional charge of 20% on top of the normal charge will apply.*

Touch

Seasonal - fields are not marked

	2025/26
248 Senior	\$509.00
249 Junior	\$127.00
250 Field marking	By quotation

Casual – fields are not marked

251 Senior	\$43.50
252 Junior	\$19.00
253 Field marking	By quotation
254 Tournament per day, per pitch (marked)	\$318.00

Athletics, harriers, orienteering etc.

255 Athletics track, per season	\$3,317.00
256 Casual use by clubs and schools, per day	\$0

Showers and changing rooms

257 Seasonal fee	\$996.00
258 Casual use of showers and changing room hire per facility and per day	\$84.00
259 Community Leagues	By quotation
260 Tournaments	By quotation

Schools

261 Casual games; except cricket strips	\$0
262 Tournaments	By quotation

Casual bookings

		2025/26
263	Marching day	\$85.00
264	Circus, fair, per day on site	\$180.00
265	Concerts	By quotation
266	Other events	By quotation
267	Commercial use of a park*	3% of gross revenue (ticket sales)

* Where Council provides the facility only and would make available any toilets situated in the park, and access to power (if applicable). Any other services provided will be charged on a cost recovery basis.

Encroachment licence

268	Fee	\$995.50
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Organised booked picnics (exclusive areas of the parks)

269	Up to 50 persons	\$27.00
270	50 persons plus	\$100.00
271	No charge for casual picnickers	\$0

Regulatory/Compliance Services

Alcohol licensing

Default fees as set under regulation by the Ministry of Justice

The Sale and Supply of Alcohol (Fees) Regulations 2013, mandate the fees payable for alcohol licensing. The Regulations outline a cost/risk rating system to be utilised to determine the appropriate licensing fees. The appropriate cost/risk rating of a premises is the sum of the highest applicable weighting in tables 1, 2, and 3.

TABLE 1: TYPE OF PREMISES.

Licence held or sought	Type of premises	Weighting
On-licence	Class 1 restaurant, night club, tavern, adult premises	15
On-licence	Class 2 restaurant, hotel, function centre	10
On-licence	Class 3 restaurant, other premises not otherwise specified	5
On-licence	BYO restaurants, theatres, cinemas, winery cellar doors	2
Off-licence	Supermarket, grocery store, bottle store	15
Off-licence	Hotel, tavern	10
Off-licence	Class 1, 2, or 3 club, remote sale premises, premises not otherwise specified	5
Off-licence	Winery cellar doors	2
Club licence	Class 1 club	10
Club licence	Class 2 club	5
Club licence	Class 3 club	2

TABLE 2: LATEST LICENSED HOURS.

Type of premises	Latest trading time allowed by licence (during 24-hour period from 6 am to 6 am)	Weighting
Premises for which an on-licence or club licence is held or sought	2 am or earlier	0
	Between 2.01 am and 3 am	3
	Any time after 3 am	5
Premises for which an off-licence is held or sought (other than remote sales premises)	10 pm or earlier	0
	Any time after 10 pm	3
Remote sales premises	Not applicable	0

TABLE 3: NUMBER OF ENFORCEMENTS IN LAST 18 MONTHS.

Number of enforcement holdings in last 18 months (applies to all types of premises)	Weighting
None	0
1	10
2 or more	20

Definitions

Class 1 restaurants – restaurants with a significant separate bar area which, in the opinion of the relevant Territorial Authority (TA), operate that bar at least one night a week in the nature of a tavern, such as serving alcohol without meals to tables situated in the bar area	Class 1 clubs – clubs which, in the opinion of the TA, are large clubs (with 1,000 or more members of purchase age) and which, in the opinion of the relevant TA, operate in the nature of a tavern (for example a large working men's club, combined clubs, or large 'cossie' clubs)
Class 2 restaurants – restaurants that have a separate bar (which may include a small bar area) but which, in the opinion of the relevant TA, do not operate that area in the nature of tavern at any time	Class 2 clubs – clubs which do not fit class 1 or class 3 definitions (for example larger sports clubs, medium sized RSAs, many provincial social clubs)
Class 3 restaurants – restaurants that only serve alcohol to the table and do not have a separate bar area	Class 3 clubs – clubs which, in the opinion of the TA, are small clubs (with fewer than 250 members of purchase age) and which operate a bar for 40 hours or less per week (for example small sports clubs like bowling clubs, golf clubs, bridge clubs, and small RSAs)

Fee category, rating and corresponding costs

The table below shows the application fee and annual fee for the relevant cost/risk rating for a premises.

		2025/26	
	Fee Category and Cost/Risk Rating Score	Application Fee	Annual Fee
272	Very low 0-2**	\$418.00	\$192.67
273	Low 3-5**	\$676.17	\$511.00
274	Medium 6-15**	\$1,016.50	\$898.67
275	High 16-25**	\$1,523.50	\$1,535.00
276	Very high 26 plus**	\$1,874.17	\$2,237.00

Other licence applications

	2025/26
277 Manager's certificate – new or renewal application**	\$316.00
278 Temporary authority or temporary licence**	\$403.03
279 Extract of register for district licensing committee (DLC)	\$58.00

Special licenses

280 Class 1 **	\$1,075.00
Large size events (400+ attendees), or more than 3 medium events (100 – 400 attendees), or more than 12 small events (less than 100 attendees)	
281 Class 2 **	\$257.00
1 – 3 medium size events (100 – 400 attendees), or 3 – 12 small events (less than 100 attendees)	
282 Class 3 **	\$78.25
1 – 2 small events (less than 100 attendees)	
Late application fee for special licence applications submitted within 20 working days of the event	\$100.00

Other

283 Public notice**	\$0
284 Late submission**	\$0
285 Licensing inspector hourly rate**	\$0
286 Proposed Use Approval: Resource Management Act 1991 and Building Code	\$190.00

Amusement devices and shooting galleries

287 Regulation 11(6)(a) (first device for first seven days or part thereof)	\$11.50
288 Regulation 11(6)(b) ((each additional device for a further period of seven days or part thereof)	\$2.30
289 Regulation 11(6)(c) (for each device for a further period of seven days or part thereof)	\$1.15

Note: Permit fee fixed by Regulation 1978/294

Dog fees - as adopted on 19 March 2025 Council meeting

- Dog fees are not subject to consultation, these have been adopted at the 19 March 2025 Council meeting.
- The fee for a 'responsible owner' represents a significant saving on the general registration fee. 'Responsible owner' status cannot be claimed if paying after 31 July, 2025*. Fee classes SO and SN will change to J or N at that time
- A classified dangerous dog is one that has been declared "dangerous"
- Dogs must be registered before they reach three [3] months of age
- From the age of three [3] months, fee rates are calculated proportionally for the year
- A National Dog Database Levy (per dog) is included in all dog registration invoices

Dog registration

		2025/26	
		Fee if paid by 31 July 2025	Fee if paid after 31 July 2025
290	Disability assistance dog (GD)	\$0	\$0
291	Police dog (PD)	\$57.00	\$85.00
292	Other working dog (RD)	\$101.00	\$151.00
293	Responsible owner (SO)	\$113.00	\$168.00
294	Responsible owner, with desexed dog (SN)	\$101.00	\$151.00
295	General registration (J)	\$168.00	\$252.00
296	General registration, with desexed dog (N)	\$152.00	\$226.00
297	Classified Dangerous Dog (section 31) (K)	\$419.00	\$629.00

Dog impounding

		2025/26
298	First impounding during the year (first during a 12 month period)	\$113.00
299	Second impounding during the year (second during a 12 month period)	\$225.00
300	Third impounding during the year (third during a 12 month period)	\$338.00
301	Seizure fee	\$130.00

303	Replacement discs	\$5.00
304	Mico-chipping	\$40.00
305	Administration fee for a permit to keep more than two dogs on a property	\$80.00
306	Transport to pound	\$32.00

Food premises licences

On 31 May 2024, Cabinet approved a new annual levy under the Food Act 2014 for domestic food businesses. Regulations are detailed online: Food (Fees, Charges, and Levies) Amendment Regulations 2024. This is called the Domestic Food Business Levy (the Levy).

The Levy comes into effect from 1 July 2025, and will be gradually introduced over three years specified below (excl GST):

- starting at \$57.50 on 1 July 2025;
- increasing to \$86.25 on 1 July 2026; and
- increasing to \$115.00 on 1 July 2027.

All figures are GST exclusive. GST is to be applied at the time of the billing.

A collection fee of up to \$11.00 (excl GST) can be charged to each business by the TA. This amount is to be retained by the TA and is not payable to the Ministry for Primary Industries (MPI).

		2025/26
307	Ministry for Primary Industries Levy 1 July 2025 (levy plus collection fee of \$11)	\$70.15

Food premises licensed under the Food Act 2014:

308	NOTE: additional time spent on any activity listed below over and above the base time identified will be charged at the rate of \$275 per hour.	\$275.00
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Registration activities

309	Application for registration of Food Control Plan (FCP) based on a template or model issued by Ministry for Primary Industries (includes 1.5 hours processing time). Additional time will be an hour rate of \$275.00	\$500.00
310	Application for registration of a business subject to a national programme template (includes 1.5 hours of processing of application). Additional time will be hour rate of \$275.00	\$275.00
311	Application for renewal of registration (includes one hour of processing of application)	\$275.00
312	Application for amendment to registration (includes one hour for processing of application)	\$275.00

Verification activities

	2025/26
313 Verification of a food control plan based on a template or model issued by MPI (includes one hour of verification activity) Additional time will be an hourly rate of \$220.00.	\$275.00
314 Additional inspection fee or Food Control Plan re-audit fee (per inspection)	\$284.00
315 Food Control Plan Template	\$18.00
316 Thermometer	\$29.00

Compliance activities

317 All other services for which a fee may be set under the Food Act (per hour)	\$275.00
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Gambling

318 Class 4 Gambling Venue Consent	\$489.25
319 New Zealand Racing Board (including TAB) Venues Consent*	\$489.25
320 New Zealand Racing Industries Venues Consent including Class 4 Gambling Venue Consent	\$792.07

* New Zealand Racing Board (including TAB) venues will also be required to pay a \$155.00 application fee (over and above the consent fee) if they wish to host gaming machines at new or relocating venues.

Other licence fees

These licence categories relate to commercial premises and activities

321 Camping grounds licence (includes inspection and processing up to 2 hours)	\$616.00
322 Funeral Directors/Mortuaries (includes inspection and processing up to 2 hours)	\$616.00
323 Hairdressers licence (includes inspection and processing up to 1.5 hours). Additional time will be charged out at \$275.00	\$344.25
324 Appearance industry premises registration (includes initial inspection up to 1.5 hours). Additional time will be charged out at \$275.00	\$356.25
325 Registration fee for a combined Hairdresser/Appearance Industry application (includes initial inspection up to 2.5 hours)	\$516.00
326 Additional time for registration/inspection and investigation of justified complaints under the Appearance Industry bylaw	\$275.00
327 Mobile travelling shop	\$324.00
328 Other traders*	\$124.00

329	Transfer of licence	\$124.00
330	Environmental Health Officer (per hour)	\$275.00
331	Technical Administration Officer (per hour)	\$145.00

**This includes hawkers, itinerant traders, and all other traders that do not come under the category of food trader or mobile and travelling shop.*

Parking fees

The amount for fines is set at a national level (infringement fee):

	2025/26	
332	Not more than 30 minutes	\$20.00
333	More than 30 minutes but not more than 1 hour	\$25.00
334	More than 1 hour but not more than 2 hours	\$36.00
335	More than 2 hours but not more than 4 hours	\$51.00
336	More than 4 hours but not more than 6 hours	\$71.00
337	More than 6 hours	\$97.00
338	Park in an area reserved for disabled persons	\$750.00
339	Park on Broken Yellow lines	\$100.00
340	Parked on loading zone	\$70.00
341	Parked on footpath or cycle path	\$70.00
342	Parked obstructing an entrance or exit of driveway	\$70.00

Skateboarding impounding fees

343	First impounding	\$34.00
344	Second impounding	\$68.00
345	Third or any subsequent impounding	\$102.00

Towing fees

		2025/26
346	Removal/relocating a vehicle by towing and associated costs	Actual cost
347	Towage - 3500kg or less, between the hours of 7am and 6pm, Monday to Friday (not including public holidays)	\$90.20
348	Towage - 3500kg or less, any other time (eg Saturday, Sunday or a public holiday)	\$120.30

349	Towage - more than 3,500kg, between the hours of 7am and 6pm, Monday to Friday (not including public holidays)	\$223.40
350	Towage - more than 3500kg, any other time (eg Saturday, Sunday or a public holiday)	\$343.70

Storage

351	Storage of vehicle at Council depot (per day)	\$15.00
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NOTE: Where the actual fees incurred by Council are higher than the fees shown, actual costs will be charged.

Other fees

352	Seizure of noise equipment	\$284.00
353	Security alarm – daytime attendance	\$250.29
354	Security alarm – after hours attendance	\$323.42

Resource management

The fees and charges structure is designed to enable the recovery of the Council's actual and reasonable costs of providing the particular service. Where the costs incurred by the Council are less than the deposit paid then it will provide a refund of the remaining deposit. Where the actual and reasonable costs incurred exceed the deposit paid the Council will require that an additional charge be paid. Council is empowered to impose an additional charge in such circumstances by section 36(3) of the Resource Management Act. In these instances, the Council will charge for the actual time and costs involved.

Subdivision

	2025/26
355 Controlled Activity Subdivision (includes seven hours processing and one hour administration) (Deposit)	\$1,650.00
356 Boundary Adjustment Subdivision where no additional titles are created (includes 3 hours processing time and half hour administration) (Deposit)	\$718.00
357 All other subdivision applications excluding controlled activity subdivisions (includes 10 hours processing and one hour administration) (Deposit)	\$2,295.00
358 Additional deposit fee for minor land use infringements associated with a subdivision application (includes two hours processing time) (Deposit)	\$430.00
359 Updating existing cross lease flats plans (includes three hours processing time and half hour administration costs) (Deposit)	\$718.00

Subdivision certification fees

360 Section 223 Certification (includes three hours processing time and half hour administration costs) (deposit)	\$718.00
361 Section 224(c) and/or S224(f) Certification (includes six hours processing time and one hour administration costs) (deposit)	\$1,435.00
362 Combined s223/224 Certifications where applied for at the same time (includes nine hours processing time and one hour administration costs) (deposit)	\$2,080.00
363 Section 223 and 224(c) and (f) Certification for updates to cross leased flats plan and boundary adjustments (includes two hours processing time and half hour administration costs) (fixed)	\$503.00

Land use consents and other requirements

2025/26

364	All land use consent applications excluding tree trimming/removal (includes six hours processing and one hour administration time). A charge for one hour of consent monitoring is also included in the fee. Additional charges will be applicable should additional monitoring be required. (deposit)	\$1,650.00
365	Tree removal or trimming, including Notable trees (non-notified only) (fixed)	\$360.00
366	Consent monitoring (additional charges) (per hour)	\$215.00
367	Application for Resource Consent Exemption for boundary activities (s87BA of the RMA). This fee includes three hours administration costs (fixed)	\$435.00
368	Application for Resource Consent Exemption for marginal or temporary rule breaches (s87BB of the RMA). This fee includes three hours administration costs (fixed)	\$435.00

Notification fees

369	Limited notification applications (includes 20 hours processing and five hours administration. Additional time will be charged where appropriate). Additional charges will be applicable should monitoring be required. (deposit)	\$5,025.00
370	Notified applications (includes 40 hours processing time and eight hours administration. Additional time will be charged where appropriate). Additional charges will be applicable should monitoring be required. (deposit)	\$9,760.00

Hearings fees

	2025/26
371 Per Councillor (prevailing hourly rate as set by the Remuneration Authority) (per hour)	\$93.00
372 Councillor sitting as chairperson (prevailing hourly rate as set by the Remuneration Authority) (per hour)	\$116.00
373 Per Commissioner*	Actual cost
374 Hearings Committee Advisor (per hour)	\$130.00

**The actual and reasonable costs of Commissioner(s) time in preparing for and sitting at hearings, and writing up of hearings decisions will be recovered.*

Other consent fees

375 S127 Variation to Consent Condition or s221 Variation to Consent Notice Condition (includes three hours processing and half hour administration) (deposit)	\$718.00
376 Uplifting building line restrictions (fixed)	\$290.00
377 Changes to easements (includes two hours processing and half hour administration. Additional time will be charged where appropriate) (deposit)	\$503.00
378 Outline Plan of Works (includes six hours processing and one hour administration). A charge for one hour of consent monitoring is also included in the fee. Additional charges will be applicable should additional monitoring be required (deposit)	\$1,578.00
379 Outline plan waiver. This fee includes two hours processing and half hour administration costs (deposit)	\$503.00
380 Certificate of Compliance or Existing Use Rights Certificate (includes four hours processing and half hour administration) (deposit)	\$933.00
381 All other certification under the Resource Management Act (includes six hours processing and half hour administration) (deposit)	\$1,363.00
382 Right of way applications (includes three hours processing and half hour administration) (deposit)	\$718.00
383 Preparation and execution of a bond (includes two and a half hours admin time and half hour Council lawyer time) (deposit)	\$466.00

384	Registration of variation of consent notice (includes one and a half hour processing by Council lawyer) (deposit), plus any disbursements including LINZ fee	\$394.00
385	Monitoring charge for permitted forestry activities under the National Environmental Standards (based on two hours officer time) (fixed)	\$430.00
386	Review and execution of easements (includes two hours administration officer time) (deposit)	\$290.00
387	Urgency fee for urgent requests for document signing or registration of instruments. Fee is per document. (fixed)	\$200.00

District plan

		2025/26
388	Application for changes or variations to district plan (actual charge is based on time and cost involved) (deposit)	\$7,725.00

Designations

389	Notice of Requirement for new designation or alteration of existing designation (actual charge is based on time and cost involved) (deposit)	\$3,200.00
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NOTE: Council will provide an estimate of costs at the time an application is received

390	Removal of existing designation (deposit)	\$1,100.00
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Cost recovery rates

391	Planner and Advisers (per hour)	\$215.00
392	Technical Administration Officer (per hour)	\$145.00
393	External specialist consultant	Actual cost
394	Disbursements (e.g. photocopying, postage)	Actual cost

Solid Waste - recycling

Clothing recycling bins

	2025/26
395 Application fee for Encroachment Licence to locate clothing bin on Council property (each application)	\$71.07
396 Annual charge for having a clothing bin on Council property (each bin)	\$236.90

Litter infringement fees

The following fees apply for the first offence of leaving litter in a public space, or on private land, without the occupier's consent, or as stated in the Solid Waste Management and Minimisation Bylaw 2020.

397 Minor littering offence - A single bag of refuse, or small items. Includes, but not limited to the following types of waste items: Cigarette butts, confectionary wrappers/paper, chewing gum, take-away food containers/wrappers, Fish & Chip papers, aluminium can(s), or plastic drink bottle(s).	\$100.00
398 Medium littering offence - Up to four shopping bags, or two refuse bags, or large items. Includes, but not limited to the following types of waste: Single-use disposable personal hygiene and health products such as nappies, sanitary items and condoms - due to their health risk; Domestic or commercial waste in, or by, public litter bins, clothing bins, or recycling stations; Use of unofficial (non-Council) refuse bags, small amounts of debris from an unsecure load (truck or trailer) – e.g. paper, a single small item, grass clippings, and dust.	\$200.00
399 Major littering offence - Any large volume of waste, green waste, or car parts. Four or more refuse bags, or multiple large items, or piles of rubbish covering an area over 1.5m ² .	\$400.00

Includes, but not limited the following types of waste: Items that pose a serious health risk; Any other litter as defined in the Litter Act 1979, or not defined as minor or medium littering above.

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.

NOTE: 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.

400 Subsequent offence within a 365-day period

\$400.00

NOTE: Any infringement notice cannot exceed \$400. For cases taken to Court the maximum fine is \$5,000 for an individual, or \$20,000 for a body corporate. For litter considered to be dangerous, toxic and/or infectious the maximum fine is \$7,500 and/or imprisonment for a term not exceeding one month. In the case of a body corporate, the maximum fine is \$30,000.

Litter Infringement Terms, and late payment: If the first infringement notice remains unpaid after 28 days, or has not been appealed, a 28-day reminder is issued under the Summary Proceedings Act 1957. If this remains unpaid, and has not been appealed, the matter is referred to the Ministry of Justice for collection, and costs will be incurred.

Trade waste

Note: Charged by Hutt City Council

Administration of trade waste consents

The management of the Trade Waste Consents is undertaken by the Hutt City Council who, as the Wastewater Authority, administers the Hutt Valley Trade Waste Bylaw 2006 on behalf of both councils. As such, consultation on the trade waste fees and charges is run by the Hutt City Council. Please approach Hutt City Council if you would like to discuss these fees and charges.

Trade waste consent charges are payable by all businesses with consents to discharge trade wastes into the Hutt Valley wastewater system. The scale of consent charges has been set to provide for the recovery of trade waste administration, monitoring, and inspection costs. Some dischargers may generate sufficient wastes to also merit paying trade waste user charges.

The trade waste user charges may vary annually due to variations in plant operational costs indices such as gas prices or electricity.

Note: Feedback on and queries regarding the amount of Trade Waste charges should be directed to Hutt City Council at:

Hutt City Council
30 Laings Road
Lower Hutt

Phone: (04) 570 6666

Water supply

Connection fee

2025/26

401	Water connection application fee (Fee to administer new water connection application).	\$103.00
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Water shutoff fee

402	The actual cost of the water shut off to allow installation or disconnect for a service pipe will be charged for (Actual cost with a minimum charge of)	\$652.51
403	Any additional costs will vary significantly from site to site. The customer will be provided with the approval and supervision necessary to affect the connection from the main or rider main to the toby at the boundaries. (An additional charge of \$123.00 will be levied if the details of the water shutoff are changed with less than 48 hours' notice (actual cost + \$100.00))	\$126.69

Water service fee for new development

404	The actual cost of the water shut off to allow installation for a service pipe and the approval and supervision necessary to effect the connection from the main or rider main to the toby at the boundaries (Actual cost with a minimum charge of)	\$652.51
405	If the connection does not require a water shutoff, a fee for the approval and supervision necessary to effect the connection from the main or rider main to the toby at the boundaries If the connection does not require a water shutoff (live tapping), a fee for the approval and supervision necessary to effect the connection from the main or rider main to the toby (manifold)at the boundary (Actual cost with a minimum charge of)	\$149.35

Termination fee for water supply

406	The customer shall engage a Council/ Wellington Water approved plumber or contractor to excavate the stopcock at the customer's boundary, cap off the service pipe at the main or rider main, and reinstate the footpath, berm and carriageway. The water shutoff fee will also be applicable.	\$895.07 plus an additional shut off fee
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Connection fee (without having a shutoff)

		2025/26
407	The customer shall engage a Council-approved plumber or contractor to supply, install and make the connection to the water supply to the satisfaction of Council (Actual cost with a minimum charge of)	\$149.35

Water meters

408	Where a water meter is installed, the following shall apply:	\$58.71
	1. The customer shall engage a Council-approved plumber or contractor to supply, install, maintain and replace the meter and its ancillary fittings, including the meter box.	
	2. For meters up to and including 50mm diameter the customer may arrange to have the work carried out by a Council-approved plumber and for meters larger than 50mm diameter the customer shall arrange for the work to be carried out by an approved contractor.	
	3. In each case, an independent test certificate for the meter is to be provided by the customer.	

Water meter reading

409	Where Council undertakes a water meter reading outside of the quarterly cycle the following shall apply (per reading)	\$100.94
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NOTE: Council shall engage a Water service Inspector or a meter reading contractor to read the meter on behalf of the customer.

Extraordinary supply

	There is no charge for the first supplied 228m3	
410	Consumption over 228m3 is charged for at the following rate:	\$3.00
	For the applied charge, the customer will receive a supply of water that meets the requirements of the Drinking Water Standards for New Zealand 2005 (Revised 2018). The water supplied will comply with the Upper Hutt City Water Supply Bylaw	
	(per m3)	

Temporary water supply to industrial and commercial properties

		2025/26
411	The customer shall engage a Council-approved plumber or contractor to connect onto the main or rider main as approved by Council. A refundable deposit of \$881.00 will be payable.	\$907.43
	The connection shall be installed with an approved water meter, stopcock and backflow prevention if so required by Council - the water shut off fee will also be applicable.	
412	The customer shall be required to employ the services of a Council-approved plumber or contractor to disconnect the service once the activity is discontinued. A disconnection deposit will be applicable. This deposit will be refundable upon the successful completion of the disconnection of the service. Water shut off fees will also be applicable.	\$907.43

Fire protection fee

413	A fixed fee is charged for all the fire protection connections from 50mm to 250mm diameter Council is responsible for the maintenance of the connection up to and including the Town Supply Value (TSV). This will include an annual ultrasonic check for leakage, repacking of the TSV as needed, maintenance of the connection to the TSV, replacement of the valve on an 80-100 year cycle, and repainting of the valve box green every two years	\$241.02
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Water from hydrant

414	This service includes the consent process, the reading of the meter and the inspection of the hydrant to ensure that it has been shut off fully and periodic replacement of the cup washer as needed. A consent is issued for a three month period.	\$4.43
415	Plus a consent fee for each consent period.	\$66.95

Drainage connection

416	Waste water connection application fee (Free to administer new water connection application)	\$103.00
417	Storm water connection application fee (Free to administer new water connection application)	\$103.00

Te Kaunihera o Te Awa Kairangi ki Uta**Upper Hutt City Council**

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**Council | Kaunihera
30 June 2025**

Adoption of the Revenue and Financing Policy, Alcohol Fees Bylaw and Class 4 Gambling Venues Policy

Purpose of report | Te pūtake

1. To present to Council the decision-making report for Council's Gambling Venues Policy 2025, Revenue and Financing Policy, and Alcohol Fees Bylaw

Recommendation | He tūtohunga

2. It is recommended that Council:
 - A. receives the adoption of the Revenue and Financing Policy, Alcohol Fees Bylaw and Class 4 Gambling Venues Policy report,
 - B. adopts the following policies and bylaws:
 - i. Revenue and Financing Policy 2025 ([Attachment 1](#)),
 - ii. Alcohol Fees Bylaw 2025 ([Attachment 2](#)), and
 - iii. Gambling Venues Policy 2025 ([Attachment 3](#)),
 - C. notes that council was required to consult with the public under the special consultative procedure of the Local Government Act, and
 - D. authorises officers to make any consequential amendments to this document based on direction provided at this meeting / to correct any minor editorial, typographical, arithmetical, or formatting errors that are identified.

Background | Papamuri

3. Council consulted using the Special Consultative Procedure of the Local Government Act 2002 on an amended Class 4 Gambling Venues Policy, amended Revenue and Financing Policy, and the introduction of an Alcohol Fees Bylaw.
4. Consultation ran concurrently with the Annual Plan 2025 consultation process and ran from 24 March to 27 April 2025.
5. In addition, under Section 102 of the Gambling Act 2003, and Section 405(4) of the Sale and Supply of Alcohol Act 2012, Council engaged with the relevant stakeholders who are affected by the policies. This engagement took place 16 April to 16 May 2025.
6. Oral submissions were heard on 19 and 20 May 2025, with the council hearing 20 submissions.

Revenue and Financing Policy 2025

7. The revenue and financing policy sets out how Council activities are funded from a range of revenue streams including rates, grants, fees, and charges from other sources.
8. The Revenue and Financing policy presented has, since the consultation period, received some minor, largely editorial, changes and an external legal review.
9. Council proposed to:
 - Adjust the amount of alcohol costs that can be recovered from fees and charges from 60%-70% to 60%-90%,
 - Resetting the rating differentials for forestry from 290% to 75% of the standard rate.
10. Council resolved to adopt the Alcohol Fees Bylaw and progressively increase the fees over three years to reach the goal of 80% of alcohol licence costs being covered by fees and charges.

Alcohol Fees Bylaw

11. Council consulted on the introduction of an Alcohol Fees Bylaw.
12. An Alcohol Fees Bylaw sets fees for alcohol licensing activities. It allows councils to recover costs associated with alcohol licensing. The Bylaw would set fees for applications, annual fees, and special licenses. Fees vary depending on the risk profile of the venue.
13. The consultation proposed two options:
 - Option One: Status Quo - Continue using the fees set out by the Sale and Supply of Alcohol (Fees) Regulations 2013, with no Alcohol Fees Bylaw,
 - Option Two: Introduce an Alcohol Fees Bylaw – a bylaw would enable Council to increase cost recovery from alcohol licensing fees.
14. Council decided to introduce the bylaw and implement this with fee increases over three years.

Gambling Venues Policy 2025

15. The draft proposal for the Gambling Venues Policy included four options with Option two identified as Council's preferred option.
 - Option One: Status quo with administrative changes – update the existing Gambling Venues Policy to align with the zone names in the District Plan
 - Option Two: Amendment to the location clause to remove community facilities – amend section 6.1 of the Gambling Venues Policy
 - Option Three: Sinking Lid – no new machines or venues
 - Option Four: Lower the cap to 156 machines
16. Council decided to proceed with retaining the existing policy with amendments to remove the reference to “community facilities” in the criteria for determining where any new venues are located and to make administrative changes to the policy. Council believes that the restrictions around proximity to existing venues and education facilities are sufficient in preventing a wide-spread proliferation of venues, while at the same time allowing some, potential, minimal growth in new venues within the cap of 174 machines.
17. As with Option One, Council has also made administrative changes to align with the District Plan,

Discussion | Te matapaki

18. The previous decisions of Council on 11 June on the policies and Bylaw options following the consultation. The policies and bylaw have been updated, where required to be consistent with these decisions.
19. The amended Revenue and Financing Policy is attached as [Attachment 1](#) to this report.
20. The amended Alcohol Fees Bylaw is attached as [Attachment 2](#) to this report
21. The amended Class 4 Gambling Venues Policy is attached as [Attachment 3](#) to this report.

Options | Ngā kōwhiringa

22. The options are to adopt the amended Revenue and Financing Policy and Class 4 Gambling Venues Policy And the new Alcohol Fees Bylaw or not to adopt these policies and bylaw.

Option One – Adopt (Recommended option)

23. Adopting the policies and bylaw is consistent with previous decisions. The amended policies and bylaw are attached and will take effect from 1 July 2025.
24. This option is efficient and appropriately considers the views expressed by members of the community alongside other factors such as costs to ratepayers, benefits and risks and economic considerations.

Option Two – Do not adopt

25. Council could choose not to adopt the policies and bylaw; however, this will be inconsistent with decisions made at previous meetings and will delay the adoption of the Annual Plan.

Considerations for decision-making | Ngā whai whakaarotanga

26. Council is required under Section 102 of the Local Government Act to have a Revenue and Financing Policy in order to provide predictability and certainty about sources and levels of funding.
27. Council is adopting the Revenue and Financing Policy as part of the Annual Plan 2025 process. Any delay in this adoption will cause a delay in the implementation of the Annual Plan.
28. The Revenue and Financing Policy is required to be adopted to implement fees, grants, rates changes, and other revenue streams. A delay in the adoption of the Revenue and Financing Policy will also mean that the Alcohol fees Bylaw is unable to be adopted.
29. Council has consulted with the public through Council's Lets Korero webpage as per the requirements under Sections 83 and 83A of the Local Government Act 2002.
30. In addition, Council has consulted and directly engaged with relevant stakeholders under Section 102 of the Gambling Act 2003 and Section 405(4) of the Sale and Supply of Alcohol Act 2012.

Previous relevant Council decisions | Ngā whakataunga o mua

31. The previous relevant decisions were the decision to consult on the amended Class 4 Gambling Venues Policy, amended Revenue and Financing Policy, and the introduction of an Alcohol Fees Bylaw on 19 March 2025 and to deliberate on the submissions received on these policies and bylaw on 11 June 2025.

Identification of inconsistent decisions | Te tautuhi o ngā whakataunga Hārakiraki

32. There are no inconsistent decisions.

Significance and engagement assessment | Te tino aromatawai

33. The policies and Bylaws consulted on in this proposal have been determined as highly significant according to Council's Significance and Engagement Policy.
34. There is a high level of public interest in the policies, as well as a high level of effect on the community of Upper Hutt.
35. Given the high levels of significance and public interest, and the requirements under the Local Government Act 2002, Council has applied the principles of consultation (Local Government Act Section 82).

Sustainability | Rautaki whakauka

36. There are no sustainability implications at this time.

Financial and resourcing | Mahere pūtea

37. The adoption of the Alcohol Fees Bylaw, in combination with changes to the Revenue and Financing Policy, will enable an increased proportion of the operating costs to be recovered from alcohol licence fees. The change to Forestry Differential rates in the Revenue and Financing Policy has been incorporated into the rates model. The Class 4 Gambling Venues Policy has no financial implications.

Legal | Ture

38. The development and review of the Policies and Bylaw comply with legislative requirements. Section 101 of the Gambling Act 2003 requires Council to have a Class 4 Gambling Venues Policy and review it every three years. Section 405 of the Sale and Supply of Alcohol Act 2012 allows the Council to have a fee setting bylaw for specific license fees. Section 102 of the Local Government Act 2002 requires the Council to have a Revenue and Financing Policy.

Risk | Tūraru

39. There is a risk that the Alcohol Fees Bylaw does not align with the cost recovery range proposed in the Revenue and Financing Policy; if this occurs, the burden of the cost will fall to the ratepayer, or Council will not be able to recover costs to the extent that is prudent.
40. There is a risk for Council; if the Class 4 Gambling Venues Policy is out of step with the Gambling Act or the Revenue and Financing Policy is inconsistent with principles set out in the Te Ture Whenua Maori Land Act 1993 or does not provide certainty about sources and levels of funding.

Included attachments | Ngā āpitihanga

- | | |
|--|----------|
| 41. Attachment 1: Revenue and Financing Policy | Page 89 |
| 42. Attachment 2: Alcohol Fees Bylaw | Page 119 |
| 43. Attachment 3: Class 4 Gambling Venues Policy | Page 122 |

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2024 Revenue and Financing Policy

DRAFT

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Introduction

Under section 102 of the Local Government Act 2002 all local authorities must adopt a revenue and financing policy.

The revenue and financing policy provides details of Council's approach for the funding of operating and capital expenditure and provides predictability and certainty about sources and levels of funding available to Council. It clearly and transparently explains the rationale for, and the process of, selecting various tools to fund each significant activity of Council.

The revenue and financing policy is reflected in each of Council's Funding Impact Statements for a particular financial year or activity group. To understand the impact of the policy it must be read in conjunction with the Funding Impact Statements.

Requirements of the Local Government Act 2002

Section 103 of the Local Government Act 2002 (the Act) identifies the required components and considerations that make up the policy.

The policy must include the local authority's policies in respect of the funding of operating expenses and capital expenditure from the sources listed in s103 (1) and (2)).

Council must comply with section 101(3)(a) of the Act, requiring Council to consider the following before it determines the funding source for each activity:

1. the community outcomes to which the activity primarily contributes
2. the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals
3. the period in or over which those benefits are expected to occur
4. the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity
5. the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

Additionally, the Council has considered what to be appropriate, having considered the overall impact of any allocation of liability for revenue needs including the impacts on the current and future social, economic, environmental, and cultural wellbeing on the community. As required by section 101(3)(b) of the Act

Policy statement

Funding of operational expenditure

Where expenditure does not create a new asset for future use or extend the lifetime or usefulness of an existing asset, it is classed as operating expenditure. Operating expenditure pays for Council's day-to-day

operations and services, from maintaining local roads and providing street lighting to looking after parks and issuing building consents and liquor licenses.

Council funds operating expenditure from the following sources:

- General rates
- Targeted rates
- Fees and Charges
- Interest and dividends from investments
- Borrowing
- Grants and subsidies
- Other sources including lease income, cash reserves, restricted or special funds, surpluses from previous financial years.

Council may choose to not fully fund operating expenditure in any particular year if the deficit can be funded from operating surpluses in the immediately preceding or subsequent years.

Council has determined the proportion of operating expenditure to be funded from each of the sources above, and the method for apportioning rates and other charges.

Funding of capital expenditure

Capital expenditure is the spending on creation of a new asset or extending the lifetime of an existing asset. Capital expenditure can also be incurred to improve the level of service provided by the asset.

Council funds capital expenditure from the following sources:

- General rates
- Targeted rates
- Borrowing
- Proceeds from asset sales
- Development contributions
- Financial contributions
- Grants and subsidies
- Other including restricted or special funds, surpluses from previous financial years.

Renewal of assets, except water assets, are to be incrementally funded by rating for depreciation. Water assets will be incrementally funded by depreciation from 1 July 2029. Users of the assets pay for their share of the cost.

Borrowing or loan funding is an appropriate funding mechanism to meet the cost of developments that increase Councils level of service or support growth. Loan funding will be used in conjunction with any relevant development contributions, financial contributions or available grants.

The costs of borrowing will be borne by those who benefit from the asset over time. This is known as the 'intergenerational equity principle' and means the costs of maintaining or improving any asset should be recovered from those that benefit over the period the benefits of that expenditure accrue.

Policy development process

In developing the policy and determining the appropriate funding sources for each activity, Council considered a range of factors including assessing each activity as required by s101(3) of the Act. The factors considered are described below.

Community outcomes

These are outcomes that a local authority aims to achieve in order to promote the social, economic, environmental, and cultural wellbeing of its district or region in the present and in the future. The Local Government Act 2002 requires Councils to identify the community outcomes to which each activity contributes when determining funding sources.

The community outcomes are listed below:

TAIAO Environment



We're immersed in natural beauty. We care for and protect our river, our stunning parks, and our natural environment.

PAPŌRI ME TE AHUREA Social and Cultural



We celebrate our whānau, heritage, and culture.

We're a caring, safe, and healthy community.

ŌHANGA Economy



We're a city of opportunity. We attract new investment and offer opportunities for people and businesses to prosper.

Our city centre is alive, attractive, and vibrant.

TŪĀPAPA Infrastructure



We have reliable and efficient networks and infrastructure that support our city.

Distribution of benefits

The Local Government Act 2002 requires costs to be allocated and that each activity undertaken is funded from sources the local authority deems appropriate. In considering what funding sources are appropriate Council considers where the benefits lie. . In assessing the distribution of benefits for each activity, Council considered whether the benefits flowed to the city as a whole (public benefit), to individuals (users or

exacerbators), or to identifiable parts of the community (parts of the community or specific group/s within the community like rural or business groups). This is discussed in the activity analysis section.

Period of benefits (intergenerational equity)

Council must also consider intergenerational equity; the principle that costs of any expenditure should be recovered over the time that the benefits of the expenditure accrue. This principle applies particularly to capital expenditure and results in infrastructural costs being spread more evenly across the life of the asset and the different rate payers who benefit from it. Intergenerational equity issues arising in relation to capital expenditure and investments are discussed in the policy statement section of this policy. As operational expenditure is funded annually (except where borrowing is used to fund operational expenditure with a long-term benefit) there are no intergenerational equity issues to be considered and therefore the period of benefit is not discussed in the activity analysis section.

Exacerbator pays

Council must assess the extent to which each activity is undertaken to remedy the negative effects of the actions or inactions of an individual or group. It is important to note that the actions themselves may not be negative or “bad” but they may have negative effects on the whole community, in terms of requiring Council expenditure on the relevant activity.

This principle is particularly relevant to Council's regulatory functions and other activities taken to mitigate the adverse effects on the environment. The principle suggests that Council should, where practical, recover costs directly from the individual or group that contributes to the deterioration of a situation or to a cost that is a direct result of their actions. This principle is discussed for relevant activities in the activity analysis section.

Costs and benefits

This consideration includes transparency, accountability and some assessment of the cost efficiency and practicality of funding a particular activity separately.

Transparency and accountability are most evident when an activity is distinctly funded. This allows rate payers, or payers of user charges, to see how much money is being raised for and spent on the activity. However, funding every activity on such a distinct basis would be administratively complex.

Council agreed that the level of activities presented in the activity analysis section of this policy is the best balance between transparency and administrative costs. Identifying and accounting for each activity separately from other activities enables:

1. more transparent disclosure and accountability of projects and funding to the Upper Hutt community
2. greater opportunity for the Upper Hutt community to have input on decisions, proposals, issues and matters through consultation.
3. identification of how the activity contributes to the achievement of community outcomes and service delivery goals through detailed understanding and planning.

4. improved monitoring of the activity in terms of how well Council is achieving its community outcomes annually.
5. identification of costs required to support the activity in terms of time involved planning, monitoring, accounting, reporting and administration.

Overall impact of the funding mechanisms selected

Following the consideration of the five matters discussed above, the benefits of each activity become apparent. Once this consideration is complete and indicative cost allocations compiled, the final step in Council's process of developing this policy has been to consolidate the results of the activity analysis and consider the overall impact of any allocation of liability for revenue needs on the community. The impact is assessed on the current and future interests of the community including impacts relating to economic, environmental, social and cultural wellbeing on the community.

Benefits allocation and funding mechanism

For each activity, Council allocated appropriate funding mechanisms based on where benefit for each activity lies. The benefit and funding mechanism allocation is included in the 'analysis of activities and funding conclusions' section of this policy.

In preparation of this policy a range was used for funding mechanisms to reflect the variability of usage and revenue sources. This is a change from the Revenue and Financing Policy set in the 2021 Long term Plan which used an absolute percentage.

Use of funding mechanisms

Funding sources available to a local authority are set out in the Local Government Act (2002) and the Local Government (Rating) Act 2002. For funding mechanisms used by Council a description of the funding source and how it is applied is provided below.

Activities funded by General Rates

The General Rate is used to fund the following activity areas:

Leadership	Community & Recreation	Economic Development	Sustainability	Planning & Regulatory Services
Leadership	Library	Economic Development	Sustainability	City Planning
	Community Services		Waste	Animal Control
	Whirinaki Whare			Environmental Health
	Taonga			Liquor Licensing
	Emergency Management			

Te Kupenga O
Rongomai
Property
Parks & Reserves
Akatārawa
Cemetery
H2O Xstream

Parking
Enforcement
Building Control

General rates are calculated on the capital value of all rateable properties in the city and assessed on a differential basis.

In exercising this judgement Council considered that capital value is considered a general taxing mechanism, shifting the 'differential factor' for each sector's share of the city's overall capital value is the principal means that Council has used to achieve the desired overall rates impact on the wider community.

Council also considered affordability as well as other impacts for all sectors in proposing the rate differentials. It considered the impact of rates on residential properties, and in particular on the affordability of rates for low, average and fixed income households.

Council has considered the use of a Uniform Annual General Change (UAGC) which is fixed rate either set per rating unit or a separately used or inhabited part of a rating unit, and concluded because of the regressive nature, it is not appropriate for the Upper Hutt community.

Council agreed that for activities where a city benefit was identified, funding for that benefit through a differential general rate would be the most efficient, equitable and transparent method. The general rate is an appropriate funding source for a city-wide benefit, except where the Council considers the transparency and accountability reasons for having a separate targeted rate are more compelling.

The differential categories for the general rate, are discussed in the following section. This reasoning has not been repeated throughout the rest of the policy unless Council has made an exception to it for an activity.

Under differential rating, all land (which may be a rating unit or part of a rating unit) is allocated to one or more of the following categories:

Standard (previously also known as Residential)

A rating unit or part rating unit will be allocated to the Standard Category to the extent that it does not meet all of the criteria for inclusion in any other category.

Business

A rating unit or part rating unit in the Business zone or in the Special Activities zone will be allocated to the Business category for rating purposes, unless:

- it has been allocated to the Utility category; **or**
- it has been allocated to the Standard category because it is being used, principally, as a single residential dwelling (used principally for private residential purposes); **or**
- it has been allocated to the Vacant land Category.

A rating unit or part rating unit will be allocated to the Business Category for rating purposes if it is situated in a Residential, Rural, Forestry or Open Space zone and has not been allocated to the Utilities category but is being used, principally, for a business activity.

- where the business activity is the principal activity on a rating unit, the whole rating unit will be allocated to the Business category.
- where the business activity is not the principal activity on a rating unit but takes place in a physically discrete part of the rating unit, that part will be allocated to the Business category.

For the purposes of this definition, the following are not business activities:

- farming activities
- intensive animal farming
- Wellington Racing Club
- Forestry

Business activities include the following:

- commercial sawmills and timber yards
- farm products processing plants
- retail nurseries and garden centres
- veterinary hospitals and clinics

Utility

Regardless of zoning and notwithstanding that it may meet the requirements for inclusion in another category, a rating unit or part rating unit will be allocated to the *Utility* Category for rating purposes to the extent that:

- it is owned or operated by a utility operator and is being used, principally, as part of the utility infrastructure; **and**
- it is identified as a utility in the Upper Hutt City District Valuation Roll.

Three Waters Utility

A rating unit or part rating unit will be allocated to the Three Waters utility category for rating purposes to the extent that it:

- Meets the criteria in Utility; **and**
- It is used solely for the purpose of:
 - Draining stormwater, **or**
 - Draining wastewater from Upper Hutt city and its district into the bulk sewer line, **or**
 - Supplying potable water to Upper Hutt city and its district but not used to carry water directly from the reservoirs owned by Greater Wellington Regional Council.

Rural

A rating unit or part rating unit will be allocated to the Rural Category for rating purposes to the extent that: -

- it is situated in a rural zone; **and**
- has an area of 30 ha or more; **and**
- it does not fall within the definition of Forestry

If the Council is satisfied that:

- the same ratepayer is recorded as owner of more than one rating unit; **and**
- all the rating units are situated in a rural zone; **and**
- are being used as one property principally for a farming activity (not including Forestry as defined below); **and**
- the rating units have a combined total area of 30ha or more.

Then the rating units will all be allocated to this category for rating purposes.

Corrections Facility

A rating unit will be allocated to this category if it is used primarily by the Department of Corrections for the housing of inmates under their care.

Forestry (modified)

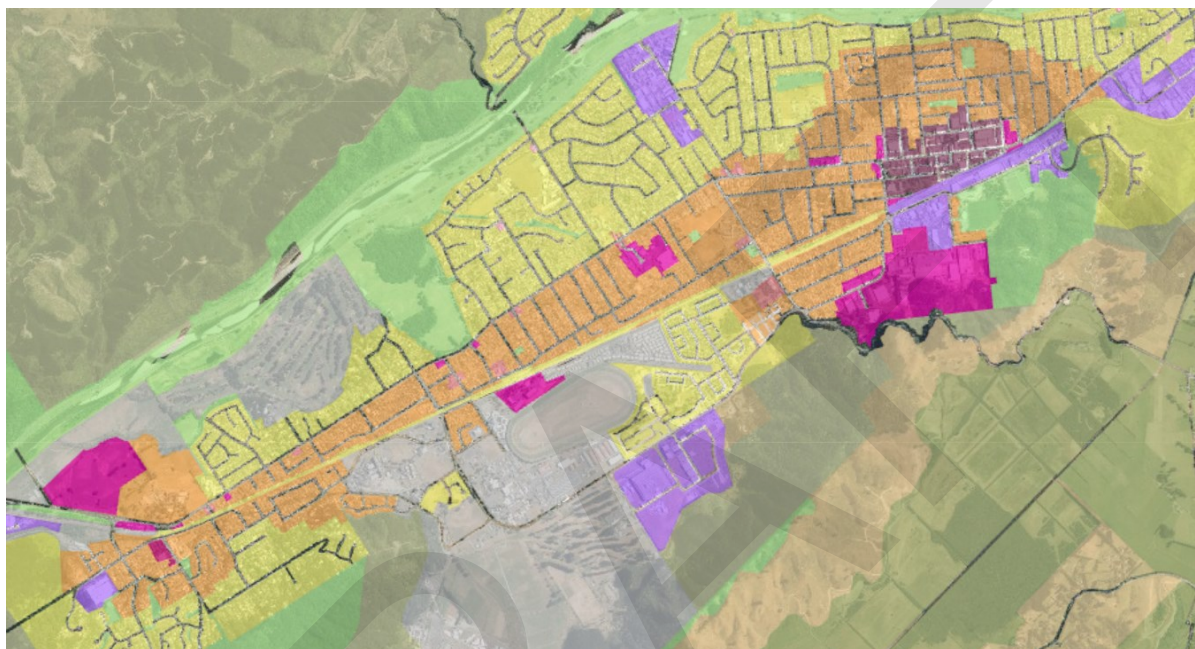
A rating unit will be allocated to this category if it is used primarily for commercial forestry.

Vacant land

A rating unit will be allocated to this category when it is within the City's walkable catchment as shown below and has either:

- a. a zero improvement value; **or**
- b. a positive improvement value but no permitted or consented activity underway, including improvements (such as buildings) which are unused and/or derelict.

The walkable catchment is indicated in orange below:



The categories defined above are based on the use the land is put to.

All categories are allocated a differential based on a factor of 100 for the *Standard* differential category. The factors for each differential will be defined annually in the Funding Impact Statement of the Long Term Plan or Annual Plan for that financial year. These are set out below.

As noted in the detailed step one considerations in appendix 1 that for Government Compliance and Land Transport, a targeted rate is used for transparency reasons. The Land Transport targeted rate is based on capital value therefore the rationale for differentials on the Land Transport rate is the same as for the general rate.

a) Rural properties 75

Because of the distance and the likely reduced level of service being received by these properties, a general rating differential is appropriate for rural rating units. The activities that are likely to have a reduced level of service are at least but not limited Animal Control, Liquor Licensing, Environmental Health, Parking Enforcement, and Parks and Reserves.

b) Business 290

In addition to the Impacts the impact of rates on residential properties, the Council considered the additional costs that the business properties compared with residential properties create relating to the following activities:

- land transport impacts of heavy vehicles and the number of vehicle movements that are created by business activities
- economic development,
- licensing, including alcohol & environmental health and
- city planning.

Furthermore, there are non-financial impacts created by businesses including the environmental impacts of noise and pollution caused by vehicles servicing commercial and industrial properties and the social impacts including congestion and safety on other road users.

Therefore, a general rating differential is appropriate for business rating units.

c) Utility and Three Waters Utility 300

Utility and Three Waters Utilities rating units have the similar impacts (both financial and non-financial) to businesses. In addition, they create additional impacts due to the extensive use of the road reserve. These impacts are on the overall well beings of residential properties including reduced amenity values and increased congestion and safety on other road users.

Therefore, a general rating differential is appropriate for Utility and Three Waters Utilities rating units.

d) Forestry 75

Forestry has similar impacts as large rural properties; a general rating differential is appropriate for forestry rating units.

Therefore, a general rating differential is appropriate for Forestry rating units.

e) Corrections Facility 350

This facility has significant impact on the community including economic impacts of the majority of employment for this facility is based outside of the Upper Hutt City. In addition, the facility occupies a significant amount of land that could be better utilised for housing.

Therefore, a general rating differential is appropriate for Corrections Facility units

f) Vacant Land 500

Generally (commercial) vacant land creates additional costs for Council and reduces the amenity value of surrounding properties. In addition, vacant land has a lower capital value than surrounding values however because of the increased costs this therefore creates an imbalance between the total amount of rates being collected on vacant land compared with the costs that are being incurred by the Council associated with vacant land.

Therefore, a general rating differential is appropriate for Vacant Land rating units.

3. Stormwater

Council has resolved to collect the revenue needed for stormwater purposes by way of a rate per dollar on capital value, on a differential basis, with businesses having a differential factor of 140 and other properties a factor of 100. This rate will apply to all rating units contained within the Upper Hutt Urban Drainage District (shown as the shaded area in the attached map).

As businesses have a higher intensity and therefore have a higher storm water runoff it is appropriate that a differential factor be applied to those properties.

Targeted rates

A targeted rate is set under s16 or s19 of the Act and has been used to fund the activities:

- Water Supply,
- Wastewater
- Stormwater.
- Transport – including subsidised and non-subsidised roading activities
- Central Government compliance

A targeted rate is used according to the policy when Council considers a targeted rate would enable a higher transparency in funding allocation for an activity, or

Council considers that a targeted rate is fairer due to specific benefit groups/ categories being able to be identified.

From time to time, it is necessary for Council to provide activities, services or facilities that only, or primarily, benefit specific ratepayers or small groups of ratepayers, therefore, Council may set a targeted rate to provide such activities, services or facilities. Targeted rates will be assessed against the rating units owned by the ratepayers who are to benefit.

Fees and charges

Fees and charges will be used where the level of benefit can be isolated to specific users or beneficiary or exacerbators of the service/ activity can be distinctly identified and user fees represent the fairest method to seek a contribution from identified beneficiaries/exacerbators.

The policy includes the percentage of fees and charges Council aspires to collect for the relevant activity. The percentage is decided giving due consideration to the affordability of those fees. The actual fees and charges collected by Council will vary depending on a number of external factors.

Interest and dividends from investments

Council receives limited interest from cash investments. Any interest received can be used to offset the rate required in the year received. Any dividends received can also be used to offset rates.

Borrowing

Council uses borrowing for capital expenditure. Council may use borrowing for operational expenses in exceptional circumstances and where the expense contributes to a longer-term outcome. Borrowing is managed by the provisions of Council's Treasury Risk Management Policy (TRMP). Funding mechanisms to fund capital development are set out within the TRMP.

Council may be obliged to use overdraft facilities and/or loan funding in order to carry out essential repairs and restore core services and operations in the event of a major civil emergency.

Proceeds from asset sales

Funds from asset sales are applied first to offset borrowing in the relevant activity from which the asset was sold and secondly for repayment of existing term debt.

Development contributions and financial contributions

Development contributions are to be used as a funding source for capital expenditure resulting from growth for community facilities and all relevant infrastructure, in accordance with Council's Development Contributions Policy. Council will continue to use Resource Management Act based financial contributions in some circumstances.

Grants and Subsidies

Each year Council receives funding from Waka Kotahi NZ Transport Agency as part of the overall replacement and renewal programme for the city's roading infrastructure.

Council pursues other grant and subsidy funding available from central government wherever it is considered appropriate.

Other

Other funding sources used include lease income, cash reserves, surplus from previous financial periods and special/restricted funds.

USE OF SURPLUSES FROM PREVIOUS FINANCIAL PERIODS

Where Council has recorded an actual surplus in one financial period it may pass this benefit to ratepayers in a subsequent period. A surplus may arise from the recognition of additional income or through savings in expenditure.

For capital surpluses, the amount retained will be carried forward to fund the associated capital expenditure. For operational surpluses, the amount retained will go to an operational reserve to offset rates in future periods.

FUNDING OF EXPENDITURE FROM RESTRICTED OR SPECIAL FUNDS

Certain operating and capital expenditure items may be funded from restricted or special funds. Restricted and special funds are those reserves within Council's equity that are subject to special conditions of use, whether under statute or accepted as binding by Council, and that may not be revised without reference to the courts or a third party. Transfers may be made only for specified purposes or when specified conditions are met.

The following restricted and special funds are available for use by Council:

- **Trusts and bequests.** From time-to-time Council may be the recipient/holder of trusts monies and/or bequests. These funds can only be used for the express purposes for which they were provided to Council.
- **Other reserves.** Restricted funds are also included in other reserves, funds, renewals and contingency accounts. Subject to meeting any specified conditions associated with these reserves Council may expend money, of an operating or capital nature, from these reserves.

Definition of separately used or inhabited part

A separately used or inhabited part (**SUIP**) of a rating unit means any part of a rating unit which is:

- (a) inhabited or used by an owner; or
- (b) inhabited or used by any person other than an owner by tenancy or other agreement.

For the avoidance of doubt, where an owner occupies the entirety of a rating unit, or tenants the entirety of a rating unit, there will be only one SUIP.

Council will consider the following when determining whether a part of a rating unit is a SUIP:

- (a) a separately used or inhabited part of a rating unit does not need to be occupied in order to be categorised as separately used. Availability for separate use is sufficient.
- (b) In determining whether a part of a rating unit is used for accommodation Council will consider whether it has independent kitchen facilities (including cooking facilities) and separate toilet and sanitation, but these are not required, and a part of a rating unit made available for temporary accommodation may be a SUIP without these.

The following are some examples of rating units that are likely to comprise more than one separately used or inhabited part. Please note that these are illustrative only and not an exhaustive list:

- i. Single dwelling or business premises which includes separate accommodation.
- ii. A rating unit that includes a flat with a stove and separate living and toilet facilities.
- iii. A dwelling where part of the dwelling or an outbuilding is made available for rent.
- iv. Commercial building with multiple tenancies.

Individually surveyed lots of vacant land on one Record of Title offered separately for sale.

Analysis of activities and funding conclusions

The table below summarises how the operating expenditure associated with each of the Council's activities are funded through applying the requirements of section 101(3)(a) of the LGA. Appendix 1 details the Council's considerations. The description of each activity can be found in Council's Long Term Plan.

Activity	Individual Benefit	Community Benefit	General Rate	Targeted Rate	Fees and Charges	Grants and Subsidies
Leadership	Less	More	95% -	-	0 - 5%	0 - 5%
Subsidised Land Transport	Less	More	-	45% - 50%	0 - 5%	45 - 55%
Non-Subsidised Land Transport	Less	More	-	90% - 100%	0% - 10%	0% - 10%
Water Supply	More	Less	-	75% - 85%	15% - 25%	0% - 5%
Wastewater	More	Less	-	75% - 85%	15% - 25%	0% - 5%
Stormwater	More	Less		90% - 100%	0% - 10%	0% - 10%
Sustainability	Less	More	80% -	-	0% - 20%	0% - 20%
Waste	More	Less	70% - 80%	-	20% - 30%	20% - 30%
City Planning	Less	More	60% - 70%	-	30% - 40%	-
Environmental Health	Less	More	60% - 70%	-	30% - 40%	-
Liquor Alcohol Licensing	More	Less	10% - 40%	-	60% - 90%	-
Parking Enforcement	More	Less	10% - 30%	-	70% - 90%	-
Building Control	More	Less	20% - 30%	-	70% - 80%	-
Animal Control	More	Less	20% - 30%	-	70% - 80%	-
Community Development Services	Less	More	75% - 90%	-	-	10% - 25%
Emergency Management	Less	More	95% -	-	0% - 5%	0% - 5%
Parks and Reserves	Less	More	75% - 85%	-	15% - 25%	0% - 5%
H₂O Xstream	Less	More	75% - 85%	-	15% - 25%	0% - 5%
Library	Less	More	95% -	-	0% - 5%	0% - 5%
Whirinaki Whare Taonga	Less	More	90% -	-	-	0% - 10%
Te Kupenga o Rongomai	Less	More	90% - 100%	-	-	0% - 10%
Property	Less	More	80% - 85%	-	15% - 20%	0% - 10%
Akatārawa Cemetery	More	Less	15% -	-	70% - 85%	-
Economic Development	Less	More	90% -	-	-	0% - 10%

Appendix 1 Detail of funding needs analysis (section 101(3)(a).

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
Leadership	Social and cultural	The community as a whole	Short term	LGOIMA requests (vexatious & legitimate)	No benefit identified	General rate 95 – 100% Targeted rate 0 – 5% Fees and charges 0 – 5% Grants and subsidies 0 – 5%	Nil or minor	All residents and rate payers have equal opportunity to benefit and have the ability to contribute to this activity
Community and recreation								
Community development	Social and cultural	The community as a whole	Short term	No significant exacerbators identified	No benefit identified	General rate 75 – 90% Grants and subsidies 10 – 25%	Nil or minor	While not all residents directly benefit. all residents and rate payers received the indirect benefit of this activity
Emergency management	Social and cultural	The whole community benefits from this activity. It is triggered where the disruption to community life is such that a coordinated	Short term	No significant exacerbators identified	No benefit identified	General rate 95 – 100% Fees and charges 0 – 5% Grants and subsidies 0 – 5%	Nil or minor	As the community as a whole benefit from this activity, the costs are best recovered from General rates.

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
		community response is required.						
Property	Social and cultural	While the there are direct benefit to the lessees Everyone benefits but the receive a higher benefit and therefore a range of funding sources are used.	Intergenerational - ongoing with assets having a life of greater than 10 years	No significant exacerbators identified	No benefit to separately fund	General rate 80 – 85% Fees and charges 15 – 20% Grants and subsidies 0 – 10%	Accumulated surpluses from General rates, fees and charges Loans, Financial and\or Development Contributions, Grants and subsidies	Everyone benefits but the lessee receive a direct benefit and therefore a range of funding sources are used.
Parks and reserves	Social and cultural	Contributes to the City's green space, biodiversity and environmental outcomes Occupiers, leases and hirers of the reserves Everyone benefits but the occupiers	Intergenerational - ongoing with assets having a life of greater than 10 years	Vandalism, events, theft, freedom campers	No benefit identified other than those that have different funding streams including: • Akatārawa Cemetery • H2O Xstream • Upper Hutt Libraries	General rate 75 – 85% Fees and charges 15 – 25% Grants and subsidies 0 – 5%	Accumulated surpluses from General rates, fees and charges Loans, Financial and\or Development Contributions, Grants and subsidies	Everyone benefits but the occupiers receive a higher benefit and therefore a range of funding sources are used.

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
		receive a higher benefit			• Te Kupenga o Rongomai • Whirinaki Whare Taonga			
Akatārawa Cemetery	Social and cultural	The community as a whole, any identifiable part of the community, and individuals	Intergenerational – history & physical infrastructure	No significant exacerbators identified	No further benefit identified	General rate 15 – 30% Fees and charges 70 – 85%	Accumulated surpluses from General rates, fees & charges, Loans	Wider public benefit for open space & recognition & place of remembrance. Private benefit – place where people can be interred, cost of the plot & interment
H2O Xtream	Social and cultural	The community as a whole including users of the facility	Intergenerational	No significant exacerbators identified	No further benefit identified	General rate 75 – 85% Fees and charges 15 – 25% Grants and subsidies 0 – 5%	Accumulated surpluses from general rates Fees & charges Loans Financial and/or Development contributions	Everyone has the ability to use the facility and Council can identify the users

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
Upper Hutt Libraries	Social and cultural	The community as a whole however it is possible to identify users	Both long and short term benefits	Researchers, people who demand excessive staff time for professional and commercial purposes	No further benefit identified	General rate 95 – 100% Fees and charges 0 – 5% Grants and subsidies 0 – 5%	Accumulated surpluses from General rates, fees & charges, Loans	Everyone has the ability to use the library and we can identify certain users for specific services, however there is a significant benefit to the whole community.
Te Kupenga o Rongomai multi-use sports hub	Social and cultural	The community as a whole including users of the facility	Intergenerational	No significant exacerbators identified	No further benefit identified	General rate 90 – 100% Grants and subsidies 0 – 10%	Accumulated surpluses from general rates Fees & charges Loans Financial and/or Development contributions	Everyone has the ability to use the facility and Council can identify the users
Whirinaki Whare Taonga our hub for arts	Social and cultural	The community as a whole including users and visitors to the facility	Intergenerational	No significant exacerbators identified	No further benefit identified	General rate 90 – 100% Grants and subsidies 0 – 10%	Accumulated surpluses from general rates Fees & charges Loans	Everyone has the ability to use the facility and Council can identify the users

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
Economic Development	Economy	Commercial groups receive a higher direct benefit than other groups of ratepayers as help ensure Upper Hutt remains a viable base for business	Short term	No significant exacerbators identified	No benefit to separately fund	General rate 90 – 100% Grants and subsidies 0 – 10%	Nil or minor	Although Commercial groups receive a higher direct benefit than other groups of ratepayers, this additional benefit is addresses as part of general rate differential.
Water Supply	Infrastructure	The users of the water supply are the primary beneficiaries however there is a wider benefit of having a potable water supply including the provision of fire fighting	Intergenerational (up to 100 years)	Central Government legislation, illegal connections, high use users	No benefit identified other use of targeted rates and fees charges	Targeted rate 75 – 85% Fees and charges 15 – 25% Grants and subsidies 0 – 5%	Accumulated surpluses from Targeted rates Fees & charges Loans Financial and/or Development contributions	The majority of beneficiaries of this activity are those who are either connected or can be connected to the water supply, therefore it is appropriate that only those groups of properties that

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
								are charged for the service.
Wastewater	Environment	Private benefit for people to dispose of their waste. Public benefit for the community to have an appropriate environmental solution. Those non-residential properties with multiple pan receive a higher benefit.	Intergenerational (up to 100 years)	Industries with high waste volumes and loadings, unconsented activity, low volume high impact waste	No benefit identified other use of targeted rates	Targeted rate 75 – 85% Fees and charges 15 – 25% Grants and subsidies 0 – 5%	Accumulated surpluses from Targeted rates Fees & charges Loans Financial and/or Development contributions	The majority of beneficiaries of this activity are those who are either connected or can be connected to the wastewater supply, therefore it is appropriate that only those groups of properties that are charged for the service.
Stormwater	Infrastructure	While the community as a whole benefit, most of the direct is received by identifiable parts of the community	Intergenerational (up to 100 years)	Commercial density creates additional cost and need for the activity	No benefit identified other use of targeted rates	Targeted rate 90 – 100% Fees and charges 0 – 10% Grants and subsidies 0 – 10%	Accumulated surpluses from Targeted rates Fees & charges Loans Financial and/or Development contributions	The majority of direct benefit is received by identifiable parts of the community
Land Transport								

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
Subsidised	Infrastructure	While the community as a whole benefit, there is a higher degree of benefit received by commercial properties because the transport network is used to transport both goods and consumers to their premises	Intergenerational	Heavy vehicles, irresponsible road users, high density properties creating high traffic impacts. Utility operators cause addition cost when undertaking operations within the road corridor	The use of targeted rates provides additional transparency. The activity for additional the activity has been separated into subsidised and non-subsidised	Targeted rate 45 – 50% Fees and charges 0 – 5% Grants and subsidies 45 – 55%	Accumulated surpluses from Targeted rates Fees & charges Loans Grants and subsidies Financial and/or Development contributions	Based on the impacts of both benefits and exacerbators it is appropriate that a differential tone of the rate is the most appropriate method to recover the balance of the costs of this activity after providing it for the appropriate subsidies being received from central government.
Non-subsidised	Infrastructure					Targeted rate 90 – 100% Fees and charges 0 – 10% Grants and subsidies 0 – 10%	Accumulated surpluses from Targeted rates Fees & charges Loans Financial and/or Development contributions	
Sustainability								
Sustainability initiatives	Environment	The whole community benefit from having a	Short term expenditure with longer term benefits	None identified	No benefit in breaking this activity down any further	General rate 80 – 100% Targeted rate 0 – 20%	Nil or minor	As currently sustainable initiatives are currently focused on

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
		sustainable initiative				Grants and subsidies 0 – 20%		development and policy, it is appropriate that this be funded from general rates and subsidies where possible.
Waste	Environment	The individual and the community as a whole	Intergenerational	Inappropriate disposal of waste	No need to break activity down any further	General rate 70 – 80% Targeted rate 20 – 30% Grants and subsidies 20 – 30%	Nil or minor	Waste minimization benefits the whole community, while the ability to recycle items is both a benefit to the individual as well as the whole community.
Planning and regulatory								
Alcohol licensing	Social and cultural	The activity predominantly benefits those individuals that obtain the	Short to medium	Those premises that are unlicensed or those that do	No financial reason to separately fund	General rate 10 – 40% Fees and charges 60 – 90%	Nil or minor	As both the direct users and the community as a whole benefit a

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
		appropriate license. However, this activity protects the whole community		not maintain the required standards				allocation of General rate 30 -40% Fees and charges 60 – 47% is appropriate.
Animal management	Social and cultural	Community as a whole Animal owners	Short term	All animal owners create the need however irresponsible owners create a greater cost. Legislative (Dog Control Act)	No financial reason to separately fund	General rate 20 – 30% Fees and charges 70 – 80%	Nil or minor	Animal control is primarily a health & safety service for the community & therefore benefits everyone. There are costs that the Council can directly attribute to individual owners.
Building control	Economy	The property owner and inhabitant. There is a wider benefit from buildings being built to code.	Short term	Non consented buildings, construction industry parties not complying	No benefit to separately fund	General rate 20 – 30% Targeted rate 0 – 5% Fees and charges 70 – 80%	Nil or minor	This benefits the property owner and inhabitant. There is a wider benefit from buildings being built to

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
		Commercial properties require a higher degree of service		with the building act Vacant land can create negative costs for Council				code. Enforcement can create additional costs.
City planning	Economy	The community as a whole benefit from this activity except where there is a private plan change that has specific benefits to the applicant The relevant community (through the consent process), free planning advice, public counter, responding to complaints,	The outcomes of this activity result in ongoing benefits and some of these benefits can last a significant period of time	Applicants for private plan changes Resource consent holders who do not comply with the resource consent conditions. Unconsented activities. Vexatious and frivolous objectors Vacant land can create negative costs for Council	Keep as one activity as it enables a holistic approach to city planning and development.	General rate 60 – 70% Targeted rate 0 – 5% Fees and charges 30 – 40%	Nil or minor	A city plan benefits both all ratepayers and developer. The relevant community (through the consent process), notified and non-notified consents have different levels of benefit. Enforcement and monitoring can create additional costs

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
		compliant & safe buildings in the community. Commercial properties require a higher degree of service						
Environmental health	Social and cultural	The activity predominantly benefits those individuals that obtain the appropriate license. However, this activity protects the whole community, the whole community also benefit	Short to medium	Those premises that are unlicensed or those that do not maintain the required standards.	No financial reason to separately fund	General rate 60 – 70% Fees and charges 30 – 40%	Nil or minor	As both the direct users and the community as a whole benefit a allocation of General rate 60 – 70% Fees and charges 30 – 40% is appropriate.
Parking enforcement	Economy	Retailers, visitors and the community as a whole and those with a	Short to medium	Vehicle drivers, non-compliant vehicle operators and property	No financial reason to separately fund	General rate 10 – 30% Fees and charges 70 – 90%		Parking ensures that safe parking facilities are available to the residents and

Activity group (and activities)	Community outcomes	Distribution of benefits	Period of benefit	Exacerbator pays	Costs and benefits	Operating expenditure	Capital expenditure	Rationale
		parking exemption		owners within parking exemption areas.				visitors to the City to enable optimal vehicle circulation, this also provides benefits to Commercial properties

Alcohol Fees Bylaw

Part A – Preliminary Provisions

This bylaw is made pursuant to section 405 of the Sale and Supply of Alcohol Act 2012, and the Sale and Supply of Alcohol (Fees) Regulations 2013 and under the authority of the Sale and Supply of Alcohol (Fee-setting Bylaws) order 2013.

Title

This Bylaw is the Alcohol Fees Setting Bylaw 2025.

Commencement

This Bylaw (if adopted) comes into force on 1 July 2025.

Application

This bylaw applies to the Upper Hutt City district.

Purpose

The purpose of this Bylaw is to prescribe fees for all matters for which fees payable to Upper Hutt City Council are prescribed in the Sale and Supply of Alcohol Act 2012 in accordance with the Sale and Supply of Alcohol (Fees) Regulations 2013 and the Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013.

Interpretation

In this Bylaw, unless the context otherwise requires, the following definitions apply:

- Act means the Sale and Supply of Alcohol Act 2012.
- Application Fee has the meaning given by the Sale and Supply of Alcohol (Fees) Regulations 2013
- Council means Upper Hutt City Council
- Licence has the meaning given by the Sale and Supply of Alcohol Act 2012
- Regulations means the Sale and Supply of Alcohol (Fees) Regulations 2013.
- Temporary authority has the meaning given by the Sale and Supply of Alcohol Act 2012.

Fees setting

Fees in this Bylaw will be set to recover 80% of costs to Council, such that 80% of total costs to Council of performing alcohol licensing and other matters under the Act are recovered in fees payable.

Fees will be set by Council resolution and any changes to part B of the Bylaw will be consulted on as part of an Annual Plan or Long Term Plan process, and must follow the fees framework set out in (Clause 7(2) of the regulations.

Fees may be set for other functions exercised by Council under the Act including fees for late applications for special licences.

Fees payable

Part B sets out the fees payable to Council for alcohol related fees including annual licence fees and applications.

Legislation

The legislation relevant to this Bylaw is:

- **Sale and Supply of Alcohol Act 2013:** legal framework for the sale, supply and consumption of alcohol and associated licensing requirements.
- **Sale and Supply of Alcohol (Fees) Regulation 2013:** provides for fees that can be charged and the framework for establishing these fees
- **Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013:** authorises every Territorial Authority to prescribe, by Bylaw, fees for any matter for which a fee payable to territorial authorities can be prescribed by regulations made under the Sale and Supply of Alcohol Act 2012.

Part B

Application fee for premises

Risk Category	Current application fee	Proposed annual increase	New fee 2025/2026	New fee 2026/2027	New fee 2027/208
Very low	\$368.00	\$50.00	\$418.00	\$468.00	\$518.00
Low	\$609.50	\$66.67	\$676.17	\$742.83	\$809.50
Medium	\$816.50	\$200.00	\$1,016.50	\$1,216.50	\$1,416.50
High	\$1,023.50	\$500.00	\$1,523.50	\$2,023.50	\$2,523.50
Very High	\$1,207.50	\$666.67	\$1,874.17	\$2,540.83	\$3,207.50

Annual fee for premises

Risk Category	Current annual fee	Proposed increase	New fee 2025/2026	New fee 2026/2027	New fee 2027/208
Very low	\$161.00	\$31.67	\$192.67	\$224.33	\$256.00
Low	\$391.00	\$120.00	\$511.00	\$631.00	\$751.00
Medium	\$632.00	\$266.67	\$898.67	\$1,165.33	\$1,432.00
High	\$1,035.00	\$500.00	\$1,535.00	\$2,035.00	\$2,535.00
Very High	\$1,437.00	\$800.00	\$2,237.00	\$3,037.00	\$3,837.00

Special licence fees

Risk Category	Current application fee	Proposed increase	New fee 2025/2026	New fee 2026/2027	New fee 2027/208
Special Class 1	\$575.00	\$1,500.00	\$1,075.00	\$1,575.00	\$2,075.00
Special Class 2	\$207.00	\$150.00	\$257.00	\$307.00	\$357.00

Special Class 3	\$63.25	\$45.00	\$78.25	\$93.25	\$108.25
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Other licence fees

Risk Category	Current application fee	Proposed increase	New fee 2025/2026	New fee 2026/2027	New fee 2027/208
Temporary authority	\$269.70	\$400.00	\$403.03	\$536.37	\$699.70
Temporary licence	\$269.70	\$400.00	\$403.03	\$536.37	\$699.70

Additional fee component

Risk Category	Current application fee	Proposed increase	New fee 2025/2026	New fee 2026/2027	New fee 2027/208
Late application fee for special licence applications submitted within 20 working days of the event	N/A	\$100.00	\$100.00	\$100.00	\$100.00



Class 4 Gambling Venues Policy

PREPARED BY <AUTHOR> | <POSITION TITLE>

<Date (D Mmmm YYYY)>

DRAFT

DOCUMENT PROPERTIES

Document properties

Group	Operations
Publication date	[Insert]
Review period	July 2028
Owner	Group Manager, Operations
Adopted by	Council, [Date of adoption]

Document History

Version	Author	Revision date	Description
0.1	J Lewis	10.03.25	Final draft for consultation

Class 4 Gambling Venues Policy 2025

1. Commencement

This policy combines the Class 4 gaming machine venues and TAB New Zealand venues policies which were adopted by Upper Hutt City Council in 2004 and revised in 2007, 2010, 2013, and 2016.

The 2025 revision comes into effect 1 July 2025 and replaces all previous versions. It is intended to operate for a further three years and be reviewed by Council by no later than 2028.

2. Introduction

Upper Hutt City Council (Council) is required under legislation to adopt a policy for Class 4 gaming machine (“Pokies”) venues and TAB New Zealand venues. This policy covers requirements for both.

Class 4 gaming machines and venues are regulated under the Gambling Act 2003, and TAB venues are regulated under the Racing Industry Act 2020.

3. Statutory framework

Gambling Act 2003

The [Gambling Act 2003](#) (GA) came into force on 18 September 2003. It requires Councils to adopt a Class 4 gaming machines venue policy. The policy must say whether or not gaming machine venues can be established in the city, and if so where they may be located, subject to compliance with any District Plans, standards or any issued resource consent. In addition, the policy may specify any restrictions on the maximum number of gaming machines that may be operated at a Class 4 gaming machine venue.

The GA also requires that Councils must review their Class 4 Gambling Venues Policy within three years of the adoption of the policy, and then review this every three subsequent years. The review must consider whether the social impacts of and risk of harm from gambling requires greater regulation.

Furthermore, after the [Gambling \(Gambling Harm Reduction\) Regulations 2004](#) came into force, Councils must consider whether to include a relocation policy.

Racing Industry Act 2020

The [Racing Industry Act 2020](#) (RIA) came into force on 1 August 2020. It requires Councils to adopt a TAB venue policy. The policy must say whether TAB venues can be established in the City, and if so where they may be located, subject to compliance with any District Plans, standards or any issued resource consent.

The RIA also requires that Councils must review their TAB venue policy within three years of the adoption of the policy, and then review this every three subsequent years. The review must consider whether the social impacts of and risk of harm from gambling requires greater regulation.

4. Policy objectives

Council supports the primary purposes of the GA which are to:

- control the growth of gambling,
- authorise some gambling and prohibit the rest,
- facilitate responsible gambling,
- ensure that money from gambling benefits the community,
- facilitate community involvement in decisions about the provision of gambling.

The objectives of this policy are to:

- ensure that the Council and Community have an influence over the provision and location of new gambling venues in the city,
- ensure that the provision of Class 4 gaming machines is not the primary purpose of these venues,
- ensure that gaming machines and TABs are located in venues where there is a degree of supervision and control of those using them, in order to help reduce the risk of problem gambling,
- minimise the harm to the community caused by gambling, and
- allow the Community to have access to gambling venues for entertainment purposes, and to benefit from the proceeds which they generate.

5. Definitions

For this policy, unless the context otherwise requires, the following term definitions apply:

Class 4 gaming venue means a place at which Class 4 gaming machines (also known as Pokies) are located, or for the purposes of application, at which it is proposed that gaming machines be located.

Primary activity means the activity primarily associated with and promoted by the venue.

TAB New Zealand or TAB NZ means the body established by section 54 of the RA to conduct racing betting, sports betting, or other racing or sports betting under the RIA.

TAB venue means premises owned or leased by TAB NZ and where the main business carried on at the premises is providing racing betting, sports betting, or other racing or sports betting services under the RIA.

Unsuitable Class 4 venue has the same meaning as section 4 of the Gambling (Harm Prevention and Minimisation) Regulations 2004.

6. Requirements for venues

An operator wanting to establish a new venue, or to increase the number of Class 4 gaming machines that may be operated at an existing venue, must first gain consent from Council before they can apply for a licence from the Department of Internal Affairs.

A Class 4 gaming machine and/or venue application for Council consent under this policy must satisfy **all of the requirements in clauses 6.1 to 6.4** and provide payment of the application fee.

Consent will not be given to any venue defined as 'unfit' under section 4 of the [Gambling \(Gambling Harm Reduction\) Regulations 2004](#).

A TAB venue application for Council consent under this policy must satisfy the applicable requirements in **clauses 6.1 and 6.6** and provide payment of the application fee.

The application process is detailed in section 7.

6.1 Location of class 4 or TAB venues

New Class 4 gaming and TAB venues may only be established within the City Centre Zone, Local Centre Zone, Neighbourhood Zone, and Town Centre Zone, as set out within the Upper Hutt District Plan.

Applications for new Class 4 gaming machines or venues will not be consented if the venue's location is within 100m of any existing class 4 gaming venue, or kindergarten, early childhood centre, kōhanga reo, school.

6.2 Primary activity of class 4 gaming venues

The primary activity of any class 4 gaming venue must be:

- the sale of alcohol or, the sale of alcohol and food where the venue is subject to an alcohol licence (not being an off-licence or a bring-your-own licence) for a hotel, tavern, bar, chartered club or club licence; or
- the sale of alcohol where the alcohol licence for the venue is an on-licence or club licence.

Consent will not be granted for a new venue at which the primary activity is associated with family dining (such as cafés and restaurants), family activities (such as cinemas) or children's activities.

6.3 Maximum number of gaming machines allowed at a class 4 gaming venue

Applicants must refer to and comply with sections 92 – 94 of the Gambling Act 2003 which control the maximum number of gaming machines permitted at a given venue.

6.4 Maximum total number of permitted class 4 gaming machines

The maximum total number of Class 4 gaming machines permitted within Upper Hutt City shall not exceed 174.

6.5 Relocation and transfer of class 4 venues

Where an existing licenced Class 4 gaming venue is ceasing to operate, Council will consider, at its own discretion, applications to allow the transfer of its current venue conditions to another location if:

- the application meets requirements 6.1 to 6.4 of this policy; and,
- all class 4 gaming machines will be, or have been, removed from the current venue; and,
- the new venue is operated by the same corporate society which operated the existing venue; and,
- the new venue will have no more than the number of Class 4 gaming machines as the current venue, subject to any restrictions applicable under the Gambling Act 2003.

The merging of existing venue conditions is not permitted.

6.6 Signage for class 4 gaming and TAB venues

All gambling venues advertising signs must comply with section 8A.3 of the Upper Hutt City Council [Operative District Plan 2004](#).

6.7 Operation of Class 4 gaming venues

Class 4 gaming venues must be operated subject to the following conditions:

- gaming machines must not be visible from the footpath, street, road or highway,
- gaming machines must be in a separate location from any family activities,
- gaming rooms must be well lit, preferably by natural light, and have clocks within easy view of machines, if not on the actual machines,
- details on the staff training programme, particularly related to problem gambling, must be provided on request,
- the holder of a class 4 gaming licence must display at the class 4 gaming venue all information required by section 82 of the GA, and this must be clearly accessible to the public.

7. Consent process

7.1 Applications

Applications for Council consent **must** be made on the Council's application form and **must** provide the following:

- name and contact details for the applicant,
- venue details, including trading name and street address of premises proposed for the Class 4 licence,

- contact details for management staff,
- the number of gaming machine currently licenced in the premises,
- proposed number of additional gaming machines,
- a floor plan covering both gambling and other activities proposed for the venue, including details of each floor of the venue, and the location of clocks and windows within the games room,
- details of how the proposal complies with the Council's Gambling Venues Policy,
- evidence of the liquor licence(s) applying to the premises,
- a copy of the staff training programme, including information on how to spot and offer prescribed information to problem gamblers,
- the application fee,
- documentation outlining the policies and programmes in place for the distribution of funds,
- evidence that the premises, for which the class 4 gaming venue licence is being applied for, complies in all respects to the provisions of the Building Act 2004 and the Resource Management Act 1991.

Establishment of a Class 4 gaming venue is subject to the above consideration at the discretion of Council.

7.2 Application fee

The application fee is set by Upper Hutt City Council and includes consideration of:

- the cost of processing the application;
- the cost of monitoring consents; and
- the cost of triennially reviewing the Class 4 gaming and New Zealand Racing Board venues policy.

The [application fee](#) will be reviewed by Council each year as part of its Schedule of Fees and Charges review.



Council | Kaunihera
30 June 2025

Adoption of Annual Plan 2025-26

Purpose of report | Te pūtake

1. To present the final Annual Plan 2025-26 for adoption by Council.

Recommendation | He tūtohunga

2. It is recommended that Council;
 - A. receives the report titled Adoption of the Annual Plan 2025-26,
 - B. adopts the Annual Plan 2025-26 ([Attachment 1](#)) in accordance with section 95 of the Local Government Act 2002.
 - C. authorises staff to make any consequential amendments to the Annual Plan 2025-26 document based on direction provided at this meeting and/or to correct any minor editorial, typographical, arithmetical, or formatting errors that are identified before publication.

Background | Papamuri

3. Under Section 95 of the Local Government Act 2002, councils are required to adopt an Annual Plan for each financial year, except in the year a Long Term Plan is adopted.
4. Council started the development of its Annual Plan in November 2024.
5. Elected Members provided direction on the preparation of the Consultation Document, the content to be included in it, and the Supporting Information.
6. The Supporting Information that the content of the Consultation Document relied on was adopted by Council, 19 March 2025, before the adoption of the Consultation Document.
7. Council undertook public consultation on the proposed 2025-26 Annual Plan between 24 March and 27 April 2025. The community was made aware of the consultation through print, social media, and the distribution of the Consultation Document booklet to residents via letter and post boxes.
8. Council followed section 95A of the Local Government Act 2002, and its Significance and Engagement Policy, to develop and adopt the Annual Plan supporting information and Consultation Document.
9. The consultation document served as the primary source of information for the community to make informed decisions, directing readers to the supporting information available on our website for further information.

10. A total of 286 submissions were received on the Consultation Document within the submission period, and no late submissions were received.
11. Hearing meetings were held on 19 - 20 May 2025. 29 of the submitters requested to speak to Council in support of their submission; 20 submitters came before Council.
12. A total of 286 submissions were received on the Consultation Document within the submission period, and no late submissions were received.
13. During the Deliberations Meeting held on 11 June 2025, Council considered the feedback received through submissions. Councillors deliberated and agreed on the matters to be included in the Annual Plan and the changes to be made to finalise the Annual Plan.
14. Council's decisions from these deliberations are reflected in the proposed Annual Plan, which is appended as [Attachment 1](#).
15. At this time, Council will also set the 2025-26 financial year rates (separate report).

Discussion | Te matapaki

16. The Draft Annual Plan has been prepared based on Year 2 of the Long Term Plan 2024-2034.
17. A key exception is kerbside recycling activity, which has been modified as a result of submissions and deliberations. These changes are shown in the sustainability and waste minimisation activity.

Options | Ngā kōwhiringa

Option One – Adopt the Annual Plan

18. Adopt the Annual Plan 2025-26, appended to this report as [Attachment 1](#).
19. This option enables the Annual Plan to be finalised and published, meeting legislative requirements and allowing it to take effect from 1 July 2025.

Option Two – Do not adopt the Annual Plan

20. Do not adopt the attached Annual Plan 2025-26 and/or direct officers to make amendments to the Annual Plan 2025-26.
21. Further changes to the Annual Plan presented for adoption will adversely impact on the ability to comply with legislative timeframes required by the Local Government Act 2002.

Considerations for decision-making | Ngā whai whakaarotanga

22. The Local Government Act 2002 requires the Annual Plan 2025-26 to be adopted by 30 June 2025.
23. Council has now completed all the necessary steps to produce the Annual Plan 2025-26. This has included:
 - A. Preparing all information required for the Consultation Document and supporting information, including the draft budget;
 - B. Carrying out formal consultation with the community;

- C. Receiving and considering written and verbal submissions; and
 - D. Resolving through deliberations and resulting decisions final changes to be made to the draft Annual Plan and the budget in order to produce the final Annual Plan.
24. The Annual Plan 2025-26 document has been prepared as the output of the above processes and is presented for Council adoption.

Previous relevant Council decisions | Ngā whakataunga o mua

25. The decision to consult on the Annual Plan 2025-26, on 19 March 2025 and the decision on submissions on 11 June 2025 are both relevant.

Identification of inconsistent decisions | Te tautuhi o ngā whakataunga Hārakiraki

26. There are no inconsistent decisions.

Significance and engagement assessment | Te tino aromatawai

27. Council consulted with the community on the proposals for the 2025-26 Annual Plan (Section 95A) by using the Consultation Document. Public consultation took place from 24 March 2025 to 27 April 2025.

Sustainability | Rautaki whakauka

28. The annual plan includes the sustainability and waste minimisation activities for the Council, which contributes to the Sustainability Strategy goals of reducing waste and being a leader in the community on sustainability issues. The recommended option of retaining the recycling station with some improvements will contribute to these goals.

Financial and resourcing | Mahere pūtea

29. The financial and resourcing components of the annual plan are included in [Attachment 1](#), both in summary and specific activities
30. Since the development of the Annual Plan Consultation Document and Supporting Information for the Annual Plan 2025-26 consultation, there have been some operational changes to the budgets. [Table 1](#) notes the changes and the reasons.
31. [Table 2](#) notes the impact of these changes in comparison to the financials for the Consultation Document. The rates increase will remain as consulted on at 15.78%.

Table 1: Changes in key financials since the Consultation Document and reasons. This includes one further change since the Deliberations meeting.

Other operational cost changes	Amount	Commentary	Funding Source
Other operational Costs – Central Government directed	261,000	This is covering both the Commerce Commission Levy and Taumata Arowai Levy for water regulation. This is required to be collected by councils nationwide. This has been added to the leadership function.	Rating impact 0.41%. Currently unfunded – fund from existing 3 waters budgets for 2025-26 or debt.
Drainage Levy budget correction	813,990	Budget correction between Hutt City Council and Wellington Water Ltd.	Reserve funded.
Water Depreciation	999,930	Will impact the ability to deliver the 2024-2034 Financial Strategy and achieve a balanced budget by 2034.	3 waters depreciation commences year 6 - No rating impact for 2025.
Local Government NZ subscription	54,000	Councillors' late decision to continue – no budget allocated.	Has a rating impact of .08% will be debt funded.
Total other operational cost changes	2,128,920		

Capex cost changes	Amount	Commentary	Funding Source
Hutt Valley Joint Venture Wastewater	(622,684)*	Decreased to match advice from Wellington Water Ltd.	Debt funded
Subsidised Roothing	(873,018)*	Reduced to reflect approved funding	Debt funded
Total capital cost changes since Consultation	(1,495,702)*		

Revenue changes	Amount	Commentary	Funding Source
Waste Levy	384,000	Increased to better align with current payments received	External
NZ Transport Agency Income	(371,000)*	Decreased to reflect approved funding allocation	External
Trade Waste Income	(212,000)*	UHCC will no longer receive this revenue from Hutt City Council	Reserve
Total revenue reduction	(199,000)*		

*Brackets indicate decreased cost or decreased revenue

Table 2: In summary difference in Options between the Consultation Document and now

Annual Plan 2025-26	Consultation Document Financials	Changes since	Difference
Rates \$	\$75.44 M	\$75.44 M	-
Rates %	15.78%	15.78%	-
Total Capex	\$45.57 M	\$44.07 M	(\$1.50 M)
Total Revenue	\$103.25 M	\$103.67 M	\$0.42 M ¹
Net Debt \$	\$205.57 M	\$205.27 M	(\$0.30 M)
Net Debt %	220%	220%	-
Funding from Wastewater Reserve	\$0 M	\$1.025 M	\$1.025 M

32. As shown in **Table 2** above, the rate funding required will remain as consulted on at 15.78%.
33. The increase of 0.41% relates to the inclusion of the two water levies that are to be billed from 1 July 2025. Both levies serve as a cost-recovery mechanism for water regulator activities. The inclusion of the levies is Government mandated. It proposed that the levies be recovered from the Wellington Water Management fee. This results in no change to the level of rates required.
34. The consultation financials did not draw on any funds from reserves. However, we have since been advised that the drainage levy increase will be higher than initially expected, and trade waste income will be lower than forecast. To cover the additional costs and reduced revenue, \$1.02 million has been used from the wastewater reserve. These changes do not affect rates.

Legal | Ture

35. The Annual Plan has been prepared in adherence to the Local Government Act 2002 legislative requirements and consulted on per sections 82, 82A, 83, 95, 95A, and 96.
36. Council is statutorily required to adopt the Annual Plan by 30 June 2025, and not doing so would mean Council will be in breach of its legal obligations.

Risk | Tūraru

37. The other key risk that would eventuate should the Annual Plan not be adopted at this meeting is that Council will be unable to set the rates for 2025-26 financial year. Rates cannot be set until the 2025 - 26 Annual Plan is adopted.
38. There is a slight risk that some of the Council's activities outlined in the annual plan may not be completed as planned due to limited resources or external delays.

¹ Includes remapping of the rates remissions

Included attachment | Ngā āpitihanga

39. Attachment 1: Draft Annual Plan 2025-26

[page 135](#)

Date of report: 17 June 2025

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Chief Executive | Te Tumu Whakarae

MAHERE Ā-TAU 2025-26

ANNUAL PLAN 2025-26



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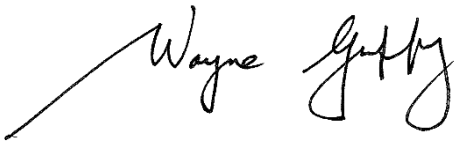
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Nau mai Welcome

Tēnā koutou E mihi kau atu ana ki a koutou mō ngā uruparenga kōrero e pā ana ki te Mahere ā-Tau hukihuki mō te tau 2025-26. Nā ō tonono i āwhina, i tautoko i te Kaunihera ki te whakatau i ngā whakaritenga e whakaata ana i ngā hiahia, i ngā wawata o te hāpori nei, me tā mātou noho hāngai pū ki ngā āhuatanga whai hiranga ki ngā tāngata katoa o te rohe whānui o Whakatiki. E manawanui ana mātou ki te whakaiti i ngā utu, te penapena i ngā moni me te rapu i ngā whakautu ahumoni nei e taurite ai ā mātou tahua ki ngā hiahiatanga mō ngā rā e heke mai ana. E mātua mōhio ana mātou ki ngā taumahatanga o te utu o te noho noa, ngā reiti teitei ka utua, te tāmi ahumoni, ngā utu inihua me ngā utu pēnehīni kua uhia ki runga i a tātou katoa. E hāngai ana tō mātou rautaki ahumoni kia ea ngā utunga ka puta i te utu ka tau ki tō pēke. E manawanui ana mātou ki te pupuri i te haepapa moni tūmatanui kia kore ai e uhia ngā utu nei ki runga i ngā reanga e piki ake ana. Ehara tēnei mahi o te taurite i ngā pukapuka tahua i te mahi māmā, heoi, he mahi me manawanui mātou, me mahia hoki kia tika. He rohe pai a Whakatiki hei noho, hei mahi, he whakatipu tamariki, mokopuna hoki, ā, ka noho tonu hei wāhi rawe o te rohe whānui nei. Kua panonitia e mātou tō mātou tauira whakahaere hei whakaiti haere i ngā utu. Nā tēnei arā, e taea ai e mātou te whakarite, ka iti iho ngā reiti ki tēnei tauira, tērā i tohua rā e te Mahere Whai Roa.	Welcome Message from Mayor Wayne Guppy – Upper Hutt City Council's 2025-26 Annual Plan Tēnā koutou Thank you for your feedback to our draft 2025-26 Annual Plan. Your submissions help Council to make decisions that reflect the needs of the community, and ensure we remain focused on things that are important to the people of Upper Hutt. We're committed to reducing costs, deferring spending, and finding financial solutions that balance our expenses with future needs. We know cost-of-living pressures such as high interest rates, inflation, insurance costs and fuel prices, have impacted on all of us. Our financial strategy is to focus on ensuring that today's income covers today's expenses. We are committed to maintaining fiscal responsibility so that we do not push costs onto future generations. Balancing the books is not an easy task but a discipline we are committed to. Upper Hutt is a great place to live, work, and raise a family, and it will continue to be the region's top choice. We've also made changes to our operating model to reduce costs. This approach has contributed to us being able to confirm a lower rates increase than the Long Term Plan indicated. Ngā mihi nui
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Wayne Guppy KOROMATUA MAYOR		Geoff Swainson TE TUMU WHAKARAE CHIEF EXECUTIVE

TŌ TĀTOU WHĀINGA

OUR VISION

Our vision is the desired future state of our city—what we, as a Council, are aspiring to achieve for our city. This vision was adopted as part of our Long Term Plan 2024 – 2034.

WE HAVE



WE ARE



**an outstanding
natural environment,**
leisure, and
recreational opportunities.



**a great place
for families**
to live, work and play.

COMMUNITY OUTCOMES

In working towards our vision, we're focusing on four outcomes we want to achieve for our community. These community outcomes guide our activities, projects, and service levels.

TŪĀPAPA

Infrastructure

We have reliable and efficient networks and infrastructure that support our city.



TAIAO

Environment

We're immersed in natural beauty. We care for and protect our river, our stunning parks, and our natural environment.



PAPŌRI ME TE AHUREA

Social and cultural

We celebrate our whānau, heritage, and culture. We're a caring, safe, and healthy community.



ŌHANGA

Economy

We're a city of opportunity. We attract new investment and offer opportunities for people and businesses to prosper. Our city centre is alive, attractive, and vibrant.

Whakamāramatanga

About the Annual Plan

To guide our activities and management of our financials and ratepayers' money responsibly, we work to detailed plans.

Long Term Plan

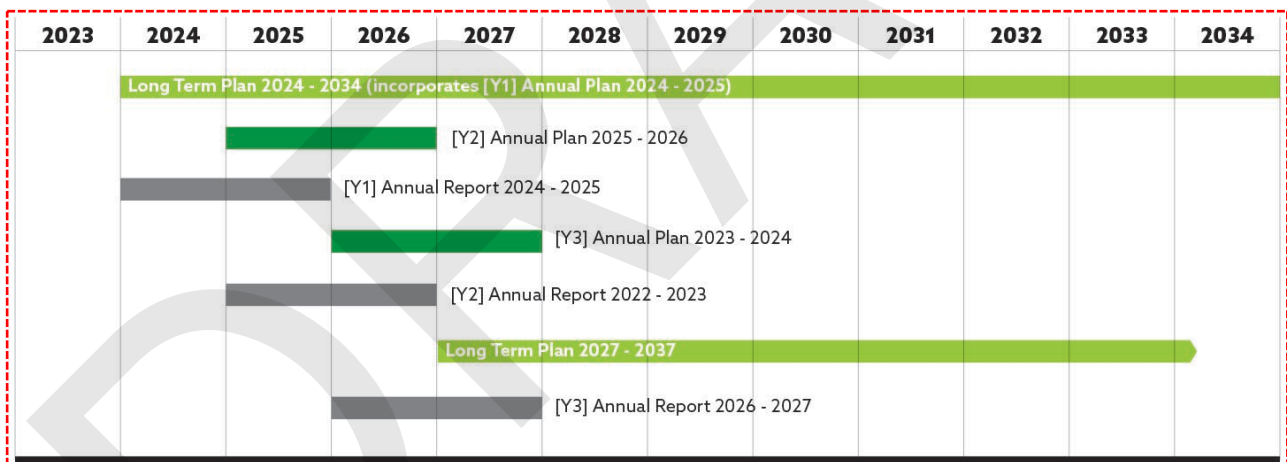
The Local Government Act requires us to produce a Long Term Plan. This sets out Council's budget and work plan over a 10-year period and is reviewed every three years. Our current Long Term Plan became operative in July 2024.

Annual Plan

For the two years in between Long Term Plans, we develop and produce an Annual Plan. The Annual Plan includes groups of activities, budget and funding impact statements for the year. It is a continuation of the Long Term Plan but also includes any changes we've made from what we said we'd do in the Long Term Plan for that year, as the result of any changed circumstances.

Annual Report

An Annual Report is prepared following each financial year. It reports on what Council actually did and achieved, comparing its actual performance against what was planned in the Long Term Plan and Annual Plan.



Whakarāpopototanga

Overview of the plan

Each year the Council must produce an Annual Plan which is based on the Long Term Plan. The Annual Plan sets out the budget for that particular year including any changes from the Long Term Plan.

It is a continuation of the Long Term Plan, identifying what we've set out for the next 12 months and any variations from our previous planning.

Our Long Term Plan priorities

Balancing the books

In essence, balancing the books means today's income covers today's expenses. Council's two main sources of funding are rates revenue and debt funding. The rates funding required is based on the investment needed to deliver Council's operational and infrastructure plans. Funding operations and infrastructure enables Council to deliver its nine activities. For the delivery of the capital works programme, Council accesses debt funding. During 2025-26, Council expects finance costs to be marginally lower than those levels used in Year 2 of the Long Term Plan 2024-2034.

The savings and the rephasing of the capital programme have contributed significantly to our ability to reduce the level of rates in Year 2. The financial strategy for 2024-2034 is that the budget will be balanced within 10 years of the Long Term Plan. The revaluation of water assets in June 2024 lifted the carrying value of our water assets by significant amounts. This added approximately \$10M of depreciation per annum. Amongst other cost pressure this creates a risk that the goal of a balanced budget within 10 years will not be achieved. Additionally, it should be noted there is doubt over the long-term accuracy of the revaluation, and further to this, water assets are likely to no longer be assets of core Council by 2030.

Maintaining our infrastructure

We're a growing city, and essential infrastructure is key to its success. As outlined in our Long Term Plan 2024-2034, we will continue to maintain our infrastructure within a tight budget, prioritising key work programmes including renewals. Our focus is on balancing growth and good infrastructure stewardship with financial sustainability. The Long Term Plan's forecast capital investment is below what is recommended or needed due to ratepayer affordability constraints. There will be a level of deferred infrastructure expenditure in future years which, under the current funding model (rates and debt), is difficult to afford in the short term.

Recent events have shown that extreme weather will be a defining factor in our future. Self-insurance will be essential. Weather-related events and Climate change will impact every community in unknown ways, and we must ensure our infrastructure is resilient and durable. Maintaining our infrastructure levels of service and continuing the renewal of our core assets is vital for our city to function and our community to thrive.

Back to basics

We continue to contain costs in core activities. We've changed the funding or timing of many smaller operational projects and have reprioritised some of our capital projects. We remain focused on activities like infrastructure, water management, transport, planning, and regulatory services.

There are a range of factors that have had an impact on Council's planned program and financials for the 2025-26 year. The current economic environment continues to put pressure on organisations, households and businesses. Council continues to experience substantial increases due to a range of uncontrollable operating costs such as contracts, electricity, insurances and finance costs.

Our main focus going forward is to deliver these core activities:

LEADERSHIP

Governance, communications, policy, strategy, and advocacy

COMMUNITY AND RECREATION

Community facilities, emergency management, parks and reserves (including Akatārawa Cemetery)

WATER SERVICES (THREE WATERS)

Water supply, wastewater, and stormwater

LAND TRANSPORT

Roads, footpaths, cycleways, streetlights, and road safety

SUSTAINABILITY

Community resilience, waste minimisation, and implementation of the Sustainability Strategy

PLANNING AND REGULATORY

Animal management, building services, environmental health, planning, and consenting.

What's changed for 2025-26

Last year, we shared that the financial environment we operate in had changed significantly, prompting the need to reassess and reprioritise our plans for the future.

Our primary focus has remained on completing critical community investments and maintaining infrastructure. These projects are vital to providing excellent facilities for our community, supporting growth, and strengthening the resilience of our city.

We continue to work to ensure our financial resilience continues by repaying the debt that funded these significant investments over the past decade.

To adapt to the current situation, we continue to streamline operations, reduce costs in non-core areas, pause or delay certain activities, and reprioritise some capital projects. These decisions are tough, but they are always made with a clear focus on what truly matters to our community.

Thanks to these efforts, we have been able to proceed with a change to the average annual rate increase originally set in the Long Term Plan for 2025-26.

Rates

Rates are Council's main source of income. With significant cost increases, risk of severe weather events, and other heightened financial risks, it's no longer financially viable to keep rates at the low level they have been in the past without our infrastructure and facilities suffering.

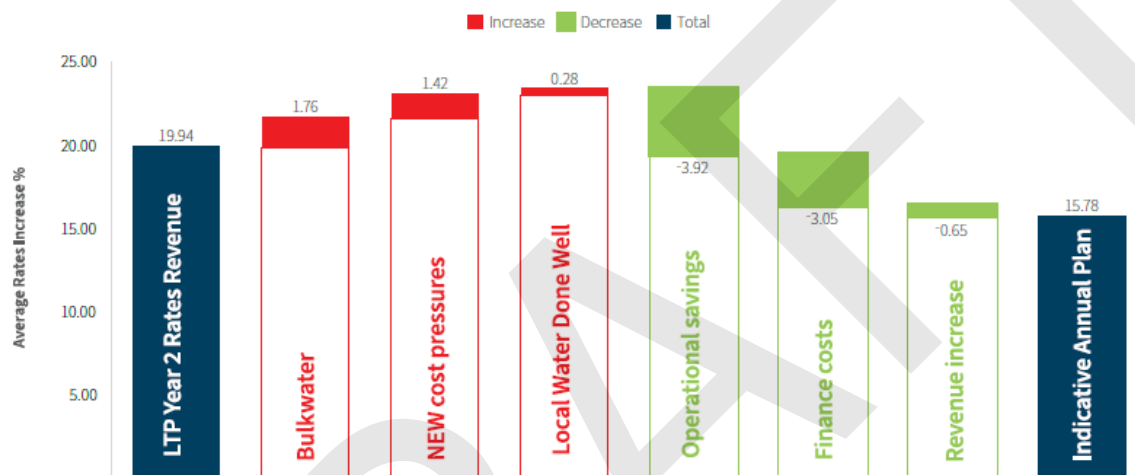
Prioritising core activities, operating efficiently, and looking after what we have will enable us to build a strong financial foundation for our city into the future.

Our long term objective and immediate priority is to pay for everyday costs today, not later. Through the Long Term Plan 2024-2034 Financial Strategy, Council forecast rates at a level sufficient to meet each year's operating expenditure.

The rates for 2025-26 will be set at 15.78%. This is lower than the 19.94% set in Year two of the 2024-2034 Long Term Plan. This has been achieved by delivering targeted operational savings during the 2024-25 year and a refocus on core activities, and reprioritization of our capital programme expenditure. Reduced government funding has been a factor in reprioritizing some of the capital works.

These changes have resulted in rating impact for 2025-26 as shown below. Reduced capital expenditure will likely lead to savings in finance costs. However, there are increases in cost area, for example bulk water, cannot be avoided.

2025/26 indicative rating impact 15.78%



Our operating environment

The impact of rising costs

The current economic environment continues to put pressure on homes and businesses as the cost of living tracks remain above the level of inflation. Finance costs and inflation have flattened after trending downwards, however, in the sectors where Council operates inflationary measures continue to track at levels between 3.5- 4.4% per annum. Council, like households, has continued to face cost pressures and new challenges. One of these challenges is the impact of reduced government spending, such as on land transport subsidies, in the upcoming year. Uncontrollable cost increases impact on what else in core activities we can fund and deliver.

Our investment in water infrastructure

Water services infrastructure is a significant part of Council's core service, and it continues to have a major impact on our financial position. We have significantly invested in our water services. For the next year, over 45% of our total spending will be dedicated to water services infrastructure.

In the past decade, we have increased our investment in water services by nearly 130%, outpacing both Consumer Price Index inflation (28.3%) and the Capital Goods Price Index for water services (59.7%).

There are two instances where our Council can't determine the price we're charged for water services, as we do not have treatment plants for our water supply, or wastewater treatment assets.

This means Council does not control expenditure on these items – which are a significant part of our water services funding allocation under the current model.

This makes us a 'price-taker' for the following services:

- Bulk drinking water supply from Greater Wellington Regional Council
- Wastewater shared services with Hutt City Council

Local Water Done Well reform

We are facing significant challenges in delivering water services—drinking water, wastewater, and stormwater—in the Wellington region, a challenge that extends across the country.

In December 2023, the Government announced a new direction for water services policy called Local Water Done Well and last year the Local Government (Water Services Preliminary Arrangements) Act 2024 was passed. This legislation guides the future of drinking water, wastewater and stormwater services in New Zealand. It requires all councils to prepare a Water Services Delivery Plan that shows how they will meet stricter requirements for water services quality, financial sustainability, and environmental impacts.

In late 2024, Upper Hutt City Council provisionally decided, subject to consultation occurring alongside the Annual Plan 2025-26 process, that the best way forward is to work with other councils (Hutt City, Wellington, Porirua and Greater Wellington) to establish a new multi-council-owned water organisation to deliver water services in the region.

During this consultation, we received 104 submissions, with 84% in favour of the preferred option to establish a new multi-council-owned water organisation. Council will make further decisions on this by 30 June 2025.

Once confirmed, the delivery model will be included as the basis for preparation of a Water Service Delivery Plan as required by legislation. All councils' Water Service Delivery Plans must be submitted for Government review and approval via the Department of Internal Affairs by 3 September 2025.

Our growing city

Upper Hutt's population, housing demand, and the demand for business space is expected to grow over the next 30 years. The rising population places increasing demands on our infrastructure, services, and facilities. This includes utilities like pipes and roads, open spaces, and community amenities.

Funding this growth within the current local government funding model is extremely challenging, we have expanded and updated our Development and Financial Contributions Policy to ensure those who benefit from growth pay their fair share

Kerbside recycling

With 63% of respondents during consultation supporting the improved status quo option, Council decided to not introduce a new kerbside recycling service and keep the current kerbside recycling station.

Over the next year, staff will look at ways to improve recycling services in the city, this includes working with private operators to offer more recycling options, exploring how to increase capacity at the Park Street station, and looking at whether more recycling locations are needed in parts of the district that Park Street doesn't cover well.

Our capital investment programme

This is Year 2 (2025-26) of the Long Term Plan 2024-2034.

The following table indicates where we'll be making significant investments with capital expenditure (capex) over the duration of this Long Term Plan and specifically the forecast costs for Year 2 of the Long Term Plan. As some of these projects stretch beyond the next 10 years, they will not be complete by 30 June 2034.

Several of these projects have already commenced (Year 1) and will be continued throughout and extending beyond Year 2.

PROJECT	TIMING	TOTAL COST	LTP Y2 2025-26 FORECAST COST	ANNUAL PLAN 2025-26	HOW IT IS FUNDED
Active mode transport programme (Railway corridor)	Y1-Y10	\$17M	\$513k	\$0	Debt/Subsidies
Akatārawa Cemetery redevelopment	Y1-Y4	\$3M	\$314k	\$359K	Debt
Rural road high-priority safety projects	Y1-Y10	\$9M	\$872k	\$0	Debt/NZTA Subsidies
Tōtara Park Bridge widening	Y2	\$3M	\$3M	\$0	Debt/NZTA Subsidies
Maidstone artificial turf replacements	Y1-Y10	\$4M	\$251k	\$251K	Rates
Wastewater treatment renewals programme	Y1-Y10	\$172M	\$18M	\$18.57M	Debt
City Centre paving revitalization	Y2-Y3	\$6M	\$2.8M	\$2.83M	Debt
Renewals programme	Y1-Y10	\$173M	Ongoing	Ongoing	Debt/Rates

Key infrastructure deliverables in 2025–26

Active mode transport programme Y1–Y10	We plan to continue developing our on-road and open space walking and cycling network. These works support the strong recreational focus of our city vision and are aligned to the goals and objectives of the Open Space Strategy, as well as promoting low carbon transport in line with our Sustainability Strategy. Physical work will be prioritised and progressed to best utilise limited funding available, current prioritised areas such as the ‘Hutt River trail’ are dependent on FAR funding.
Akatārawa Cemetery redevelopment Y1–Y4	Akatārawa Cemetery, jointly owned by Upper Hutt City Council and Hutt City Council, has an estimated capacity for a further four to five years based on current interment trends. Development of the cemetery, carried out in two stages, will provide burial options for a further 40 years for ashes and 25 years for interments. Further development can progress at a later stage as demand determines. Initial physical works are currently programmed to commence in November 2025.
Rural road high-priority safety projects Y1–Y10	Work continues each year to continually improve the safety of our rural roads and to mitigate risks of serious crashes.
Tōtara Park Bridge widening Y2	To increase the efficiency of traffic flowing through the Tōtara Park Bridge signals, the plan is to widen part of the bridge to provide a longer length of two lanes at the traffic signals. This project has been deferred awaiting further information regarding the timeline of private development, detailed traffic modelling and ensuring sufficient funding is in place.
Maidstone artificial turf replacements Y1–Y10	The existing artificial turfs have a life of 12 years (for multi-sport, 15 years for tennis). In Y2 the carpet in the Maidstone Park warm-up area, and the electronic scoreboards are due for replacement.
Wastewater treatment renewals programme Y1–Y10	The joint venture between Hutt City Council and Upper Hutt City Council allows for the conveyance and treatment of wastewater from the Hutt Valley. Financial budgets for the scheme are set by Hutt City Council. Upper Hutt is required to provide funding for this capital expenditure. As a price-taker, Upper Hutt City Council does not have overall control but can influence this expenditure. This is a significant part of our three waters funding allocation for the 2024-2034 Long Term Plan and beyond.

Within the next three years, major works are required to the Petone interceptor, and at the Seaview Wastewater Treatment Plant, including odour control investments, replacement of the dryer, and design and planning works for the replacement of the main outfall pipe.

City centre paving
revitalization
Y2–Y3

Continual improvements to the footpaths and furniture in the city centre is an ongoing project. Work was paused for 2024–25 and is planned to resume in 2025-26.

Renewals programme
Y1–Y10

Asset renewal is a priority.

The renewals funding has been adjusted to manage and spread costs and affordability. Further reducing or failing to carry out the renewals programme would risk the degradation of assets such as roads, footpaths, and various water pipes and systems.

Financial summary

What will it cost?

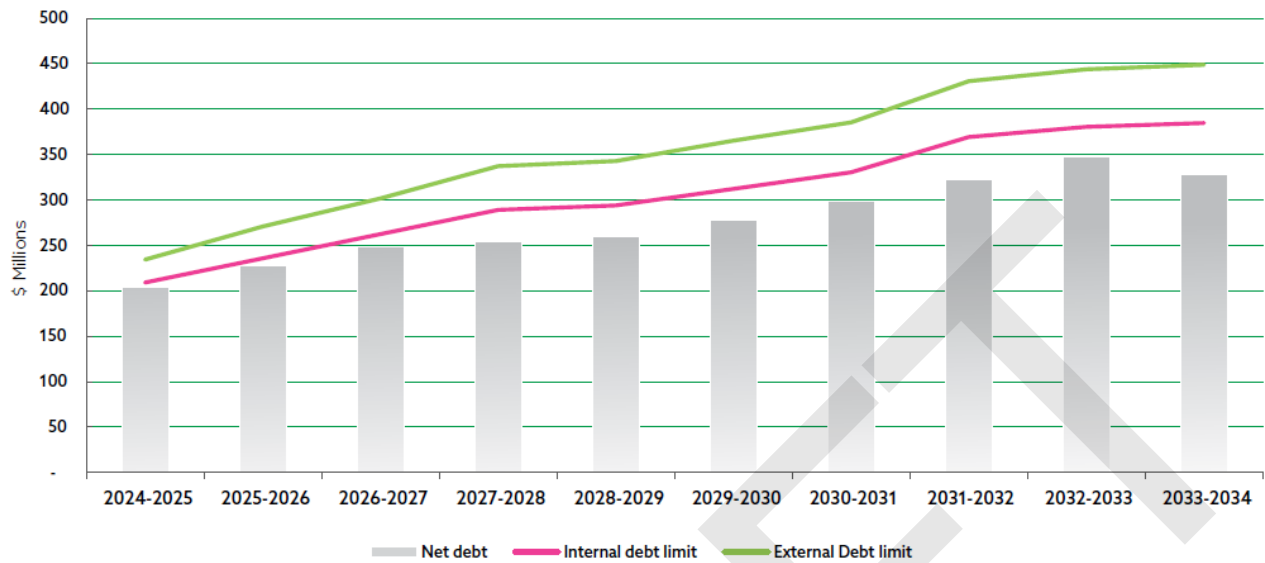
In comparison to the forecasts in the Long Term Plan for 2025–26, there have been some cost increases this year.

These changes reflect the operating environment we are in. The table below includes figures in summary from the *Prospective statement of comprehensive revenue and expense* on page 65. For more detail on these financial items, please refer to the financial section, beginning on page 60.

	LONG TERM PLAN Y2 2025–26	ANNUAL PLAN 2025–26	DIFFERENCE
Total operating revenue	\$105.49 M	\$103.67 M	\$1.82 M
Total operating expenditure	\$105.42 M	\$124.29 M	\$18.87 M
Net operating cost (surplus)	(\$67 K)	20.62 M	\$21.29 M
Loan borrowing repayments	\$12.13 M	\$7.968 M	\$4.16 M
Total capital expenditure	\$45.78 M	\$44.07 M	\$1.71 M

Public debt

NET DEBT ¹ LEVELS AGAINST DEBT LIMITS AND LTP FORECAST



FORECAST DEBT	LTP (Y2) 2025–26	AP 2025–26	DIFFERENCE
Opening balance ²	\$221.57 M	\$224.32 M	\$2.75 M
Loans raised during the year	\$34.00 M	\$38.69 M	\$4.69 M
Less repayments during the year	(\$12.13 M)	(\$7.97 M)	\$4.16 M
Total public debt ¹	\$243.44 M	\$255.04 M	\$4.16 M

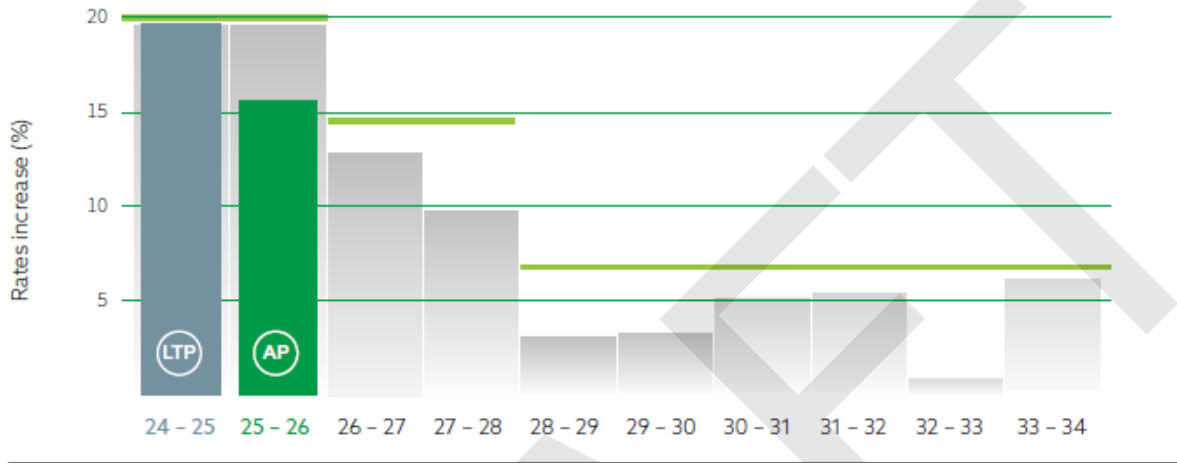
The total public debt for the Annual Plan is higher than the Long Term Plan 2024-34. This is the result of pre-funding of debt in the 2025–26 financial year, this activity is timing and standard treasury management practice and is in compliance with the Treasury Management Policy. The cash sits in term deposits until the debt is required to be repaid.

1. Net debt is total public debt less liquid financial assets and investments.
2. The opening Annual Plan balance of Year 2 (2025 – 2026) does not agree with the Long Term Plan closing balance of Year 1 (2024 – 2025). The opening balance for 2025 – 2026 reflects the estimated public debt position as at 1 July 2025. For budgeting purposes, an assumption has been made that all budgeted loans will be drawn down during the year, including those not drawn down in the previous years.

Rates

There is a 15.78% increase in overall rates funding for 2025–26.

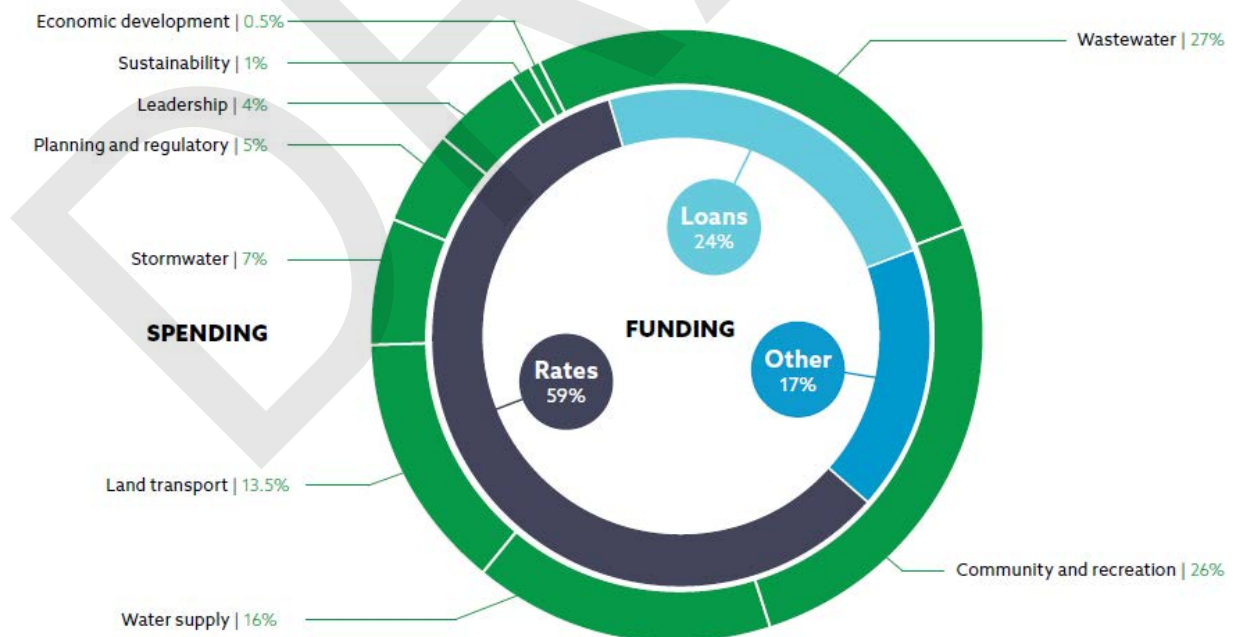
We're tracking below what we forecasted in the Long Term Plan, we've kept this year's increase inside our commitment of 19.94%. For more information on rates affordability, please refer to page 166 of the Long Term Plan 2024–2034. To see how this increase will affect rates relative to a property's capital value, please refer to page 97.



Funding and spending

This year our budget is \$128.6 M.

Our sources of income and spending by activity group are broken down in the graph below. For more details, go to the Financials section on page 60.



WHAKATAKINGA

INTRODUCTION

We carry out a number of activities and functions in order to achieve the aspirations in our vision and community outcomes and to meet our statutory responsibilities. These activities and functions are organised under nine groups of activities.



MANA WHAKAHAERE LEADERSHIP



4% of the funding we receive through rates will go towards the **Leadership** group of activities. This **\$4.30 M of rates makes up 60%** of the activity's total funding. The remaining funding will come from fees and charges, development and financial contributions, and other sources.

Community outcomes

The **Leadership** group of activities contributes to two of our community outcomes.



TAIAO
Environment



PAPŌRI ME TE AHUREA
Social and cultural



ŌHANGA
Economy



TUĀPAPA
Infrastructure

What we do

The purpose of the local government in New Zealand is to promote the wellbeing of our community through governance and advocacy; strategy and policy; communication and engagement; stakeholder partnerships; and the partnership, participation and protection of Māori contributions to decision-making. For more detail, please refer to pages 41–42 of our Long Term Plan 2024–2034.

What is planned for this year

1. Produce an Annual Plan with public engagement and consultation on any variance that might arise against what was planned in the Long Term Plan 2024–2034 for the current financial year (2025-26).
2. Produce an Annual Report to communicate and be accountable for the work we do.
3. Produce a Pre-election Report.
4. Facilitate the Local Body Elections in 2025.
5. Increase engagement with Māori, and the wider community, regarding participation in decision-making processes.
6. Communication and engagement activities.
7. Development of strategies, bylaws, and policies.

How we fund this activity

Below is the forecast Funding Impact Statement for 30 June 2026 for Leadership (\$000).

LTP Y1 2024-25	SOURCES OF OPERATING FUNDING	LTP Y2 2025-26	ANNUAL PLAN 2025-26
2,430	General rates, uniform annual general charges, rates penalties	2,790	2,797
632	Targeted rates	649	1,506
0	Subsidies and grants for operating purposes	0	0
2	Fees, charges	94	0
0	Internal charges and overheads recovered	0	0
0	Interest and dividends from investments	0	0
0	Local authority fuel tax, fines, infringement fees, and other receipts	0	94
3,064	Total operating funding (A)	3,534	4,397
	APPLICATIONS OF OPERATING FUNDING		
82	Payments to staff and suppliers	296	3,145
0	Finance costs	0	31
2,982	Internal charges and overheads applied	3,237	2,581
0	Other operating funding applications	0	0
3,064	Total applications of operating funding (B)	3,534	5,757
0	Surplus (deficit) of operating funding (A – B)	0	(1,360)
	SOURCES OF CAPITAL FUNDING		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	1,360
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding (C)	0	1,360
	APPLICATIONS OF CAPITAL FUNDING		
	Capital expenditure		
0	– to meet additional demand	0	0
0	– to improve the level of service	0	0
0	– to replace existing assets	0	0
0	Increase (decrease) in reserves	0	0
0	Increase (decrease) of investments	0	0
0	Total applications of capital funding (D)	0	0
0	Surplus (deficit) of capital funding (C – D)	0	1,360
0	FUNDING BALANCE ((A – B) + (C – D))	0	0

Major variances between the Annual Plan and Long Term Plan forecasts

The major variances between the Annual Plan 2025-26 and Long Term Plan Year 2 (2025–26) forecasts are:

- The increase of \$1.4M in interest charges is due to a budget movement from Community and Recreation to Leadership for interest gained on term deposits.
- The compliance rate increased due to the new water levies and increased costs for other central government compliance costs
- Payments to suppliers have increased due to costs in relation to the Local Water Done Well transition, water levies and legal costs.
- Overheads applied has increased due to a change in methodology for allocating support cost centers out to the Long Term Plan activities.

TE PĀPORI ME NGĀ MAHI A TE RĒHIA COMMUNITY AND RECREATION



26% of the funding we receive through rates will go towards the **Community and Recreation** group of activities. This **\$27.99 M of rates makes up 94%** of the activity's total funding. The remaining funding will come from fees and charges, debt, development and financial contributions, and other sources.

Community outcomes

The **Community and Recreation** group of activities contributes to three of our community outcomes.



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Infrastructure

What we do

The Community and Recreation teams provide a number of initiatives and services that support the community. Included in this activity are Community facilities, Community Partnerships, Recreation services, Open spaces and facilities (including Akatarawa Cemetery).

It is the largest of our activity areas as it includes development and maintenance of our facilities—from Council owned buildings to parks and reserves. Along with these are associated programmes, recreation and leisure offerings, and community support. For more detail, please refer to pages 49–50 of our Long Term Plan 2024–34.

Community wellbeing is a priority area in our Vision and the key driver for this activity area. We are committed to working together within Council and with the community to improve community safety, resilience, connectedness and collaboration.

What is planned for this year

Open spaces and facilities

Council reviews the levels of service, customer expectations of the Upper Hutt open spaces, and any other future developments around Upper Hutt, on an annual basis.

The focus areas for this activity as per the Infrastructure Strategy are:

1. Ensuring parks and reserves assets are resilient, effective, safe, meet community requirements, and assist in delivering Council's strategic goals.
2. Providing parks, playgrounds, sports grounds, cycling, and walking facilities to meet the agreed levels of service for all ages.
3. Catering for anticipated future growth in burial requirements.
4. Continuing to align work programmes, levels of service, and accessibility to our parks and reserves, with the Open Space Strategy.

Akatārawa Cemetery redevelopment – Akatārawa Cemetery, jointly owned by Upper Hutt City Council and Hutt City Council, has an estimated capacity for a further ten to fourteen years based on current interment trends. The redevelopment work will be carried out over Y1–Y4 of the Long Term Plan 2024-2034. Further development can progress at a later stage as demand determines.

Maidstone artificial turf replacements - The existing artificial turfs have a life of 12 years (for multi-sport, 15 years for tennis). In Y2 the carpet in the Maidstone Park warm-up area, and the electronic scoreboards are due for replacement.

Community facilities (Council property)

The focus areas for this activity as per the Infrastructure Strategy is:

1. Ensuring community facilities are maintained so that they are safe, fit for purpose, welcoming and assist in the delivery of the Council's strategic goals.

Activity changes

Due to the current economic climate, we as New Zealanders are living under, the decision was made during the Long Term Plan 2024 – 34 to reduce the scale of delivery of Community Development and Activation. For more detail refer to pages 52 and 53 of the Long Term Plan 2024–2034.

How we fund this activity

Below is the forecast Funding Impact Statement for 30 June 2026 for Community and Recreation (\$000).

LTP Y1 2024–25	SOURCES OF OPERATING FUNDING	LTP Y2 2025–26	ANNUAL PLAN 2025–26
22,153	General rates, uniform annual general charges, rates penalties	28,952	27,993
0	Targeted rates	0	0
126	Subsidies and grants for operating purposes	130	226
2,074	Fees, charges	2,511	1,904
8	Internal charges and overheads recovered	9	0
1,000	Interest and dividends from investments	1,000	0
32	Local authority fuel tax, fines, infringement fees, and other receipts	33	0
25,393	Total operating funding (A)	32,634	30,123
APPLICATIONS OF OPERATING FUNDING			
11,953	Payments to staff and suppliers	13,137	13,908
4,392	Finance costs	5,445	4,617
7,503	Internal charges and overheads applied	7,198	5,741
0	Other operating funding applications	0	0
23,848	Total applications of operating funding (B)	25,780	24,266
1,545	Surplus (deficit) of operating funding (A – B)	6,854	5,857
SOURCES OF CAPITAL FUNDING			
1,023	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	3,461
20,494	Increase (decrease) in debt	(5,320)	(3,993)
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	236
21,517	Total sources of capital funding (C)	(5,320)	(296)
APPLICATIONS OF CAPITAL FUNDING			
Capital expenditure			
4,301	– to meet additional demand	36	0
20,501	– to improve the level of service	657	498
3,996	– to replace existing assets	2,545	2,432

(5,737)	Increase (decrease) in reserves	(1,705)	2,631
0	Increase (decrease) of investments	0	0
23,062	Total applications of capital funding (D)	1,534	5,562
(1,545)	Surplus (deficit) of capital funding (C – D)	(6,854)	(5,857)
0	FUNDING BALANCE ((A – B) + (C – D))	0	0

Major variances between the Annual Plan and Long Term Plan forecasts

The major variances between the Annual Plan 2025–26 and Long Term Plan Year 2 (2025–26) forecasts are:

- The decrease of \$1M in interest received is due to a budgetary reallocation from Community and Recreation to Leadership for interest gained on term deposits.
- The increase of \$3.46 M in Development Contributions and reserves is partially due to budget reallocation from Planning and Regulatory to Community and Recreation. Of the total \$2.6 M is a reallocation with \$900 K being an increase in budgeted income as a result of the new Policy adopted in June 2024.
- Overheads applied has decreased due to a change in methodology for allocating support cost centers out to the Long Term Plan activities.

WHAKAWHANAKE ŌHANGA ECONOMIC DEVELOPMENT



0.5% of the funding we receive through rates will go towards the **Economic Development** group of activities. This **\$563 k of rates makes up 100%** of the activity's total funding.

Community outcomes

The **Economic development** group of activities contributes to two of our community outcomes.



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What we do

Maintain and promote economic wellbeing in the city including supporting our business community

This activity area supports businesses to remain based in Upper Hutt and supports them with navigating Council processes. It focuses on networking with our businesses and providing business advice to help ensure Upper Hutt remains a viable base for business.

We work to attract new economic activity – particularly large-scale commercial developments - which will contribute to the commercial and industrial infrastructure of the city and create jobs here in Upper Hutt.

We also work with Wellington NZ, the Hutt Valley Chamber of Commerce and other Councils from around the region, to help sustain a local and regional economic environment which enables the community to respond to economic challenges.

Provide accurate demographic and economic data

Council partners with Infometrics to collate and analyse data from Statistics NZ. This includes the latest census data and other social and economic data from a range of government sources. Comprehensive access to this data is available to businesses and to the wider community through the Council website.

Promotion of Upper Hutt

We help publicise the activities that Council, businesses and local organisations undertake throughout the year.

Through innovative marketing and events, we promote Upper Hutt as an ideal destination for living, working, and leisure. This is crucial for enhancing interaction with the city centre, parks, reserves, and community facilities. For more detail, please refer to page 61 of our Long Term Plan 2024–2034.

What is planned for this year

We will support the Upper Hutt business network, promote new and existing businesses in Upper Hutt through our online channels such as My Upper Hutt website, business newsletter and social media sites.

We will undertake some activity in the city centre to encourage visitation and support retail activity.

We will continue to support the community-focused activities related to ANZAC Day, Matariki and the Santa Parade events.

How we fund this activity

Below is the forecast Funding Impact Statement for 30 June 2026 for Economic Development (\$000).

LTP Y1 2024-25	SOURCES OF OPERATING FUNDING	LTP Y2 2025-26	ANNUAL PLAN 2025-26
2,450	General rates, uniform annual general charges, rates penalties	2,601	563
0	Targeted rates	0	0
0	Subsidies and grants for operating purposes	0	0
0	Fees, charges	0	0
0	Internal charges and overheads recovered	0	0
0	Interest and dividends from investments	0	0
0	Local authority fuel tax, fines, infringement fees, and other receipts	0	0
2,450	Total operating funding (A)	2,601	563
	APPLICATIONS OF OPERATING FUNDING		
1,113	Payments to staff and suppliers	1,197	301
110	Finance costs	75	39
508	Internal charges and overheads applied	608	53
0	Other operating funding applications	0	0
1,731	Total applications of operating funding (B)	1,880	393
719	Surplus (deficit) of operating funding (A – B)	721	170
	SOURCES OF CAPITAL FUNDING		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
(717)	Increase (decrease) in debt	(717)	(170)
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
(717)	Total sources of capital funding (C)	(717)	(170)
	APPLICATIONS OF CAPITAL FUNDING		
	Capital expenditure		
0	– to meet additional demand	0	0
0	– to improve the level of service	0	0
0	– to replace existing assets	0	0
2	Increase (decrease) in reserves	4	0
0	Increase (decrease) of investments	0	0
2	Total applications of capital funding (D)	4	0
(719)	Surplus (deficit) of capital funding (C – D)	(721)	(170)
0	FUNDING BALANCE ((A – B) + (C – D))	0	0

Major variances between the Annual Plan and Long Term Plan forecasts

The major variances between the Annual Plan 2025-26 and Long Term Plan Year 2 (2025–26) forecasts are:

- Overheads applied have decreased due to a change in methodology for allocating support cost centers to the individual LTP activities.
- The decrease in payments to staff and suppliers is mainly due to internal staff reallocation between departments.

DRAFT

NGĀ PUNA WAI WATER SUPPLY



16% of the funding we receive through rates will go towards the **Water Supply** group of activities. This **\$14.00 M of rates makes up 68%** of the activity's total funding. The remaining funding will come from fees and charges, and debt.

Community outcomes

The **Water Supply** group of activities contributes to two of our community outcomes.



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What we do

This group of activities is tasked with providing a high quality, reliable, and resilient water supply service that ensures that the community has safe and reliable drinking water. This contributes to the health and safety of the community.

Bulk water is purchased from Greater Wellington Regional Council (GWRC) and stored in Council's reservoirs prior to distribution to households and businesses in the supply area. Council is a price taker for bulk water.

Our water supply assets are valued at \$222.4M (June 2024). Operation and management of the water supply network is contracted to Wellington Water Limited (WWL).

The current Ministry of Health water supply grading for Upper Hutt is at the best and highest level of AA.

For more detail, please refer to page 69 of our Long Term Plan 2024-2034.

What is planned for this year

The focus areas for this activity group is described in the Infrastructure Strategy.

Pipeline renewals

Pipe renewals funding is reviewed and adjusted every three years to coincide with the Long Term Plan. The renewal/replacement programme is set out in the Water Supply Asset Management Plan, based on the current state of knowledge of the system and the work required to keep the system fit for purpose.

Council will continue to monitor the pipeline network and make repairs as necessary.

How we fund this activity

Below is the forecast Funding Impact Statement for 30 June 2026 for Water Supply (\$000).

LTP Y1 2024-25	SOURCES OF OPERATING FUNDING	LTP Y2 2025-26	ANNUAL PLAN 2025-26
0	General rates, uniform annual general charges, rates penalties	0	0
11,865	Targeted rates	13,966	14,000
0	Subsidies and grants for operating purposes	0	0
1,805	Fees, charges	1,853	1,808
0	Internal charges and overheads recovered	0	0
0	Interest and dividends from investments	0	0
0	Local authority fuel tax, fines, infringement fees, and other receipts	0	0
13,669	Total operating funding (A)	15,819	15,808
	APPLICATIONS OF OPERATING FUNDING		
11,565	Payments to staff and suppliers	12,633	13,579
567	Finance costs	1,064	962
1,007	Internal charges and overheads applied	1,055	1,043
0	Other operating funding applications	0	0
13,139	Total applications of operating funding (B)	14,752	15,584
530	Surplus (deficit) of operating funding (A – B)	1,068	223
	SOURCES OF CAPITAL FUNDING		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	31
8,407	Increase (decrease) in debt	3,734	4,604
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
8,407	Total sources of capital funding (C)	3,734	4,635
	APPLICATIONS OF CAPITAL FUNDING		
	Capital expenditure		
461	– to meet additional demand	463	54
3,475	– to improve the level of service	613	623
5,001	– to replace existing assets	3,726	4,204
0	Increase (decrease) in reserves	0	(23)
0	Increase (decrease) of investments	0	0
8,937	Total applications of capital funding (D)	4,802	4,859
(530)	Surplus (deficit) of capital funding (C – D)	(1,068)	(223)
0	FUNDING BALANCE ((A – B) + (C – D))	0	0

Major variances between the Annual Plan and Long Term Plan forecasts

The major variances between the Annual Plan 2025-26 and Long Term Plan Year 2 (2025-26) forecasts are:

- The increase in payments and supplies is largely due to significant bulk water cost increases.

DRAFT

WAIPARU WASTEWATER



27% of the funding we receive through rates will go towards the **Wastewater** group of activities. This **\$11.34 M of rates makes up 33%** of the activity's total funding. The remaining funding will come from fees and charges, and debt.

Community outcomes

The **Wastewater** group of activities contributes to two of our community outcomes.



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What we do

This activity group provides a secure, efficient, and resilient wastewater service that protects the health of the community and our waterways from the harmful effects of wastewater. It also supports economic growth and development. Operation and management of our wastewater network is contracted to Wellington Water Limited (WWL). For more detail, please refer to pages 77 to 83 of our Long Term Plan 2024–2034. Our Infrastructure Strategy sets out the direction for this activity.

What is planned for this year

PIPELINE RENEWALS

The renewal/replacement programme is set out in the Wastewater Asset Management Plan, based on the current state of knowledge of the system and the work required to keep the system fit for purpose.

JOINT VENTURE WASTEWATER CAPITAL AND RENEWALS PROGRAMME

The joint venture between Hutt City Council and Upper Hutt City Council allows for the conveyance and treatment of wastewater from the Hutt Valley. Financial budgets for the scheme are set by Hutt City Council. Upper Hutt is required to provide its city's share of funding for this capital expenditure

The joint venture between Hutt City Council and Upper Hutt City Council allows for the conveyance and treatment of wastewater from the Hutt Valley.

Financial budgets for the scheme are set by Hutt City Council. Upper Hutt is required to provide funding for this capital expenditure. As a price-taker, Upper Hutt City Council does not have overall control but can influence this expenditure. Upper Hutt City Council contributes approximately 30% of the funding for this expenditure. This is a significant part of our three waters funding allocations for the coming years.

Within the next three years, major works are required to the Petone interceptor, and at the Seaview Wastewater Treatment Plant, including odour control investments, replacement of the dryer, and design and planning works for the replacement of the main outfall pipe.

How we fund this activity

Below is the forecast Funding Impact Statement for 30 June 2026 for Wastewater (\$000).

LTP Y1 2024-25	SOURCES OF OPERATING FUNDING	LTP Y2 2025-26	ANNUAL PLAN 2025-26
0	General rates, uniform annual general charges, rates penalties	0	0
9,918	Targeted rates	10,707	11,342
0	Subsidies and grants for operating purposes	0	0
224	Fees, charges	231	0
0	Internal charges and overheads recovered	0	0
0	Interest and dividends from investments	0	0
0	Local authority fuel tax, fines, infringement fees, and other receipts	0	0
10,143	Total operating funding (A)	10,937	11,342
	APPLICATIONS OF OPERATING FUNDING		
6,354	Payments to staff and suppliers	6,775	7,321
1,871	Finance costs	2,791	2,864
931	Internal charges and overheads applied	987	783
0	Other operating funding applications	0	0
9,156	Total applications of operating funding (B)	10,552	10,968
987	Surplus (deficit) of operating funding (A – B)	385	374
	SOURCES OF CAPITAL FUNDING		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	139
15,479	Increase (decrease) in debt	20,039	21,933
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
15,479	Total sources of capital funding (C)	20,039	22,072
	APPLICATIONS OF CAPITAL FUNDING		
	Capital expenditure		
2,901	– to meet additional demand	5,101	54
2,347	– to improve the level of service	1,167	0
11,219	– to replace existing assets	15,256	23,333
0	Increase (decrease) in reserves	(1,100)	(941)
0	Increase (decrease) of investments	0	0
16,466	Total applications of capital funding (D)	20,424	22,446
(987)	Surplus (deficit) of capital funding (C – D)	(385)	(374)
0	FUNDING BALANCE ((A – B) + (C – D))	0	0

Major variances between the Annual Plan and Long Term Plan forecasts

The major variances between the Annual Plan 2025–26 and Long Term Plan Year 2 (2025–26) forecasts are:

- The increase in payments and supplies is largely due to the significant increase in the drainage levy cost.

DRAFT

WAIĀWHĀ STORMWATER



7% of the funding we receive through rates will go towards the **Stormwater** group of activities. This **\$3.71 M of rates makes up 44%** of the activity's total funding. The remaining funding will come from subsidies and grants.

Community outcomes

The **Stormwater** group of activities contributes to two of our community outcomes.



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What we do

This activity includes the provision of a stormwater service which efficiently manages, and controls flows, supporting the achievement of Council's goals by protecting the public and property from the effects of flooding, and minimising the impact of runoff on the environment. The Infrastructure Strategy sets out the direction for this activity.

Operation and management of our stormwater network is contracted to Wellington Water Limited (WWL).

For more detail, please refer to page 85 of our Long Term Plan 2024–2034.

What is planned for this year

PIPELINE RENEWALS

Pipe renewals funding is reviewed and adjusted every three years to coincide with the Long Term Plan renewal.

CONTINUATION OF THE PINEHAVEN STREAM CAPACITY UPGRADE

This upgrade includes planning controls, stream widening and the replacement of culverts which will significantly reduce the frequency of flooding. This is a 50 | 50 joint project with Greater Wellington Regional Council.

The project is broken into 5 stages. Stages 1 and 2 have been delivered. Work on planning and delivering stages 3-5 is underway with a focus on achieving the project outcomes within the approved budgets.

How we fund this activity

Below is the forecast Funding Impact Statement for 30 June 2026 for Stormwater (\$000).

LTP Y1 2024-25	SOURCES OF OPERATING FUNDING	LTP Y2 2025-26	ANNUAL PLAN 2025-26
0	General rates, uniform annual general charges, rates penalties	0	0
3,457	Targeted rates	4,086	3,705
0	Subsidies and grants for operating purposes	0	0
0	Fees, charges	0	0
0	Internal charges and overheads recovered	0	0
0	Interest and dividends from investments	0	0
0	Local authority fuel tax, fines, infringement fees, and other receipts	0	0
3,457	Total operating funding (A)	4,086	3,705
	APPLICATIONS OF OPERATING FUNDING		
2,230	Payments to staff and suppliers	2,512	2,324
436	Finance costs	644	582
459	Internal charges and overheads applied	483	560
0	Other operating funding applications	0	0
3,125	Total applications of operating funding (B)	3,639	3,466
332	Surplus (deficit) of operating funding (A – B)	447	239
	SOURCES OF CAPITAL FUNDING		
1,534	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	1
2,365	Increase (decrease) in debt	893	2,933
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	1,809
3,900	Total sources of capital funding (C)	893	4,744
	APPLICATIONS OF CAPITAL FUNDING		
	Capital expenditure		
51	– to meet additional demand	53	53
3,826	– to improve the level of service	866	3,619
354	– to replace existing assets	421	1,309
0	Increase (decrease) in reserves	0	1
0	Increase (decrease) of investments	0	0
4,232	Total applications of capital funding (D)	1,341	4,983
(332)	Surplus (deficit) of capital funding (C – D)	(447)	(239)
0	FUNDING BALANCE ((A – B) + (C – D))	0	0

Major variances between the Annual Plan and Long Term Plan forecasts

The major variances between the Annual Plan 2025–26 and Long Term Plan Year 2 (2025–26) forecasts are:

- The net increase in capital expenditure of \$3.6 M is due to budget for the Pinehaven Stream project that was not spent in 2024–25.
- The increase in debt and Lump sum contributions is for the Pinehaven Stream project

DRAFT

NGĀ WAKA TŪMATANUI

LAND TRANSPORT



13.5% of the funding we receive through rates will go towards the **Land Transport** group of activities. This **\$9.74 M of rates makes up 56%** of the activity's total funding. The remaining funding will come from subsidies and grants, fees and charges, debt, and other sources.

Community outcomes

The **Land Transport** group of activities contributes to three of our community outcomes.



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What we do

This activity area is responsible for a well-maintained roading network to ensure that residents and visitors to Upper Hutt can move freely, efficiently and safely throughout the city. For more detail, please refer to pages 93–94 of our Long Term Plan 2024–2034.

What is planned for this year

TŌTARA PARK BRIDGE WIDENING

Increased traffic on State Highway 2 has created congestion exiting Tōtara Park, creating delays for both car and passenger transport. Future residential development will further increase those delays.

This project has been deferred and is awaiting further information and timelines for any private development, all detailed traffic modelling and the requirement for sufficient funding to be in place.

RURAL ROADS HIGH-PRIORITY SAFETY PROJECTS

With the increased usage of our rural roads by multiple users including residents, cyclists, walkers, and horse riders, safety is increasingly a concern. Work is ongoing to improve safety and lessen the risk of serious crashes and dependent on ongoing funding.

ARTERIAL CYCLEWAYS

Council will continue to develop the Upper Hutt arterial cycleway network, particularly continuation of the Hutt River cycleway.

REVITALISATION OF THE CITY CENTRE

Following the enhancements already carried out within the city centre over the last few years, further work is planned to continue to improve the look and feel of the city centre. Work was paused during 2024-25 and will resume in 2025-26.

How we fund this activity

Below is the forecast Funding Impact Statement for 30 June 2026 for Land Transport (\$000).

LTP Y1 2024-25	SOURCES OF OPERATING FUNDING	LTP Y2 2025-26	ANNUAL PLAN 2025-26
0	General rates, uniform annual general charges, rates penalties	0	0
7,769	Targeted rates	10,167	9,739
2,339	Subsidies and grants for operating purposes	1,896	2,298
100	Fees, charges	103	13
0	Internal charges and overheads recovered	0	0
0	Interest and dividends from investments	0	0
129	Local authority fuel tax, fines, infringement fees, and other receipts	126	126
10,338	Total operating funding (A)	12,292	12,176
APPLICATIONS OF OPERATING FUNDING			
5,054	Payments to staff and suppliers	5,351	4,129
945	Finance costs	1,414	1,060
1,361	Internal charges and overheads applied	1,478	4,058
0	Other operating funding applications	0	0
7,360	Total applications of operating funding (B)	8,243	9,247
2,978	Surplus (deficit) of operating funding (A – B)	4,049	2,929
SOURCES OF CAPITAL FUNDING			
4,427	Subsidies and grants for capital expenditure	5,968	2,394
0	Development and financial contributions	1,000	558
2,626	Increase (decrease) in debt	3,403	2,278
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
7,053	Total sources of capital funding (C)	10,371	5,229
APPLICATIONS OF CAPITAL FUNDING			
Capital expenditure			
1,754	– to meet additional demand	3,256	0
2,092	– to improve the level of service	3,655	225
5,110	– to replace existing assets	7,899	7,536
1,076	Increase (decrease) in reserves	(391)	397
0	Increase (decrease) of investments	0	0
10,031	Total applications of capital funding (D)	14,420	8,158
(2,978)	Surplus (deficit) of capital funding (C – D)	(4,049)	(2,929)
0	FUNDING BALANCE ((A – B) + (C – D))	0	0

Major variances between the Annual Plan and Long Term Plan forecasts

The major variances between the Annual Plan 2025-26 and Long Term Plan Year 2 (2025-26) forecasts are:

- The net decrease in capital expenditure of \$7.05 M is due to less funding than requested from NZTA. The approval for the NZTA funding decrease was received after the Long Term Plan had been adopted.
- The reduced finance costs and reduction in debt is a direct result of the decreased capital expenditure mentioned above.

WHAKAUKA SUSTAINABILITY



1% of the funding we receive through rates will go towards the **Sustainability** group of activities. This **\$566 K of rates makes up 33%** of the activity area's total funding. The remaining funding will come from external funding (waste levy), fees and charges, and debt.

Community outcomes

The **Sustainability** group of activities contributes to all four community outcomes.



TAIAO
Environment



PAPŌRI ME TE AHUREA
Social and cultural



ŌHANGA
Economy



TŪĀPAPA
Infrastructure

What we do

This activity group focusses on improving environmental outcomes for Upper Hutt, such as waste minimisation and climate change mitigation and adaptation. Our sustainability initiatives are guided by the goals and actions outlined in our Sustainability Strategy and the Wellington Region Waste Management and Minimisation Plan 2023–2029 (WMMP).

For more detail, please refer to page 104 of our Long Term Plan 2024–2034.

What is planned for this year

SUSTAINABILITY STRATEGY

The Sustainability Strategy is due to be updated. As stated in the Long Term Plan, the immediate focus is to be on building an internal strategy for sustainability within Council practices. This will ensure we are leading by example in our sustainability goals, and continuing momentum while adapting to the fiscal environment we are in.

RECYCLING

Continue existing approach to recycling and work to improve recycling uptake within the chosen option.

COMMUNITY ENGAGEMENT

Provide opportunities for the community to engage in sustainability through hosting events and promoting existing community initiatives.

EDUCATION

Provide education and resources toward more uptake of composting, reducing organic waste to landfill.

ACTIVITY CHANGES

The Sustainability activity projects and initiatives (excluding waste minimisation) will focus this year on sustainability actions for Council operations and buildings. Key to this is reviewing the Sustainability Strategy, which will be completed in the first half of the financial year.

A kerbside recycling service is no longer proposed to be implemented in 2026. Instead, Council has chosen to continue with the existing recycling station and focus on improving current services, initially by working with existing service providers.

Over the next year, Council will look at ways to make recycling more effective and assessable across the district. This includes working with private providers to expand service offerings and options, exploring ways to increase capacity at Park Street, and considering new recycling drop-off points in areas not well served by the Park Street site.

How we fund this activity

Below is the forecast Funding Impact Statement for 30 June 2026 for Sustainability (\$000).

LTP Y1 2024-25	SOURCES OF OPERATING FUNDING	LTP Y2 2025-26	ANNUAL PLAN 2025-26
349	General rates, uniform annual general charges, rates penalties	490	566
0	Targeted rates	0	0
0	Subsidies and grants for operating purposes	0	737
743	Fees, charges	768	400
0	Internal charges and overheads recovered	0	0
0	Interest and dividends from investments	0	0
0	Local authority fuel tax, fines, infringement fees, and other receipts	0	0
1,091	Total operating funding (A)	1,257	1,703
	APPLICATIONS OF OPERATING FUNDING		
921	Payments to staff and suppliers	1,057	1,167
9	Finance costs	12	16
137	Internal charges and overheads applied	153	497
0	Other operating funding applications	0	0
1,068	Total applications of operating funding (B)	1,221	1,680
24	Surplus (deficit) of operating funding (A – B)	36	23
	SOURCES OF CAPITAL FUNDING		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
43	Increase (decrease) in debt	41	55
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
43	Total sources of capital funding (C)	41	55
	APPLICATIONS OF CAPITAL FUNDING		
	Capital expenditure		
0	– to meet additional demand	0	0
60	– to improve the level of service	62	62
0	– to replace existing assets	0	0
7	Increase (decrease) in reserves	16	16
0	Increase (decrease) of investments	0	0
67	Total applications of capital funding (D)	77	78
(24)	Surplus (deficit) of capital funding (C – D)	(36)	(23)
0	FUNDING BALANCE ((A – B) + (C – D))	0	0

Major variances between the Annual Plan and Long Term Plan forecasts

The are no major variances between the Annual Plan 2025–26 and Long Term Plan Year 2 (2025–26) forecasts.

DRAFT

TE WHAKAMAHERE ME TE WHAKARITERITE PLANNING AND REGULATORY



5% of the funding we receive through rates will go towards the **Planning and Regulatory** group of activities. This **\$3.23 M of rates makes up 48%** of the activity's total funding. The remaining funding will come from fees and charges, development and financial contributions, and other sources.

Community outcomes

The **Planning and Regulatory** group of activities contributes to two of our community outcomes.



TAIAO
Environment



PAPŌRI ME TE AHUREA
Social and cultural



ŌHANGA
Economy



TŪĀPAPA
Infrastructure

What we do

Planning

Planning Policy focuses on sustainable management of natural and physical resources under the Resource Management Act 1991 (RMA). We develop, monitor and review the District Plan through our 'rolling review' process, in response to a range of external drivers including national policy directions and emerging demographics, environmental, economic, and social factors. In addition to our District Plan, we facilitate decision-making on urban planning and growth management issues; for example, on policy proposals from central and regional government relating to the RMA, National Policy Statements and National Environmental Standards.

Strategic Policy

Strategic policy focuses on establishing out strategic direction through policies, strategies, bylaws, and plans. These are developed to address the top priorities facing our community. As with Planning Policy, while the work within this activity is carried out to address local issues and outcomes, we also have a legal obligation to develop and review some mandatory policies, strategies, and plans, and to report on these.

For more detail, please refer to pages 113–114 of our Long Term Plan 2024–2034.

What is planned for this year

District Plan review

The District Plan became operative in 2004, and a 'rolling review' of the District Plan has been underway since that time. Council will continue with that review.

District Plan Rural Review (Plan Change 50)

Plan Change 50 relates primarily to privately owned land (affecting approximately 1570 landowners) and proposes zone specific provisions for the General Rural, Rural Production, Rural Lifestyle and Settlement Zones. Plan Change 50 was notified on 4 October 2024 and has recently completed its submission and further submission stages.

Open Spaces Review (Plan Change 49)

Plan Change 49 proposes a number of changes to the management of open spaces within the District Plan to better align with the Open Space Strategy by considering the nature and scale of activities which may occur within open spaces and will enable activities which are suitable within open spaces whilst managing those activities which could affect the amenity and use of our open spaces. On 25 September 2024, Council resolved to adopt the Independent Hearing Panel's recommendations on PC49 (including Variation 1). One appeal was received on this decision and two parties have joined this appeal, which means that PC49 has been referred to the Environment Court and a hearing is proposed for December 2025.

Preparing for Resource Management Reform

The reform of the Resource Management Act proposed by the New Zealand Government will require changes to the operative District Plan as well as Resource Consent and Building Consent activities. The intent of this reform is to enable housing and business growth with infrastructure to support it. This includes consistent planning across the Wellington Region. This reform is being carried out in phases with consultation on discussion documents and bills occurring on a range of topics in 2025-26.

Regulatory services

What we do

Everything we do through our regulatory work is to manage and promote public health and safety within the community or provide for a well-functioning city. Food we buy at restaurants, excessive noise in our neighbourhoods, the buildings we live and work in, the responsible ownership of dogs, and our ability to access the city, is all managed through these activities to ensure members of our community are safe.

What is planned for this year

Regulatory services comprises the following actions that are carried out throughout the year:

- Regulatory monitoring, compliance, and enforcement across multiple statutory frameworks
- City planning, resource consenting, monitoring, and compliance
- Building control—processing, inspection, and compliance
- Building compliance—Building Warrant of Fitness, Earthquake-prone buildings, and residential pool inspections
- Environmental health registration, inspection, and audit (including food safety, sundry health, alcohol licensing and noise management)
- Parking enforcement
- Animal management
- Bylaw and nuisance monitoring
- Land Information Memoranda (LIMs).

How we fund this activity

Below is the forecast Funding Impact Statement for 30 June 2026 for Planning and Regulatory (\$000).

LTP Y1 2024-25	SOURCES OF OPERATING FUNDING	LTP Y2 2025-26	ANNUAL PLAN 2025-26
3,168	General rates, uniform annual general charges, rates penalties	3,570	2,818
475	Targeted rates	488	412
0	Subsidies and grants for operating purposes	0	0
3,050	Fees, charges	3,163	3,273
0	Internal charges and overheads recovered	0	0
0	Interest and dividends from investments	0	0
350	Local authority fuel tax, fines, infringement fees, and other receipts	378	283
7,043	Total operating funding (A)	7,599	6,786
	APPLICATIONS OF OPERATING FUNDING		
4,454	Payments to staff and suppliers	4,818	4,223
49	Finance costs	39	14
2,336	Internal charges and overheads applied	2,538	2,484
0	Other operating funding applications	0	0
6,839	Total applications of operating funding (B)	7,394	6,721
204	Surplus (deficit) of operating funding (A – B)	205	64
	SOURCES OF CAPITAL FUNDING		
0	Subsidies and grants for capital expenditure	0	0
1,950	Development and financial contributions	2,598	0
(203)	Increase (decrease) in debt	(203)	(62)
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
1,747	Total sources of capital funding (C)	2,395	(62)
	APPLICATIONS OF CAPITAL FUNDING		
	Capital expenditure		
0	– to meet additional demand	0	0
0	– to improve the level of service	0	0
0	– to replace existing assets	0	0
1,951	Increase (decrease) in reserves	2,600	2
0	Increase (decrease) of investments	0	0
1,951	Total applications of capital funding (D)	2,600	2
(204)	Surplus (deficit) of capital funding (C – D)	(205)	(64)
0	FUNDING BALANCE ((A – B) + (C – D))	0	0

Major variances between the Annual Plan and Long Term Plan forecasts

The major variances between the Annual Plan 2025–26 and Long Term Plan Year 2 (2025–26) forecasts are:

The decrease of \$2.6 M in Development contributions and reserves is due to a budget allocation movement from Planning and Regulatory to Community and Recreation.

DRAFT



AHUMONI FINANCIALS

Financials

Aside from allocating funds to specific activity groups, Council also differentiates between operational spending 'opex' (what it costs to provide a service such as Upper Hutt Libraries) and capital spending 'capex' (what it costs to provide an asset such as the Whirinaki Whare Taonga facility).

OPEX This year we plan to spend \$84.5 M in operational costs—65% of the total \$129 M.

CAPEX This year we plan to spend \$44.1 M in capital costs—35% of the total.

Spending	\$129 M		Funding	\$129 M	
OPEX	\$84.5 M	65%	Rates	\$76 M	58.9%
CAPEX	\$44.1 M	35%	Loans	\$31 M	23.89%
			Other	\$22 M	17.21%
			Reserves, interest, and dividends	\$1.8 M	1.42%
			Infringement fees, fines, fuel tax, etc	\$409 K	0.32%
			Development and financial contributions	\$4.2 M	3.26%
			Fees and charges	\$7.9 M	1.69%
			Cost reimbursement from other agencies	\$2.1 M	6.12%
			Subsidies and grants	\$5.6 M	4.40%

Introduction

Reporting entity

Upper Hutt City Council (Council) is a territorial local authority established by the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing Council's operations include the LGA and the Local Government (Rating) Act 2002 (LGRA).

The Upper Hutt City Council '**Group**' consists of Council, Whirinaki Whare Taonga trust (Whirinaki) and Te Aka o te Kupenga Maidstone Park Trust (Te Aka o te Kupenga). For the purposes of the Annual Plan, '**Council**' is Upper Hutt City Council only. Whirinaki and Te Aka o te Kupenga do not materially impact the prospective financial statements, and therefore are not included.

Council has an interest in the Hutt Valley Wastewater Scheme.

Council is a 12.24% shareholder in Wellington Water Limited (WWL). As this is a minority shareholding, the financial results of WWL are not consolidated into the Group's accounts. Instead, the shareholding is held as an investment. Council contracts WWL to carry out the maintenance and development of the Three Waters infrastructure on its behalf.

The primary objective of Council is to provide local infrastructure, local public services, and perform regulatory functions for the community. Council does not operate to make a financial return.

Accordingly, Council has designated itself a public benefit entity (PBE) in Tier 1 entity for the purposes of New Zealand equivalents to International Public Sector Accounting Standards (IPSAS).

Basis of preparation

The prospective financial statements are for Council as a separate legal entity. Consolidated prospective financial statements comprising Council and its controlled entities and associates have not been prepared.

Statement of compliance

The prospective financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R) which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The prospective financial statements comply with IPSAS, and other applicable financial reporting standards, as appropriate for public benefit entities, in accordance with Tier 1 PBE accounting standards.

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements.

Presentation currency and rounding

The prospective financial statements are presented in New Zealand dollars, rounded to the nearest thousand (\$000), unless otherwise stated.

Foreign currency transactions are translated into 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 Prospective Statement of Financial Performance.

Changes in accounting policies

There have been no changes in accounting policies since the previous year.

Measurement basis

Historical cost measurement basis

The measurement basis applied is historical cost, modified by the revaluation of land and buildings, certain infrastructure assets and financial instruments, and investment property. The accrual basis of accounting has been used unless otherwise stated.

Forecast figures

The forecast figures are those approved by Council after a period of consultation with the public as part of the Annual plan process. The forecast figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Council for the preparation of financial statements and in accordance with Financial Reporting Standard No. 42 (FRS 42) which applies to Prospective Financial Statements.

The financial statements, associated notes and accounting policies have been prepared under NZ IPSAS standards, as applying for a Public Benefit Entity ('PBE'). This is an entity whose primary objective is to provide goods or services for community or social benefit and where equity has been provided with a view to supporting that primary objective rather than for a financial return.

A 'forecast' means prospective financial information prepared on the basis of assumptions as to future events which Council reasonably expects to occur at the date the information is prepared. A forecast differs from a 'projection'. A projection contains financial information prepared on the basis of more hypothetical assumptions (or 'what if' scenarios).

Significant risks

- It should be noted that:**
1. Actual results achieved during the 2024–2025 year are likely to vary from the forecasts presented in this document and the variations may

prove to be material.

2. The information in this document may not be appropriate for purposes other than as described herein.
3. The rate of inflation and interest rates may differ significantly from the assumptions used in preparing these forecast financial statements. The actual results are likely to vary materially depending upon other circumstances that arise during the period.
4. Officers remapped the existing expenditure and revenue General Ledger codes to a new budgeting and reporting structure. The below financial Statements are reported in the new reporting structure. The total revenue and expenses have been reformatted to more accurately reflect the type of expenditure. This has resulted in some of the published Long Term Plan categorisation differing from new expense categorisation. However, overall, the result remains the same (a deficit).

Historical cost basis

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructure assets, and financial instruments (including derivative instruments).

Judgements and estimations

Preparation and policy

The preparation of prospective financial statements using Public Benefit Entities standards requires the use of judgements, estimates, and assumptions. Where material information on the main assumptions is provided in the relevant accounting policy.

Justification

The estimates and assumptions are based on historical experience as well as other factors that are believed to be reasonable under the circumstances. Subsequent actual results may differ from these estimates.

Review

The estimates and assumptions are reviewed on an ongoing basis and adjustments are made where necessary.

Significant effects

Judgements that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the Statement of Accounting Policies. Significant judgements and estimations include asset revaluations, impairments, certain fair value calculations and provisions.

Financial statements

The accompanying accounting policies and 'notes' form part of these financial statements.

Rate funding requirement—by activity group (forecast \$000)

LTP Y1 2024–25	GROUPS OF ACTIVITIES	LTP Y2 2025–26	ANNUAL PLAN 2025–26	VARIATION 2025–26
3,062	Leadership	3,439	4,302	863
	Community and Recreation			-
659	Community development	675	538	(137)
433	Activation	492	0	(492)
472	Emergency management	492	696	204
5,718	H ₂ O Xstream	9,296	9,693	397
3,963	Upper Hutt Libraries	4,210	3,537	(673)
2,357	Whirinaki Whare Taonga	2,160	2,760	600
1,382	Property	1,294	1,286	(8)
6,833	Parks and reserves	9,731	7,220	(2,511)
0	Te Aka o te Kupenga	0	2,181	2,181
(4)	Akatārawa Cemetery	254	82	(172)
0	Support services	0	0	-
2,450	Economic Development	2,601	563	(2,038)
11,865	Water Supply	13,966	14,000	34
9,918	Wastewater	10,707	11,342	635
3,457	Stormwater	4,086	3,705	(381)
7,769	Land Transport	10,167	9,739	(428)
349	Sustainability	490	566	76
	Planning and Regulatory			-
2,216	City planning	2,459	1,767	(692)
1,428	Building and compliance services	1,599	1,463	(136)
64,326	Total rate funding requirement	78,117	75,441	(2,676)
	Funded by			
0	Accumulated General Fund	0	0	0
64,326	Rates revenue requirement	78,117	75,441	(2,676)
64,326	Total	78,117	75,441	(2,676)
21.43%	Change in rating requirement	21.44%	17.28%	(4.16%)

1.50%	Forecast growth (in rating database)	1.50%	1.50%	0
19.93%	Forecast net change in overall rate funding requirement	19.94%	15.78%	(4.16%)
0.0%	Less forecast inflation (Local Government Cost Index)	2.7%	2.7%	0
19.93%	Forecast real change in core rate funding requirement	17.24%	13.08%	(4.16%)

Financial position (prospective statement \$000)

LTP Y1 2024-25	ASSETS	LTP Y2 2025-26	ANNUAL PLAN 2025-26	VARIATION 2025-26
	Current assets			
2,255	Cash and cash equivalents	2,271	26,580	24,309
15,424	Other financial assets	14,039	23,189	9,150
0	Derivative financial instruments	0	170	170
7,345	Trade and other receivables	7,552	9,305	1,753
600	Assets held for sale	600	3	3
0	Inventories	0	590	(10)
25,624	Total current assets	24,462	59,837	35,375
	Non-current assets			
6,132	Non-current financial assets	6,699	4,232	(2,467)
5,000	Derivative financial instruments	5,000	3,910	(1,090)
15	Trade and other receivables	11	15	4
242,482	Property, plant, and equipment	260,567	268,198	7,631
63,658	Aquatic assets	66,321	52,324	(13,997)
1,003,803	Infrastructure assets	1,031,794	1,403,414	371,620
0	Intangible assets	0	0	0
1,321,090	Total non-current assets	1,370,392	1,732,094	361,702
1,346,714	TOTAL ASSETS	1,394,854	1,791,932	397,078
	LIABILITIES			
	Current liabilities			
16,400	Payables and deferred revenue	16,843	15,943	(900)
0	Derivative financial instruments	0	0	0
1,500	Employee entitlements	1,541	2,084	543
12,124	Borrowings	12,771	4,250	(8,521)
30,024	Total current liabilities	31,155	22,277	(8,878)
	Non-current liabilities			
0	Derivatives financial instruments	0	128	128

250	Employee entitlements	257	241	(16)
209,449	Borrowings	230,672	250,789	20,117
209,699	Total non-current liabilities	230,929	251,158	20,229
239,723	Total liabilities	262,084	273,435	11,351
1,106,991	NET ASSETS	1,132,770	1,518,496	385,726

LTP Y1 2024-25	EQUITY	LTP Y2 2025-26	ANNUAL PLAN 2025-26	VARIATION 2025-26
234,163	Accumulated funds	234,048	200,973	(33,075)
26,156	Restricted reserves	26,338	33,282	6,944
846,672	Asset revaluation reserves	872,385	1,284,242	411,857
1,106,991	TOTAL EQUITY	1,132,771	1,518,496	385,725

Comprehensive revenue and expense (forecast \$000)

LTP Y1 2024-25	REVENUE	LTP Y2 2025-26	ANNUAL PLAN 2025-26	VARIATION 2025-26
64,666	Rates	78,467	75,739	(2,728)
5,347	Fees and charges	8,541	5,654	(2,887)
1,950	Development and financial contributions	3,598	4,190	592
9,579	Subsidies and grants	8,119	7,872	(247)
1,000	Interest and dividends	1,000	1,828	828
8,201	Other revenue	5,761	8,391	2,630
90,743	Total revenue	105,486	103,674	(1,812)
OPERATING EXPENDITURE				
18,159	Personnel costs	18,855	18,985	130
24,154	Depreciation and amortisation expense	28,645	41,327	12,682
8,384	Finance costs	11,489	10,845	(644)
3,996	Bulk drainage levy	4,143	4,957	814
7,889	Bulk water levy	8,089	9,222	1,133
30,868	Other expenses	34,198	38,953	4,755
93,450	Total operating expenditure	105,419	124,289	18,870
(2,707)	Surplus/(deficit) before tax	67	(20,615)	(20,682)
0	Tax expense	0	0	0
(2,707)	Surplus/(deficit) after tax	67	(20,615)	(20,682)
OTHER COMPREHENSIVE REVENUE				
0	Gains/(loss) on infrastructure assets revaluation	0	41,935	41,935

0	Financial assets at fair value through equity	0	0	0
0	Gains on operational, aquatic, and restricted assets revaluation	25,714	23,792	(1,922)
0	Total other comprehensive revenue for the year—net of tax	25,714	65,727	40,013
(2,707)	TOTAL COMPREHENSIVE REVENUE FOR THE YEAR	25,781	45,112	19,331

Cashflow (forecast \$000)

LTP Y1 2024–25		LTP Y2 2025–26	ANNUAL PLAN 2025–26	VARIATION 2025–26
	OPERATING ACTIVITIES			
	Cash was provided from:			
85,073	Rates and other receipts	99,123	96,021	(3,102)
1,000	Interest received	1,000	1,828	828
86,073		100,123	97,849	(2,274)
	Cash was applied to:			
(51,606)	Payments to suppliers and employees	(63,708)	(70,911)	(7,203)
(8,384)	Interest paid	(11,489)	(10,845)	644
(59,990)		(75,197)	(81,756)	(6,559)
26,083	Net cash inflow/(outflow) from operating activities	24,926	16,093	(8,833)
	INVESTING ACTIVITIES			
	Cash was provided from:			
0	Proceeds from sale of fixed assets	0	1,071	1,071
0	Decrease in investments	644	0	(644)
0		644	1,071	427
	Cash was applied to:			
(437)	Increase in investments	0	0	0
(89,565)	Purchase of fixed assets	(47,424)	(44,072)	3,352
(90,002)		(47,424)	(44,072)	3,352
(90,002)	Net cash inflow/(outflow) from investing activities	(46,780)	(43,001)	3,779
	FINANCING ACTIVITIES			
	Cash was provided from:			
57,533	Loan raised	34,002	38,686	4,684
	Cash was applied to:			
(9,038)	Loan repayments	(12,131)	(7,968)	4,163
48,495	Net cash inflow/(outflow) from financing activities	21,871	30,718	8,847
17,679	Cash, cash equivalents and bank overdrafts as at 1 July	2,255	22,770	20,515
(15,424)	Net increase (decrease) in cash, cash	16	3,810	3,794

	equivalents, and bank overdrafts			
2,255	Cash, cash equivalents, and bank overdrafts as at 30 June	2,271	26,580	24,309
	COMPOSITION OF CASH			
(2,745)	Cash and bank balances	(2,729)	11,580	14,309
5,000	Call account	5,000	15,000	10,000
2,255	Closing cash balance	2,271	26,580	24,309

Changes in equity (forecast \$000)

LTP Y1 2024-25		LTP Y2 2025-26	ANNUAL PLAN 2025-26	VARIATION 2025-26
1,109,698	Equity at the start of the year	1,106,991	1,474,010	367,019
(2,707)	Total comprehensive income	25,780	44,486	18,706
1,106,991	Prospective equity at end of year	1,132,771	1,518,496	385,725
234,163	Accumulated funds	234,048	200,973	(33,075)
846,672	Asset revaluation reserves	872,385	1,284,242	411,857
26,156	Restricted reserves	26,338	33,282	6,944
1,106,991	Total recognised revenues and expenses for the period	1,132,771	1,518,496	385,725

The opening balance of Year 2 (2025-26) may not agree with the closing balance of Year 1 (2024-25). This is because Council is taking into account the actual transactions for the 2024-25 year, which presents a more accurate forecast of the opening balance of Year 1.

The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The accompanying accounting policies and 'notes' form part of these financial statements.

Note 1 | General Accounting policies

Revenue

Revenue comprises rates, revenue from operating activities, investment revenue, gains, finance and other revenue and is measured at the fair value of consideration received or receivable. Revenue may be derived from either **exchange** or **non-exchange** transactions.

Exchange transactions Exchange transactions are transactions where Council receives assets (primarily cash) or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services, or use of assets) to another entity in exchange.

Non-exchange transactions Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, Council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange.

An inflow of resources from a non-exchange transaction recognised as an asset, is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As Council satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Specific policies

Specific accounting policies for major categories of revenue are outlined below.

Rates Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which rates have been set. Rates revenue is recognised when payable.

Rates collected on behalf of Greater Wellington Regional Council (GWRC) are not recognised in the financial statements as Council is acting as an agent for GWRC.

Rates remissions are recognised as a reduction of rates revenue when Council has received an application that satisfies its rates remission policy.

Revenue from late payment penalties is recognised when they are incurred.

Subsidies and grants **New Zealand Transport Agency Waka Kotahi roading subsidies**
Council receives government grants from New Zealand Transport Agency

(NZTA) Waka Kotahi, which subsidises part of Council's costs in maintaining the local roading infrastructure and capital expenditure on the roading infrastructure.

The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Other grants received

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Fees and charges

Infringements and fines

Revenue from fines and penalties (e.g. traffic and parking infringements) are recognised when tickets/infringement notices are paid.

Metered water charges

Revenue from water charges by meter is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.

Building and resource consent revenue

Fees and charges for building and resource consent services are initially recognised at time of application with any additional charges being recognised prior to completion.

Sale of goods

Revenue from sale of goods is recognised when a product is sold to the customer. Sales are usually in cash or by credit card.

Vested or donated physical assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

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 developments, the fair value is based on construction price information provided by the property developer.

For long-life assets that must be used for a specific use (e.g. land must be used as a recreation reserve), Council immediately recognises that fair value of the asset as revenue. A liability is recognised only if Council expects that it will need to return or pass the asset to another party.

Reserve fund and development

The revenue is recognised when Council provides, or is able to provide, the service for which the contribution was charged or when the subdivision is

contributions	substantially complete. Contributions in advance are collected and transferred into their respective special funds. These funds can only be used when the capital works in their respective areas can be fully funded.
Commission	Where revenue is derived by acting for another party, the revenue that is recognised is the commission or fees on the transactions.
Interest and dividends	Interest income is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate. Dividends are recognised when the right to receive payment has been established. Dividends are recognised in surplus or deficit unless the dividend clearly represents a recovery as part of the cost of the investment.

Expenses

Expenditure is recognised when Council has been supplied with the service or has control of the goods supplied.

Borrowing costs	All borrowing costs are recognised as an expense in the period in which they are incurred. Council does not capitalise its interest on borrowings
Grant expenditure	Non-discretionary grants are those grants that are awarded if the grant applications meet the specified criteria and are approved. They are recognised as expenditure when an application that meets those criteria is 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.
Allocation of overheads to significant activities	The gross costs of Support Services have been allocated to individual significant activities. These overheads have been allocated at the most appropriate pre-determined basis e.g. actual usage, staff numbers, rates contribution, floor area etc. applicable to the service provided to each significant activity.
Internal transactions	Each cost centre is stated with the inclusion of internal costs and revenues. In order to present a true and fair view in the financial statements these transactions have not been eliminated. This method has no effect on the operating result for the year.
Income taxation	Council has a tax exemption in relation to the surplus or deficit for

the period.

Personnel costs

Salaries and wages are recognised as an expense as employees provide services.

Employer contributions to KiwiSaver and the Government Superannuation Fund are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Depreciation and amortisation

Depreciation of property, plant, and equipment and amortisation of intangible assets are charged on a straight-line basis over the estimated useful life of the associated assets.

Cash and cash equivalents

Cash and cash equivalents include cash in hand; deposits held on call with bank; other short-term, highly-liquid investments with original maturities of three months or less; and bank overdrafts.

Bank overdrafts

Bank overdrafts are shown within borrowing in current liabilities in the Prospective Statement of Financial Position page 65.

Short term-deposits

The carrying value of short term-deposits with maturity dates of three months or less approximates their fair value.

Council holds unspent funds included in cash at bank, and term deposits that are subject to restrictions. These unspent funds relate to monies which are received or levied for a specific purpose or benefit a discrete group of users. These are contained within our restricted reserves and are detailed in Note 5 page 88.

Other financial assets

Recognition

Council classifies its financial assets into the following three categories:

- financial assets at fair value through surplus or deficit;
- financial assets at amortised cost; and
- financial assets at fair value through other comprehensive revenue and expense.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets at fair value through surplus or deficit

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so, designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in surplus or deficit.

Financial assets in this category include shares, bonds, and derivatives.

Financial assets at amortised cost

These 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.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the assets are impaired or derecognised are recognised in the surplus or deficit.

Investments in this category include term deposits and borrower notes.

Financial assets at fair value through other comprehensive revenue and expenses

Financial assets at fair value through other comprehensive revenue and expense 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 share investments within 12 months of balance date or if the debt instrument is not expected to be realised within 12 months of balance date.

This category encompasses:

- investments that Council intends to hold long term but which may be realised before maturity; and
- shareholding that Council holds for strategic purposes.

After initial recognition, these investments are measured at their fair value.

Gains and losses are recognised directly in other comprehensive revenue and expense except for impairment losses which are recognised in the surplus or deficit.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to surplus or deficit.

Impairment of financial assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Financial assets at amortised cost and held-to-maturity investments

Impairment is established when there is evidence that Council and Group will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor 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 assets 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 an allowance account, and the amount of the loss is recognised in the surplus or deficit.

When the receivable is uncollectible, it is written off against the allowance account.

Overdue receivables that have been renegotiated are reclassified as current (that is, not past due).

Impairment of term deposits, local authority stock, government bonds, and community loans, are recognised directly against the instrument's carrying amount.

Financial assets at fair value through other comprehensive revenue and expenses

For shares, a significant or prolonged decline in the fair value of the shares below its cost is considered to be objective evidence of impairment. For listed bonds, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments is considered to be objective evidence of impairment. If impairment evidence exists, the cumulative loss recognised in other comprehensive revenue and expense is transferred to the surplus or deficit.

Impairment losses on shares recognised in the surplus or deficit are not reversed through the surplus or deficit. If in a subsequent period the fair value of listed bonds increases and the increase can be objectively related to an event after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

Trade and other receivables

Recording receivables

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

The ECL allowance has been calculated based on rate of actual bad debts written off plus forward adjustment factors to derive the forecast default rate. The forward adjustment factors used were the average Treasury forecasted unemployment rate, inflation rate, and GDP growth rate.

Uncollectable receivables

A receivable is considered to be uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

Receivables are generally short-term and not interest-bearing. Therefore, the carrying value of receivables approximates their fair value.

Council does not provide for any uncollectability on rates receivable, as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court's judgment, then Council can apply to the Registrar of the High Court to have the judgment enforced by sale or lease of the rating unit.

Writing off rates

Rates are written off:

- when remitted in accordance with the Council's Rates Remission Policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

Writing off other receivables

Other receivables are written-off when there is no reasonable expectation of recovery.

Payment plans

Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the effect of discounting is material.

Impairment of receivables

The impairment provision has been calculated based on expected losses for council's pool of debtors. Expected losses have been determined based on an analysis of Council's losses in previous periods, and a review of specific debtors.

Council does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances.

Loans

Loans (including loans to community organisations) made by Council at nil, or below market value 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 asset/investment. They are subsequently measured at amortised cost using the effective interest method.

The difference between face value and present value of expected future cash flow of the loan is recognised in the Prospective Statement of Comprehensive Revenue and Expense as a grant.

Carrying value

The estimated carrying value of receivables (excluding community loans) approximates their fair value.

Community loans

Council's community loan scheme is designed to help not-for-profit organisations in the Upper Hutt community to develop or improve new or existing facilities and other major projects. Only organisations with the ability to repay are granted loans. Council may, at its discretion, require a qualifying body to provide security for a loan.

Interest in the first year of the loan is 0%, second year is 1%, third year is 2%, and fourth and subsequent years is 3%. The fair value of loans at initial recognition has been determined using cashflows at a rate based on the loans recipient's assessed financial risk factors.

Non-current assets classified as held for sale

Recognition

Non-current assets held for resale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less cost of sales.

Impairment losses

Any impairment losses for write down of non-current assets held for sale are recognised in the surplus or deficit.

Any increases in fair value (less cost to sell) are recognised up to the level of any impairment losses that have been previously recognised.

No depreciation or amortisation

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.

Council land

Council has identified a parcel of land as being made available for sale at Duncraig Street.

Property, plant, and equipment

Property, plant, and equipment is divided into four major categories

- **Operational property, plant, and equipment:** this includes land, buildings, street trees, improvements, library books, plant and equipment, and motor vehicles.
- **Restricted property, plant, and equipment:** restricted assets are parks and reserves owned by Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.
- **Aquatic assets:** building, plant, and equipment relating to H₂O Xstream aquatic centre.
- **Infrastructure assets:** infrastructure assets are the fixed utility network systems owned by Council and include roading, water, stormwater, and wastewater piping. Each asset class includes all items that are required for the network to function.
- Infrastructure assets (except land under roads) are measured at fair value less accumulated depreciation and impairment losses. Land under roads is held at cost.

Council has Asset Management Plans for all major assets. These plans have provided the basis for development of the forecast financial statements.

All property, plant, and equipment is shown at cost or valuation less accumulated depreciation and impairment losses.

Revaluation

Council accounts for revaluations of property, plant, and equipment on a class of asset basis.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset in other comprehensive revenue and expenses. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase or revaluation that offset a previous decrease in value is recognised in the surplus or deficit up to the amount previously expensed and then credited to the revaluation reserve for that class of asset under other comprehensive revenue and expenses.

Those asset classes that are revalued are valued on a set revaluation cycle and all other asset classes are carried at depreciated historical costs. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

While assumptions are used in all revaluations, the most significant of these are in infrastructure. For example, where stormwater, wastewater and water supply pipes are underground, the physical deterioration and condition of assets are not visible and must therefore be estimated. Any revaluation risk is minimised by performing a combination of physical inspections and condition modelling assessments.

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 of the item will flow to Council and the cost of the item can be measured reliably. In most instances, an item of property, plant, and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

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 a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Prospective Statement of Comprehensive Revenue and Expense. Where 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 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.

Impairment of property, plant, and equipment, and intangible assets

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use and goodwill, are not subject to amortisation and are tested annually for impairment.

Property, plant, and equipment, and intangible assets subsequently measured at cost that have an infinite useful life are reviewed for impairment whenever events or changes in circumstances indicate that 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 in the Prospective Statement of Comprehensive Revenue and Expense (page 18).

Value in use for non-cash generating assets

Non-cash generating assets are those not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost 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 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.

Depreciation

All assets, except for land and road formations, have been depreciated on either a straight line or diminishing value basis at rates estimated to write off the cost of the assets over their estimated useful life.

Hutt Valley Wastewater Scheme assets are controlled by Hutt City Council. Council is entitled to a share in any sale proceeds of these assets. The Seaview wastewater treatment plant is depreciated over 20 years and sewage pipelines over 40 – 80 years.

The specific rates of depreciation applied to major classes of property, plant, and equipment are detailed below as in Appendix 1 of the Infrastructure Strategy (Long Term Plan 2024–2034, page 251. The residual value and

useful life of an asset is reviewed, and adjusted (if applicable), at each financial year-end.

OPERATIONAL ASSETS	YEARS	INFRASTRUCTURE ASSETS	YEARS
Buildings	10–100	Telemetry	
Buildings fit-out and services	10–40	Civil works	80–100
Furniture and office equipment	5 – 15	Mechanical and electrical plant, outlets, pumps	20 – 50
Library books	3 – 5	Pipework, appurtenances, and associated structures	50 – 100
Motor vehicles	5 – 25	Electronic equipment	10 – 20
Parks and reserves services	10 – 100	Roading	
Plant and equipment	4 – 50	Bridges	20 – 100
INFRASTRUCTURE ASSETS	YEARS	Car parks	50
Water supply		Culverts	50 – 80
Civil works	80 – 100	Footpaths/accessways	30 – 60
Mechanical and electrical plant, associated structures	20 – 50	Roads (except land and formation)	4 – 30
Pipework, appurtenances, and associated structures	50 – 100	Roundabouts	50
Reservoirs, intake structure	100	Stormwater channels	15 – 60
Wastewater		Street and traffic lights	5 – 50
Civil works	80 – 100	Street furniture and other features	12 – 25
Electronic equipment	10 – 20	Subways	80
Mechanical and electrical plant, outlets, pumps	15 – 50	Sumps	60
Pipework, wastewater mains	50 – 100	DIMINISHING VALUE DEPRECIATION	YEARS
Stormwater		Furniture and office equipment	5
Civil works	80 – 100	Plant and equipment	4–50
Mechanical and electrical plant, outlets, pumps	20 – 50	Vehicles and plant	5–105
Pipework, appurtenances, and associated structures	50–100		

Critical accounting estimates and assumptions

In preparing these financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and based on historical experience and other factors, including reasonable expectations or future events. 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 fiscal year are discussed below.

Infrastructure assets

There are several assumptions and estimates used when performing depreciated replacement cost valuations over infrastructure assets. These include:

- The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which 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.
- 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 the 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 Prospective Statement of Comprehensive Revenue and Expense (page 260 under surplus/deficit).

To minimise this risk, Council infrastructure asset useful lives have been determined with reference to the New Zealand Infrastructure Asset Valuation and Depreciation Guidelines (published by the New Zealand 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 Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

- Experienced independent valuers perform Council's infrastructure asset revaluations.

Council has no flood protection or control works to disclose as this function is carried out by GWRC. Water supply has no treatment plants and facilities. Council's wastewater treatment plant and facilities are shared under a joint arrangement with Hutt City Council called the Hutt Valley Wastewater Scheme.

Payables and deferred revenue

Recorded at the amount payable

Short-term creditors and other payables are recorded at the amount payable.

Trade and other payables are non-interest bearing and are normally settled

on 30-day terms, therefore the carrying value of trade and other payables approximates their value.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) resulting from a past event. It is probable that expenditure 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.

Employee entitlements

Short-term entitlements

Wages and salaries, annual leave and other entitlements that are expected to be settled within twelve months of reporting date are measured at nominal values on an actual entitlement basis at current rates of pay. Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year.

Long-term entitlements

Entitlements that are payable beyond twelve months, such as long service leave and retirement gratuity, 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.
- 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 balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Critical accounting estimates and assumptions

The present value of retirement and long service leave obligations depend on a number of factors that are determined on an actuarial basis. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using forward discount rates derived from the 90-day call rate from NZ Treasury. The discount rates used have maturities that match, as closely as possible, the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation patterns and after obtaining advice from an independent actuary.

Financial instrument risks

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings and investments issued at fixed rates of interest expose Council and Group to fair value interest rate risk. The Council's Treasury Risk Management policy requires the use of a 'corridor approach,' whereby the percentage of fixed rate lending is required to stay within set minimum and maximum amounts for current and future years. Fixed to floating interest rate swaps are entered into to hedge the fair value interest rate risk.

Cash flow interest rate risk

Cash flow Interest rate risk is the risk that cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risks.

Generally, Council and Group raises long-term borrowings at floating rates and swaps them into fixed rates using interest rate swaps in order to manage the cashflow interest rate risk. Such interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rate that are generally lower than those available if Council or Group agrees with other parties to exchange, at specific intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

Credit risk

Credit risk is the risk that a third party will default on its obligations to Council causing Council to incur a loss. Due to the timing of its cash inflows and outflows, Council invests surplus cash into term deposits which gives rise to credit risk. Council's Investment policy limits the amount of credit exposure to any one financial institution or organisation. Council only invests with entities that have a S&P Global credit rating of at least A+ for short-term and A- for long-term investments.

Council has no collateral or other credit enhancements for financial instruments that give rise to credit risk.

Borrowings and other financial liabilities

Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the council or group has an unconditional right to defer settlement of the liability for at least twelve months after balance date or if the borrowings are expected to be settled within twelve months of balance date.

Council manages its borrowing in accordance with its funding and financial policies, which include a Liability Management Policy.

Goods and services tax (GST)

The Financial Statements have been prepared exclusive of GST, with the exception of trade payable and trade receivable, which are stated as GST inclusive. Where GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

The net amount for 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 (page 65).

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 Cashflow (page 67).

Commitments are disclosed exclusive of GST. Contingencies are exclusive of GST.

Interest expense rates

Loans are secured by a rate pursuant to Section 115 of the LGA upon the rateable property of the City of Upper Hutt.

Equity

Capital is equity, represented by net assets.

Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires Council to manage its revenues, expenses, assets, liabilities, investment, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the LGA and applied by Council.

Intergenerational equity requires today's ratepayers to meet the costs of

utilising Council's assets today and not expecting them to meet the full costs of long-term assets that will benefit ratepayers in future generations.

The LGA requires Council to make adequate and effective provision in its LTP and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The LGA sets out the factors that Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in Council's Long Term Plan.

Components of equity are:

- Accumulated funds
- Restricted reserves (other accounts restricted by law and special funds)
- Asset revaluation reserves

Restricted reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Council has the following restricted reserves:

- **Other accounts restricted by law.** These accounts are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves. Conditions applying to these reserves may not be revised by Council without reference to the Courts or third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.
- **Special funds.** These funds are set up where Council has defined a specific purpose. Interest is added to these reserves where applicable and deductions are made where funds have been used for the purpose they were created. Special funds are reserves established by Council decision. Council is legally allowed to alter them without reference to any third party. Transfers to and from these reserves are at the discretion of Council.

Asset revaluation reserves

This reserve relates to the revaluation of property, plant, and equipment to fair value.

Note 2 | Other revenue (forecast %000)

LTP Y1 2024-2025	GROUPS OF ACTIVITIES	LTP Y2 2025-2026	ANNUAL PLAN 2025-2026	VARIATION 2025-2026
2,559	Cost reimbursement from other agencies	94	2,176	2,082
5,160	Vested assets	5,160	5,806	646
129	Petrol tax subsidies	126	126	0
353	Parking and vehicle infringements	381	283	(98)
8,201	Total other revenue	5,761	8,391	2,630

Note 3 | Depreciation and amortization (forecast %000)

LTP Y1 2024-2025	GROUPS OF ACTIVITIES	LTP Y2 2025-2026	ANNUAL PLAN 2025-2026	VARIATION 2025-2026
0	Leadership	0	7	7
5,468	Community and Recreation	8,523	9,985	1,462
9	Economic Development	9	-	(9)
2,892	Water Supply	3,032	5,135	2,103
6,067	Wastewater	7,063	11,767	4,704
3,022	Stormwater	3,142	6,316	3,174
6,659	Land Transport	6,832	8,070	1,238
33	Sustainability	39	41	2
4	Planning and Regulatory	5	6	1
24,154	Total depreciation and amortisation expense	28,645	41,327	12,682

Note 4 | Other expenses (forecast \$000)

LTP Y1 2024-2025	GROUPS OF ACTIVITIES	LTP Y2 2025-2026	ANNUAL PLAN 2025-2026	VARIATION 2025-2026
259	Advertising, Communications and Promotions	282	699	417
216	Audit Fees	266	266	0
39	Bank Fees	40	74	34
400	Cloud software implementation	514	500	(14)
1,419	Consultants	1,475	2,763	1,288
388	Contractors	400	14,310	13,910
78	Corporate Subscriptions/Membership	46	141	95
22	Election Expenses	226	241	15
342	Electricity and gas energy	604	600	(4)
103	Fringe benefit tax (FBT)	104	78	(26)
1,158	Grants paid	1,303	1,406	103
2,723	Insurance	3,330	3,002	(328)
1,888	Loss on Disposal of Assets	1,071	1,071	0
613	Maintenance	541	615	74
44	Materials	46	72	26
482	Motor vehicles	503	455	(48)
46	NZTA Road Safety Programme	47	-	(47)
1,517	Other operating expenses	1,609	3,116	1,507
1,546	Outsourced/managed services	1,659	2,014	355
597	Personnel Other Expense	626	483	(143)
405	Professional Services	427	675	248
3,079	Projects	4,601	-	(4,601)
3,139	Rates Expenses Council Property	3,755	3,394	(361)
0	Regulatory authority fees	-	38	38
3,093	Roading Maintenance	3,212	-	(3,212)
1,302	Software Licenses & Subscriptions	1,377	1,746	369
617	Stormwater Maintenance	634	-	(634)
100	Transition costs	103	-	(103)
1,069	Wastewater Maintenance	1,098	-	(1,098)
2,769	Water Supply Maintenance	2,844	-	(2,844)
1,416	Wellington Water Management Fee	1,455	1,193	(262)
30,868	Total Other Expenses	34,198	38,953	4,755

Note 5 | Restricted reserves

Special funds

Schedule of special funds forecast—LTP Year 2 (\$000)

	Opening balance 1 July 2025	Total deposits	Total withdrawals	Closing balance 30 June 2026
1 General reserve	5,760	230	(570)	5,420
2 Amenities fund	653	26	0	679
3 Civic amenities fund	1	0	0	2
4 Plant renewal	229	9	(239)	0
5 Reserve fund contributions	8,377	2,933	(2,080)	9,230
6 Cash in lieu of parking	3	0	0	3
7 Property sales	58	2	0	60
8 Sierra Way subdivision	165	7	0	171
9 Akatārawa roading levy	321	13	0	334
10 Kaitoke roading levy	86	3	0	89
11 Mangaroa roading levy	356	14	0	371
12 Katherine Mansfield levy	241	10	0	251
13 Blue Mountains levy	114	5	0	119
14 Moonshine Hill levy	29	1	0	30
15 Alexander Road levy	31	1	0	33
16 Swamp Road levy	462	18	0	480
17 Harcourt Park maintenance fund	18	5	0	23
18 Cemetery development	0	0	0	0
19 Trench resealing levy	14	1	0	15
20 Kurth Crescent development levy	56	2	0	59
21 H2O Xstream plant renewal	807	32	0	839
22 Maidstone Park turf renewal	0	0	0	0
23 Library vehicles plant renewal reserve	0	0	0	0
24 General depreciation reserve	69	3,511	(2,307)	1,274
25 Water supply depreciation reserve (targeted)	0	0	0	0
26 Wastewater depreciation reserve (targeted)	0	0	0	0
27 Stormwater depreciation reserve (targeted)	0	0	0	0
28 Roothing depreciation reserve (targeted)	1,076	2,167	(2,515)	728
Total special funds	18,929	8,992	(7,710)	20,210

Schedule of special funds forecast—Annual Plan 2025–2026 (\$000)

	Opening balance 1 July 2025	Total deposits	Total withdrawals	Closing balance 30 June 2026	Balance variation
1 General reserve	6,254	0	0	6,254	834
2 Amenities fund	645	0	0	645	(34)
3 Civic amenities fund	1	0	0	1	0
4 Plant renewal	76	0	(206)	(130)	(130)
5 Reserve fund contributions	10,428	2,568	(1,248)	11,748	2,518
6 Cash in lieu of parking	3	0	0	3	0
7 Property sales	57	0	0	57	(3)
8 Sierra Way subdivision	162	0	0	162	(10)
9 Akatārawa roading levy	322	0	0	322	(12)
10 Kaitoke roading levy	34	0	0	34	(56)
11 Mangaroa roading levy	354	0	0	354	(17)
12 Katherine Mansfield levy	168	0	0	168	(83)
13 Blue Mountains levy	73	0	0	73	(46)
14 Moonshine Hill levy	28	0	0	28	(2)
15 Alexander Road levy	31	0	0	31	(2)
16 Swamp Road levy	436	0	0	436	(44)
17 Harcourt Park maintenance fund	1	0	0	1	(22)
18 Cemetery development	1,321	0	0	1,321	1,321
19 Trench resealing levy	14	0	0	14	(1)
20 Kurth Crescent development levy	0	0	0	-	(59)
21 H2O Xstream plant renewal	790	0	0	790	(49)
22 Maidstone Park turf renewal	648	0	0	648	648
23 Library vehicles plant renewal reserve	127	0	0	127	127
24 General depreciation reserve	177	4,392	(2,317)	2,253	979
25 Water supply depreciation reserve (targeted)	0	0	0	0	0
26 Wastewater depreciation reserve (targeted)	0	0	0	0	0
27 Stormwater depreciation reserve (targeted)	0	0	0	0	0
28 Roothing depreciation reserve (targeted)	666	634	(7)	1,293	565
29 Roothing Sub depreciation reserve (targeted)	320	1,271	(2,059)	(468)	(468)
30 District Wide Transport DC Fund	364	376	0	740	740
31 Community Facilities DC Fund	19	894	(894)	19	19
32 Infrastructure DC Fund - Water	61	31	(54)	38	38

		Opening balance 1 July 2025	Total deposits	Total withdrawals	Closing balance 30 June 2026	Balance variation
33	Infrastructure DC Fund - Storm Water	0	1	0	1	1
34	Infrastructure DC Fund - Waste Water	(51)	139	(54)	33	33
35	Rural Roads Development Contribution Fund	182	182	0	364	364
36	Waste Levy Reserve Fund	757	0	0	757	757
	Total special funds	24,468	10,487	(6,838)	28,117	7,907

Special fund purposes

General reserve	1	Available for any appropriate purpose.
Amenity fund(s)	2, 3	Available for lending at concessional rates to community groups for the development/construction of assets that will generate a benefit for the overall community.
Plant renewal	4	Funds allocated from rates to replace/upgrade plant assets in the activity charged with the original allocation.
Reserve fund contributions	5	Contributions levied on the developers of sub-divisions which are used to maintain and increase Council-provided community assets or fund interest costs and loan repayments in relation to providing such assets.
Cash in lieu of parking	6	Funds collected instead of requiring the provision of parking by developers and used for parking purposes.
Property sales	7	Profits generated by the sale of property and available to assist in the funding of a Council work programme.
Roading levies	8–16	Funds raised from subdivisions in specific catchments and available for roading projects only in the catchment that provided the funds.
Harcourt Park maintenance	17	Funds collected from fees and charges for this activity and only available for approved maintenance purposes in that park.
Library and cemetery development	18	Funds collected for or generated by the specific activity and only available for projects in that activity.
Trench resealing levy	19	Funds collected to ensure the correct reinstatement of trenching work by third parties.

Kurth Crescent development levy	20	Funds to be collected from developers to provide stormwater upgrade in Kurth Crescent.
H2O Xstream plant renewal reserve	21	Funds allocated from rates to replace/upgrade H2O Xstream plant and equipment.
Maidstone Park turf renewal	22	Funds allocated from rates and fees and charges to replace/upgrade the artificial turf.
Library vehicles plant renewal	23	Funds allocated from rates to replace/upgrade library vehicles and plant and equipment.
General depreciation reserve	24	Funds allocated from rates to replace/renew community assets, and to repay debt.
Targeted depreciation reserves	25-29	Funds allocated from targeted rates to replace/renew roading, water supply, wastewater, and stormwater assets, and to repay debt.
Development Contributions	30-35	Contributions levied on developers and new home builders which are used to contribute towards paying for growth-related infrastructure
Waste Levy Fund	36	Funds received by the specific activity and only available for projects in that activity
Purpose of each fund	The income from fees or rates for each of these activities can only be expended on each specific activity. Any surpluses are transferred into these accounts and applied in future periods to mitigate income requirements.	

Other accounts restricted by law

Other accounts restricted by law forecast

LTP Year 2 (\$000)

	Opening balance 1 July 2025	Total deposits	Total withdrawals	Closing balance 30 June 2026
1 Dog control account	114	0	0	114
2 Water supply rate account	624	0	0	624
3 Wastewater rate account	5,260	0	(1,100)	4,160
4 Stormwater rate account	1,230	0	0	1,230
Total	7,228	0	0	6,128

Other accounts restricted by law forecast—

Annual Plan 2025–2026 (\$000)

	Opening balance 1 July 2025	Total deposits	Total withdrawals	Closing balance 30 June 2026	Balance variation
1 Dog control account	216	0	0	216	102
2 Water supply rate account	(134)	0	0	(134)	(758)
3 Wastewater rate account	4,876	0	(1,026)	3,850	(310)
4 Stormwater rate account	2,955	0	0	2,955	1,725
Total	7,914	0	(1,026)	6,887	759

Funding impact statements

Format	All the Funding Impact Statements (FIS) are in a format prescribed by regulation and are not GAAP compliant.
Intent, exclusions, and inclusions	The intention is to show how the operational and capital expenditure of Council is funded. Some items included in the Statement of comprehensive revenue and expense are excluded and some items not in the Statement of comprehensive revenue and expense are included. Specifically, capital expenditure is included in the FIS, as is transfers to and from special funds and loan receipts and repayments. Loss on disposal of fixed assets, and other (minor) non-cash items are excluded from the FIS as they are not funded.
Finding the statements	The funding impact statement for all of Council follows in the next page. Funding impact statements for each activity group are included in the activity summaries.

Funding impact statement — all of Council (forecast \$000)

LTP Y1 2024–2025	SOURCES OF OPERATING FUNDING	LTP Y2 2025–2026	ANNUAL PLAN 2025–2026
30,549	General rates, uniform annual general charges, rates penalties	38,403	35,035
34,117	Targeted rates	40,064	40,704
2,465	Subsidies and grants for operating purposes	2,025	3,260
8,007	Fees, charges	8,731	7,872
0	Internal charges and overheads recovered	0	0
1,000	Interest and dividends from investments	1,000	1,828
511	Local authority fuel tax, fines, infringement fees, and other receipts	537	539
76,648	Total operating funding (A)	90,760	89,239
	APPLICATIONS OF OPERATING FUNDING		
60,951	Payments to staff and suppliers	65,511	71,046
8,379	Finance costs	11,484	10,845
0	Internal charges and overheads applied	0	0
0	Other operating funding applications	0	0
69,330	Total applications of operating funding (B)	76,995	81,891
7,319	Surplus (deficit) of operating funding (A – B)	13,765	7,348

LTP Y1 2024–2025	SOURCES OF CAPITAL FUNDING	LTP Y2 2025–2026	ANNUAL PLAN 2025–2026
6,985	Subsidies and grants for capital expenditure	5,968	2,394
1,950	Development and financial contributions	3,598	4,190
48,494	Increase (decrease) in debt	21,871	30,718
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	2,394
0	Other dedicated capital funding	0	2,046
57,429	Total sources of capital funding (C)	31,437	39,347
	APPLICATIONS OF CAPITAL FUNDING		
	Capital expenditure		
9,468	– to meet additional demand	8,909	162
32,301	– to improve the level of service	7,020	5,026
25,680	– to replace existing assets	29,848	38,883
(2,702)	Increase (decrease) in reserves	(576)	2,623
0	Increase (decrease) of investments	0	0
64,748	Total applications of capital funding (D)	45,201	46,695
(7,319)	Surplus (deficit) of capital funding (C – D)	(13,765)	(7,348)
0	FUNDING BALANCE ((A – B) + (C – D))	0	0

Disclosure statement

For year ending 30 June 2026

Our planned financial performance and relevant legislation

The purpose of this statement is to disclose Council's planned financial performance in relation to various benchmarks to enable the assessment of whether Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

Council is required to include this statement in its annual plan in accordance with **Schedule 4** of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmarks—Annual Plan 2025–2026	Quantified limit/target	Planned	Met
Rates affordability			
Income (\$M)	\$78.16M	\$75.44M	YES
Increase (%)	21.5%	17.28%	YES
Debt affordability			
Net interest over total revenue will not exceed 15%	≤ 15%	9.7%	YES
Net debt over total revenue will not exceed 280%	≤ 280%	219%	YES
Net interest over rates income will not exceed 17.5%	≤ 17.5%	11.9%	YES
Liquidity will exceed 110%	> 110%	130%	YES
Balanced budget (revenue over operating expenses)	≤ 100%	75%	NO
Essential services (capex over depreciation on network services)	≥ 100%	131%	YES
Debt servicing (borrowing costs over revenue)	≤ 15%	9.7%	YES

Rates affordability

Council meets the rates affordability benchmark if its planned rates income equals or is less than the previous year's rates plus an annual 20% increase (net of the estimated growth in the rates database of 1.5%).

Debt affordability

Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. The following limits are:

- Net interest over total revenue will not exceed 15%.
- Net debt over total revenue will not exceed 280% of total revenue
- Net interest over annual rates income will not exceed 17.5%.
- Liquidity [external term debt + committed loan facilities + available liquid investment] / [existing external debt] will exceed 110%.

Balanced budget

Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment) is compared as a proportion against planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment). Council meets the balanced budget benchmark if its planned revenue equals (100%) or is greater than its planned operating expenses.

This benchmark will not be met for the 2025–26 year because:

- Council is moving to fully funding depreciation for our community assets, non-subsidised roading and water assets as per our 2024 financial strategy. In the 2025-26 annual plan we will be funding 40% of the depreciation expenses for community assets, subsidized roading and non-subsidised roading.
- Due to the revaluation done in June 2024, carrying values for the three waters assets increased significantly. As a result, the depreciation expense for the three waters also increased significantly. The three waters asset depreciation is not funded in 2025-26.

Essential service

Council's planned capital expenditure on network service is compared as a proportion against expected depreciation on network services. Council meets the essential service benchmark if its planned expenditure on network services equals (100%) or is greater than expected depreciation on network services.

Debt servicing

Council's planned borrowing costs are compared as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant and equipment). Council meets the debt servicing benchmark if it's planned borrowing costs are equal or less than 15% of its planned revenue.

More information

For more information on Council's benchmarks, please refer to Section C of the Long Term Plan 2024–2034 (page 164).

Differential and targeted rating schedule

This schedule defines the detail that will apply for the 2025-26 rating year and is to be read in conjunction with Council's *Revenue and Financing Policy* (page 302 of the Long Term Plan 2024–2034) and the rest of the Funding Impact Statement.

General rates

Capital value and differential factors

The general rate is calculated on the capital value of all rateable properties in the city and assessed on a differential basis. Under differential rating, all property is allocated to one of the following differential rating groups based on zoning or usage and a differential, based on a factor of 100 for the *Standard* differential group, is used for the calculation of the general rate as follows.

For 2025-26 Council will be applying the following differential factors:

DIFFERENTIAL RATING GROUP ¹	FACTOR
Standard ²	100
Rural	75
Business	290
Forestry	75
Utility and Three Waters Utility	300
Corrections facility	350
Vacant Land	500

The revenue sought for 2025-26 from the general rate is \$34,736,702 (excluding GST). The purposes to which this revenue will be applied are to meet the costs of leadership, community development, facilities, parks and reserves, economic development, sustainability, licensing, city planning, and environmental health.

Council does not set a uniform annual general charge.

1 – The categories are as defined in this document

2 – Previously in some documents called Residential

Targeted rates

Water supply

For 2025-26, Council has resolved to collect the revenue needed for the water supply service on the following basis.

1. Of the total revenue required for the water supply service, 20% has been identified as required for fire protection purposes. This will be raised by way of a rate per dollar, on a capital value basis, for each property, differentiated by whether the property is serviced or serviceable. If the rating unit can be but is not supplied with water and is situated within 100 m of any part of the water works ('a serviceable property') a 'serviceable' rate of 50% of the full 'serviced' rate will be made.

The revenue sought from this rate is \$2,799,980 (approximately 20% of the total requirement needed for the costs of water supply).

2. Of the total revenue required for the water supply service, 60% has been identified as required for general water supply, by way of a targeted rate on each serviced or serviceable property.

A serviced property is one supplied with water and the rate is assessed per separately used or inhabited part of a rating unit. If a property can be but is not supplied with water (meaning it is situated within 100 metres of any part of the water works) it is considered serviceable and 50% of the serviced charge will apply per rating unit.

The revenue sought from this rate is \$11,199,921 (approximately 60% of the total requirement needed for the costs of water supply).

3. The remaining 20% of the revenue required to provide the general water supply, is raised by way of a user charge, based on the quantity of water used, as calculated by water meters installed on the properties concerned and authorised by the Water Supply Bylaw, and specified in the Schedule of Fees and Charges.

Wastewater

The targeted rate for wastewater disposal will be an amount based on the number of water-closets (pans) or urinals connected to a public sewage drain.

A rating unit used primarily as a residence for one household is deemed to have not more than one pan or urinal under the Local Government (Rating) Act 2002 Schedule 3 Note 4.

For rating units other than those used primarily as a residence for one household, the rate will be assessed on the first pan or urinal, and for every second pan or urinal thereafter. If there is an odd number of pans the assessment is rounded down.

For 2025-26, with regard to schools in the city, Council has resolved to calculate the number of whole charges based on the extent of the provision of service (Schedule 3, clause 8), using a formula which calculates the number of applicable charges as being the lesser of:

1. the assessed number as above for non-residential rating units, and
2. the number of charges based on the following formula:

***Volume of water used per annum ÷ 228** (228 being the number of cubic metres assessed as being a standard residential unit annual usage).*

The revenue sought from this charge is \$11,342,113 and is to be applied towards the cost of the sewerage reticulation and disposal of bulk sewage schemes.

Stormwater

For 2025-26, Council has resolved to collect the revenue needed for stormwater purposes by way of a set rate per dollar on capital value, on a differential basis, with businesses having a differential factor of 140 and other properties a factor of 100. This rate will apply to all rating units contained within the Upper Hutt Urban Drainage District (shown as the shaded area in the map on page 298).

The revenue sought from this rate is \$3,705,437 and is to contribute to the costs of stormwater drainage and flood protection of the city.

Land transport rate

The targeted rate for land transport will be calculated on the capital value of all rateable properties in the city and assessed on a differential basis. Under differential rating, all property is allocated to one of the following differential rating groups based on zoning or usage and a differential, based on a factor of 100 for the standard differential group.

For 2025-26, Council will apply the same differential categories and factors for the targeted land transport rate as used in the general rate.

The revenue sought from this charge is \$9,739,226 and is to be applied towards the cost of maintain the transport network of the city.

Government compliance rate

The targeted rate for Government compliance will be calculated on the capital value of all rateable properties in the city and assessed on a differential basis. Under differential rating, all property is allocated to one of the following differential rating groups based on zoning or usage and a differential, based on a factor of 100 for the standard differential group.

For 2025-26, Council will apply the same differential categories and factors for the targeted government compliance rate as used in the general rate.

The revenue sought from this charge is \$1,917,587 and is to be applied towards the costs of unfunded mandates being imposed by central

government and its agencies.

**Lump sum
contributions**

Council will not invite lump sum contributions to targeted rates in 2025-26.

Differential definitions

For 2025-26, Council has resolved to define its differential rating categories, to which all rateable property in the district of Upper Hutt shall be allocated, as follows.

Standard

A rating unit or part rating unit will be allocated to the Standard category to the extent that it does not meet all of the criteria for inclusion in any other category.

Rural

A rating unit or part rating unit will be allocated to the *Rural* category for rating purposes to the extent that:-

- it is situated in a rural zone; **and**
- has an area of 30 ha or more; **and**
- it does not fall within the definition of Forestry

If Council is satisfied that:

- the same ratepayer is recorded as owner of more than one rating unit; **and**
- all the rating units are situated in a rural zone; **and**
- are being used as one property principally for a farming activity (not including Forestry as defined below); **and**
- the rating units have a combined total area of 30 ha or more.

Then the rating units will all be allocated to this category for rating purposes.

Utility

Regardless of zoning and notwithstanding that it may meet the requirements for inclusion in another category, a rating unit or part rating unit will be allocated to the Utility category for rating purposes to the extent that:

- it is owned or operated by a utility operator and is being used, principally, as part of the utility infrastructure; and

- it is identified as a utility in the Upper Hutt City District Valuation Roll.

Three Waters Utility

A rating unit or part rating unit will be allocated to the *Three Waters Utility* category for rating purposes to the extent that it:

- Meets both the criteria in *Utility*; **and**
- It is used solely for the purpose of:
 - Draining stormwater; **or**
 - Draining wastewater from Upper Hutt city and its district into the bulk sewer line; **or**
 - Supplying potable water to Upper Hutt City and its district, but not used to carry water directly from the reservoirs owned by Greater Wellington Regional Council.

Business

A rating unit or part rating unit in the Business zone or in the Special Activities zone will be allocated to the *Business* category for rating purposes, unless:

- it has been allocated to the *Utility* category; **or**
- it has been allocated to the *Standard* category because it is being used, principally, as a single residential dwelling (used principally for private residential purposes); **or**
- it has been allocated to the Vacant land Category.

A rating unit or part rating unit will be allocated to the Business category for rating purposes if it is situated in a Residential, Rural or Open Space zone and has not been allocated to the Utility category but is being used, principally, for a business activity.

- where the business activity is the principal activity on a rating unit, the whole rating unit will be allocated to the *Business* category.
- where the business activity is not the principal activity on a rating unit but takes place in a physically discrete part of the rating unit, that part will be allocated to the *Business* category.

For the purposes of our policy, we've defined business activities as follows:

Included—Business activities	Excluded—NOT business activities
• Commercial sawmills and timber yards	• Farming activities • Intensive animal farming

- | | |
|--|--|
| <ul style="list-style-type: none"> • Farm products processing plants • Retail nurseries and garden centres • Veterinary hospitals and clinics | <ul style="list-style-type: none"> • Wellington Racing Club • Forestry |
|--|--|

Corrections Facility

A rating unit will be allocated to this category if it is used primarily by the Department of Corrections for the housing of inmates under their care.

Forestry

From 1 July 2025, a rating unit was allocated to this category if it is used primarily for commercial forestry.

Vacant Land

A rating unit will be allocated to this category when it is within the city's 'walkable catchment' as shown below and has either:

1. a zero improvement value; or
2. a positive improvement value but no permitted or consented activity underway, including improvements (such as buildings) which are unused and/or derelict.

More information along with a map indicating Upper Hutt's walkable catchment is included in our Long Term Plan 2024–2034 *Revenue and Financing Policy* (page 311)

Contiguous rating

Council will apply the provisions of the Rating Valuations Act 1998, The Local Government Rating Act 2002, and any other relevant legislation to this situation.

Separately used or inhabited part (SUIP)

Definition

A separately used or inhabited part (SUIP) of a rating unit means any part of a rating unit which is:

- inhabited or used by an owner; or
- inhabited or used by any person other than an owner by tenancy or other agreement.

For the avoidance of doubt, where an owner occupies the entirety of a rating unit, or tenants the entirety of a rating unit, there will be only one SUIP.

Assessment and

Council will consider the following when determining whether a part of a

determination

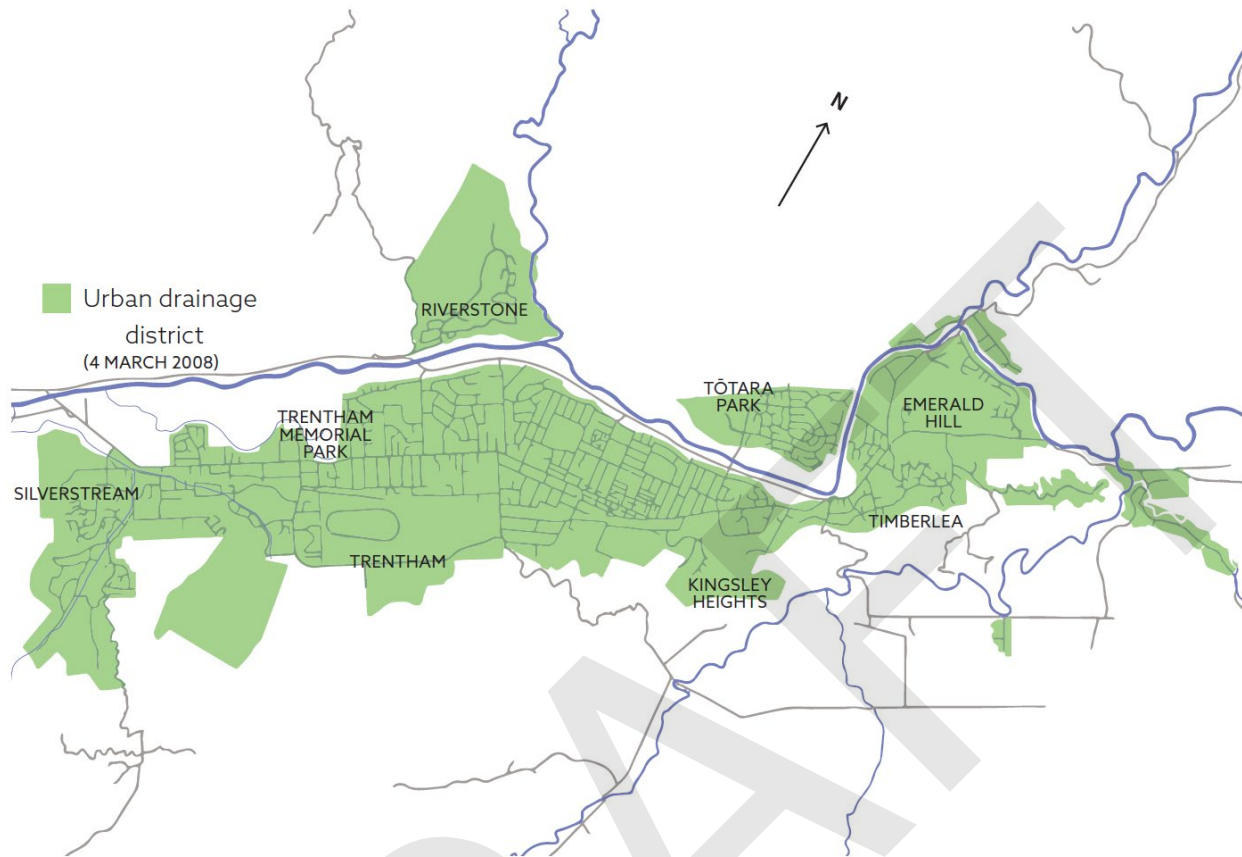
rating unit is a SUIP:

1. A SUIP does not need to be occupied in order to be categorised as separately used. Availability for separate use is sufficient.
2. In determining whether a part of a rating unit is used for accommodation, Council will consider whether it has independent kitchen facilities (including cooking facilities) and separate toilet and sanitation, but these are not required, and a part of a rating unit made available for temporary accommodation may be a SUIP without these.

The following are some examples of rating units that are likely to comprise more than one separately used or inhabited part. Please note that these are illustrative only and not an exhaustive list:

- Single dwelling or business premises which includes separate accommodation.
- A rating unit that includes a flat with a stove and separate living and toilet facilities.
- A dwelling where part of the dwelling or an outbuilding is made available for rent.
- Commercial building with multiple tenancies.
- Individually surveyed lots of vacant land on one Record of Title offered separately for sale.

Upper Hutt urban drainage map used for stormwater rates



Indicative rates for sample properties

Indicative residential rates (by CV)	\$550 K	\$750 K	\$950 K	\$1.15 M	\$1.3 M
General rates	\$1,057	\$1,441	\$1,825	\$2,209	\$2,497
Targeted water rates ¹	\$1,638	\$1,739	\$1,841	\$1,943	\$2,019
Targeted roading rate	\$294	\$400	\$507	\$614	\$694
Targeted compliance rate	\$58	\$79	\$100	\$121	\$137
Total Indicative rates (UHCC only)	\$3,046	\$3,659	\$4,273	\$4,887	\$5,347
Total Indicative rates from current year (Long Term Plan/ Annual Plan 2024–25)	\$2,640	\$3,177	\$3,713	\$4,250	\$4,653
\$ Increase per week	\$7.80	\$9.28	\$10.77	\$12.25	\$13.36
Indicative business rates (by CV)	\$550 K	\$750 K	\$950 K	\$1.15 M	\$1.3 M
General rates	\$3,064	\$4,178	\$5,293	\$6,407	\$7,242
Targeted water rates ¹	\$1,700	\$1,825	\$1,949	\$2,074	\$2,167
Targeted roading rate	\$851	\$1,161	\$1,471	\$1,780	\$2,013
Targeted compliance rate	\$168	\$229	\$290	\$351	\$397
Total Indicative rates (UHCC only)	\$5,784	\$7,393	\$9,003	\$10,612	\$11,819
Total Indicative rates from current year (Long Term Plan/ Annual Plan 2024–25)	\$4,991	\$6,383	\$7,775	\$9,167	\$10,211
\$ Increase per week	\$15.24	\$19.43	\$23.62	\$27.80	\$30.94
Indicative rural rates (by CV)	\$550 K	\$750 K	\$950 K	\$1.15 M	\$1.3 M
General rates	\$792	\$1,066	\$1,369	\$1,599	\$1,887
Targeted roading rate	\$220	\$296	\$380	\$444	\$525
Targeted compliance rate	\$43	\$58	\$75	\$88	\$103
Total Indicative rates (UHCC only)	\$1,056	\$1,421	\$1,824	\$2,131	\$2,515
Total Indicative rates from current year (Long Term Plan/ Annual Plan 2024–25)	\$904	\$1,217	\$1,562	\$1,825	\$2,154
\$ Increase per week	\$2.92	\$3.92	\$5.04	\$5.88	\$6.94

Statement of responsibility

Preparation	The Council and management of Upper Hutt City Council accept responsibility for the preparation of the Annual Plan prospective financial statements and the judgements used in them.
Providing reasonable assurance	The Council and management of Upper Hutt City Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of prospective financial reporting presented in the Annual Plan, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.
Actual results	The Annual Plan does not include any actual financial results for years prior to the 2025-26 period.
Longevity	It is not intended that the Annual Plan will be updated (outside of its annual cycle) unless there is a significant event, which fundamentally impacts the Annual Plan.
Authorisation	This Annual Plan, including the prospective financial statements, is authorised for issue by Upper Hutt City Council on 30 June 2025.

Upper Hutt City Council

Te Kaunihera o Te Awa Kairangi ki Uta Upper Hutt City Council



Te Kaunihera o
Te Awa Kairangi ki Uta
Upper Hutt City Council

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Our Mayor and councillors (elected members)

Our Mayor and councillors

 Wayne Guppy KOROMATUA MAYOR 027 277 1550 Wayne.Guppy@uhcc.govt.nz	 Hellen Swales KOROMATUA TIARUA DEPUTY MAYOR 027 528 6799 Hellen.Swales@uhcc.govt.nz
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UPPER HUTT CITY COUNCIL 28 ANNUAL REPORT 2023 - 2024 SUMMARY



Council | Kaunihera
30 June 2025

Setting of Annual Rates and Uniform Annual Charges 2025-26

Purpose of report | Te pūtake

1. The Purpose of this report is to set the rates, due dates and penalties regime for the 2025-26 financial year, under the Local Government (Rating) Act 2002 (LGRA).

Recommendations | He tūtohunga

2. It is recommended that Council,
 - A. receives and notes the report titled Setting of Annual Rates and Uniform Annual Charges 2025-26; and
 - B. pursuant to sections 23, 24 and 57 of the Local Government (Rating) Act 2002, resolves to set the rates, due dates, and penalties for unpaid rates for rating units in the city of Upper Hutt for the rating year 1 July 2025 to 30 June 2026:

GENERAL RATE

- C. A general rate set under section 13(2)(b) of the LGRA, on the capital value of rating units in the City, assessed on a differential basis as follows (all rates inclusive of GST at the prevailing rate at the time of supply):
 - (i) A rate of 0.19211 cents in the dollar of capital value on every rating unit in the standard rating category as defined in the Funding Impact Statement;
 - (ii) A rate of 0.14408 cents in the dollar of capital value on every rating unit in the rural rating category as defined in the Funding Impact Statement;
 - (iii) A rate of 0.14408 cents in the dollar of capital value on every rating unit in the forestry rating category as defined in the Funding Impact Statement;
 - (iv) A rate of 0.55711 cents in the dollar of capital value on every rating unit in the business rating category as defined in the Funding Impact Statement;
 - (v) A rate of 0.57632 cents in the dollar of capital value on every rating unit in the utilities (and three waters utilities) category as defined in the Funding Impact Statement;
 - (vi) A rate of 0.67237 cents in the dollar of capital value on every rating unit in the corrections facility category as defined in the Funding Impact Statement.
 - (vii) A rate of 0.96053 cents in the dollar of capital value on every rating unit in the Vacant land category as defined in the Funding Impact Statement.

WATER SUPPLY RATE

D. A targeted rate for water supply, set under sections 16(3)(b) and 14(4)(b) of the LGRA, assessed on a differential basis as follows:

- (i) \$701.22984 (inclusive of GST at the prevailing rate at the time of supply) on each separately used or inhabited part of a rating unit to which water is supplied ("a serviced property"); or
- (ii) \$350.61492 (inclusive of GST at the prevailing rate at the time of supply) on every rating unit that can be but is not supplied with water ("a serviceable property").

WATER FIRE PROTECTION RATE

E. A targeted rate for water supply for fire protection purposes, set under sections 16(3)(b) and 16(4)(b) of the LGRA, on capital value, assessed on a differential basis as follows (all rates inclusive of GST at the prevailing rate at the time of supply):

- (i) 0.02230 cents in the dollar of capital value on each rating unit which is connected to the water supply ("serviced property"); and
- (ii) 0.01115 cents in the dollar of capital value on every rating unit that can be but is not supplied with water and is situated within 100 metres of any part of the waterworks ("serviceable property").

STORMWATER RATE

F. A targeted rate for stormwater purposes, set under sections 16(3)(b) and 16(4)(b) of the LGRA, on the capital value of rating units in those parts of the City located within the Upper Hutt Urban Drainage District, assessed on a differential basis as follows (all rates inclusive of GST at the prevailing rate at the time of supply):

- (i) 0.03999 cents in the dollar of capital value on every rating unit in the business category as defined in the Funding Impact Statement;
- (ii) 0.02856 cents in the dollar of capital value on every other rating unit subject to this targeted rate.

WASTEWATER RATE

G. A targeted rate for wastewater disposal, set under sections 16 (3)(b) and 16(4)(a) of the LGRA, based on the number of water closets (pans) or urinals connected to a public sewage drain, as follows:

- (i) \$656.56061 (inclusive of GST at the prevailing rate at the time of supply) for the first pan or urinal and for every second pan or urinal thereafter. If there is an odd number of pans the assessment is rounded down.
- (ii) for schools in the City, wastewater rates will be calculated as the lesser of:
 - A. the number of pans and urinals assessed as if the school was a non-residential rating unit; or
 - B. the amount calculated using the following formula: Volume of water used per annum ÷ 228 (228 being the number of cubic metres assessed as being a standard residential unit annual usage)

Note 4 to Schedule 3 of the Local Government (Rating) Act 2002 applies so that a rating unit used primarily as a residence for one household is deemed to have not more than one pan or urinal.

LAND TRANSPORT RATE

- H. A targeted rate for land transport, set under sections 16(3)(a) and 16(4)(b) of the LGRA, on the capital value of all rating units in the City, assessed on a differential basis as follows (all rates inclusive of GST at the prevailing rate at the time of supply);
- (i) A rate of 0.05338 cents in the dollar of capital value on every rating unit in the standard rating category as defined in the Funding Impact Statement;
 - (ii) A rate of 0.04004 cents in the dollar of capital value on every rating unit in the rural rating category as defined in the Funding Impact Statement;
 - (iii) A rate of 0.04004 cents in the dollar of capital value on every rating unit in the forestry rating category as defined in the Funding Impact Statement;
 - (iv) A rate of 0.15481 cents in the dollar of capital value on every rating unit in the business rating category as defined in the Funding Impact Statement;
 - (v) A rate of 0.16015 cents in the dollar of capital value on every rating unit in the utilities (and three waters) category as defined in the Funding Impact Statement;
 - (vi) A rate of 0.18684 cents in the dollar of capital value on every rating unit in the corrections facility category as defined in the Funding Impact Statement.
 - (vii) A rate of 0.26692 cents in the dollar of capital value on every rating unit in the Vacant land category as defined in the Funding Impact Statement.

COMPLIANCE RATE

- I. A targeted rate for central government compliance costs, set under sections 16(3)(a) and 16(4)(b) of the LGRA, on the capital value of all rating units in the City, assessed on a differential basis as follows (all rates inclusive of GST at the prevailing rate at the time of supply);
- (i) A rate of 0.01053 cents in the dollar of capital value on every rating unit in the standard rating category as defined in the Funding Impact Statement;
 - (ii) A rate of 0.00790 cents in the dollar of capital value on every rating unit in the rural rating category as defined in the Funding Impact Statement;
 - (iii) A rate of 0.00790 cents in the dollar of capital value on every rating unit in the forestry rating category as defined in the Funding Impact Statement;
 - (iv) A rate of 0.03054 cents in the dollar of capital value on every rating unit in the business rating category as defined in the Funding Impact Statement;
 - (v) A rate of 0.03159 cents in the dollar of capital value on every rating unit in the utilities (and three waters) category as defined in the Funding Impact Statement;
 - (vi) A rate of 0.03686 cents in the dollar of capital value on every rating unit in the corrections facility category as defined in the Funding Impact Statement.
 - (vii) A rate of 0.05265 cents in the dollar of capital value on every rating unit in the Vacant land category as defined in the Funding Impact Statement.

RATES OF DEFENCE LAND

- J. The rates described in this report comply with section 22 of the LGRA, which requires that rates set under s13(2) (general rates) or s16 (targeted rates) of the LGRA not result in land owned or used by the Crown as an air force base, army camp, naval establishment, or other defence area being assessed for an amount of rates that exceeds the amount that would have been assessed if the rates for the district had been calculated on the land value only.

DATES THAT RATES ARE PAYABLE

- K. That the Council agrees all property rates be payable in four equal instalments due on the due date stated for the relevant instalment, as follows:

Instalment	Due date	Penalty date
Instalment One	1 September 2025	2 September 2025
Instalment Two	1 December 2025	2 December 2025
Instalment Three	2 March 2026	3 March 2026
Instalment Four	2 June 2026	3 June 2026

All payments made will be receipted against the earliest outstanding rate amounts in accordance with authorised accounting procedures.

PENALTIES

- L. That the Council apply the following penalties on unpaid rates in accordance with sections 57 and 58 of the Local Government (Rating) Act 2022:
- (i) A penalty of 10 percent of the amount of each instalment for the 2025-26 year which remains unpaid after the relevant due date listed in paragraph 11 will be added on the relevant penalty date for the instalment stated in paragraph 11 above (section 58(1)(a)).
 - (ii) A further penalty of 10 percent of the amount of rates set for any previous financial year that is unpaid 5 working days after the date of this resolution. The penalty will be added on 7 July 2025 (Section 58(1)(b)). This is to align with the later date of either Greater Wellington Regional Council or Upper Hutt City Council's rates resolution.
 - (iii) A further penalty of 10 percent on rates to which a penalty has been added under paragraph 12(ii) if the rates are unpaid six [6] months after the penalty in paragraph 12(ii) was added. The penalty will be added on 7 January 2026 (Section 58(1)(c)).

Background | Papamuri

3. For the avoidance of doubt, water by meter charges are a user charge authorised under the Council's Water Supply Bylaw (with the per unit charge set annually in the Schedule of Fees and Charges) and as such are not a rate.
4. Please note final validation checks are being undertaken in the period before the meeting.

Discussion | Te matapaki

5. There are no viable options in addition to those already noted in this report. Not setting the rates means the Council will not have the cashflow required to fund the activities set out in the 2025-26 Annual Plan.
6. More information on the options that the Council considered in deliberations can be found in the agenda and minutes for the deliberations meeting held 11 June 2025. The rates set out in this report

reflect the Council's deliberations on 11 June 2025, decisions as outlined in the Revenue and Financing Policy that was consulted on and the commentary in the Annual Plan.

7. Annual plan consultation and consultation on the amended RFP was conducted 24 March to 27 April and the feedback received considered in the deliberations meeting. There is no separate requirement to consult on the rates before they are set.

Considerations for decision-making | Ngā whai whakaarotanga

8. There are no other considerations for decision-making other than those noted in this report.

Previous relevant Council decisions | Ngā whakataunga o mua

9. The final version of the 2025-26 Annual Plan has been proposed for adoption by Council. Once it has been adopted, the next step is to move into setting and assessing the rates described in the rating policy.

Identification of inconsistent decisions | Te tautuhi o ngā whakataunga Hārakiraki

10. No inconsistencies have been identified.

Significance and engagement assessment | Te tino aromatawai

11. The setting of the rates for the 2025-26 financial year follows the adoption of the 2025-26 Annual Plan and it's not in itself a matter that triggers the Council's significance and engagement policy.

Sustainability | Rautaki whakauka

12. There are no sustainability considerations arising from this report.

Financial and resourcing | Mahere pūtea

13. The total rates revenue requirement for the 2025-26 financial year is \$86,757,111 (Inclusive of GST).

Legal | Ture

14. The Funding Impact Statement and this report have been subject to a detailed legal review by Lizzy Wiessing (external Counsel).
15. A copy of the setting of rates, due dates and penalties regime resolution will be made available on the Council's website within 20 days of adoption.

Risk | Tūraru

16. There are no further risks other than those which have been identified and addressed in this report.

Included attachment | Ngā āpitihanga

17. None

Date of report: 25 June 2025

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Financial Controller

Reviewed by:

Kate Thomson

Group Manager, Corporate Services

Approved by:

Kate Thomson

Group Manager, Corporate Services

Geoff Swainson

Chief Executive | Te Tumu Whakarae