



KOMITI ITI MAHERE Ā- NGAHURUTANGA / MAHERE Ā-TAU LONG TERM PLAN/ANNUAL PLAN SUBCOMMITTEE

20 March 2024

Order Paper for the meeting to be held in the
Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt,
on:

Wednesday 27 March 2024 commencing at 1:00 pm

The meeting will be livestreamed on Council's Facebook page.

Membership

Mayor C Barry (Chair)

Deputy Mayor T Lewis

Cr G Barratt
Cr K Brown
Cr S Edwards
Cr K Morgan
Cr N Shaw
Cr G Tupou

Cr J Briggs
Cr B Dyer
Cr A Mitchell
Cr C Parkin
Cr T Stallinger

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Have your say

You can speak under public comment to items on the agenda to the Mayor and Councillors at this meeting. Please let us know by noon the working day before the meeting. You can do this by emailing DemocraticServicesTeam@huttcity.govt.nz or calling the Democratic Services Team on 04 570 6666 | 0800 HUTT CITY

KOMITI ITI MAHERE Ā-NGAHURUTANGA/MAHERE Ā-TAU LONG TERM PLAN / ANNUAL PLAN SUBCOMMITTEE

Chair:	Mayor Campbell Barry
Deputy Chair:	Deputy Mayor Tui Lewis
Membership:	All Councillors (11)
Quorum:	Half of the membership
Meeting Cycle:	Meets on an eight-weekly basis or as required during the LTP/ AP process
Reports to:	Council

PURPOSE:

To carry out all necessary considerations and hearings, precedent to the Council’s final adoption of Long Term Plans (LTP) and Annual Plans (AP) which give effect to the strategic direction and outcomes set by the Komiti Ratonga Rangatōpū me te Rautaki | Policy, Finance and Strategy Committee through setting levels of service, funding priorities, the performance framework and budgets.

Determine:

- Development of a framework and timetable for the LTP and AP processes.
- The nature and scope of engagement and public consultation required.
- Statements to the media.
- Such other matters as the subcommittee considers appropriate and which fall within its Terms of Reference.
- Informal engagement with the community, and the hearing of any formal public submissions.
- Consideration of submissions on Hutt City Council’s Assessment of Water and Sanitary Services.

Consider and make recommendations to Council:

- Levels of service, funding priorities, performance framework, budgets, rating levels and policies required as part of the LTP or AP, excluding any policies recommended to Council by the Komiti Ratonga Rangatōpū me te Rautaki | Policy, Finance and Strategy Committee.
- Consultation documents.
- Council’s proposed and final LTP.
- Council’s proposed and final AP.
- Final content and wording, and adoption of the final Hutt City Council Assessment of Water and Sanitary Services.

HUTT CITY COUNCIL

KOMITI ITI MAHERE Ā-NGAHURUTANGA / MAHERE Ā-TAU LONG TERM PLAN/ANNUAL PLAN SUBCOMMITTEE

Meeting to be held in the Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt
on
Wednesday 27 March 2024 commencing at 1:00 pm.

ORDER PAPER

PUBLIC BUSINESS

1. OPENING FORMALITIES - KARAKIA TIMATANGA

Whakataka te hau ki te uru
Whakataka te hau ki te
tonga
Kia mākinakina ki uta
Kia mātaratara ki tai
E hī ake ana te atakura
He tio, he huka, he hau hū
Tihei mauri ora.

*Cease the winds from the west
Cease the winds from the south
Let the breeze blow over the land
Let the breeze blow over the ocean
Let the red-tipped dawn come with
a sharpened air.
A touch of frost, a promise of a
glorious day.*

2. APOLOGIES

No apologies have been received.

3. PUBLIC COMMENT

Generally up to 30 minutes is set aside for public comment (three minutes per speaker on items appearing on the agenda). Speakers may be asked questions on the matters they raise.

4. CONFLICT OF INTEREST DECLARATIONS

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have

5. RECOMMENDATIONS TO TE KAUNIHERA O TE AWA KAIRANGI | COUNCIL - 27 March 2024

a) Draft Long Term Plan 2024-2034 and Consultation Materials

Report No. LTPAP2024/1/70 by the Corporate Planning Lead

5

CHAIR'S RECOMMENDATION:

“That the recommendations contained in the report be endorsed.”

b) Reserves Investment Strategy update

Report No. LTPAP2024/1/71 by the Parks Planner

35

CHAIR'S RECOMMENDATION:

"That the recommendations contained in the report be discussed."

6. QUESTIONS

With reference to section 32 of Standing Orders, before putting a question a member shall endeavour to obtain the information. Questions shall be concise and in writing and handed to the Chair prior to the commencement of the meeting.

7. CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA

Unuhia!	<i>Release us from the supreme sacredness of our</i>
Unuhia!	<i>tasks</i>
Unuhia i te uru-tapu-nui	<i>To be clear and free</i>
Kia wātea, kia māmā	<i>in heart, body and soul in our continuing</i>
Te ngākau, te tinana, te	<i>journey</i>
wairua i te ara takatū	<i>Oh Rongo, raise these words up high</i>
Koia rā e Rongo	<i>so that we be cleansed and be free,</i>
whakairihia ake ki runga	<i>Yes indeed, we are free!</i>
Kia wātea, kia wātea!	<i>Good and peaceful</i>
Ae rā, kua wātea!	
Hau, pai mārire.	

Kate Glanville

SENIOR DEMOCRACY ADVISOR



Long Term Plan/Annual Plan Subcommittee

23 February 2024

Report no: LTPAP2024/1/70

Draft Long Term Plan 2024-2034 and Consultation Materials

Purpose of Report

1. The purpose of this report is to seek approval of Hutt City Council's draft Long Term Plan 2024-2034 (Appendix 1), draft Long Term Plan 2024-2034 consultation document (Appendix 2), and the consultation feedback form (Appendix 3), and ahead of public consultation beginning 2 April 2024.

Recommendations

That the Subcommittee recommends Council:

- (1) receives the information contained in the report;
- (2) notes the high-level plan as outlined in Table 1 of the report;
- (3) endorses the decisions provided by the Long Term Plan Working Group (comprising the Mayor and Chairs of standing committees) as detailed in Table 2 of the report;
- (4) agrees to adopt the underlying information for the draft Long Term Plan 2024-2034, attached as Appendix 1 to the report, acknowledging that it is still in draft form and will be updated after consultation feedback is considered and final decisions made;
- (5) agrees to adopt the consultation document, attached as Appendix 2 to the report, for public consultation between 2 April and 3 May 2024;
- (6) agrees to adopt the attached consultation feedback form attached as Appendix 3 to the report;
- (7) receives the Audit opinion from Audit New Zealand following the adoption of the consultation document attached as Appendix 6 to the report;
- (8) notes the other updated budget and financial information attached as Appendix 5 to the report which has been endorsed by the Long Term Plan Working Group;

- (9) agrees that the Chief Executive be delegated authority to make minor editorial changes to the draft Long Term Plan 2024-2034 documents ahead of these being published for consultation; and
- (10) notes that the final Long Term Plan 2024-2034 will be presented to Council for adoption on 27 June 2024.

For the reason that Council is required to prepare and consult on a draft Long Term Plan in accordance with the Local Government Act 2002

Background

Legislative context

2. Section 93 of the Local Government Act 2002 (the Act) requires councils to have a Long Term Plan at all times. Council must use the special consultative procedure in order to provide an effective basis for public participation in decision-making processes relating to the Long Term Plan.
3. The purpose of the Long Term Plan is to:
 - a. compare the actual activities and the actual performance of the local authority during the year with the intended activities and the intended level of performance as set out in the Long Term Plan and the Annual Plan; and
 - b. promote the local authority's accountability to the community for the decisions made throughout the years by the local authority.
4. The purpose of the consultation document is to provide a fair representation of the issues and challenges faced by Council and matters proposed in the draft Long Term Plan. These matters must be presented in a way that can be readily understood by the public with regards to objectives and how rates, debt and levels of service may be affected. It must also identify other significant matters of public interest.
5. Section 83 of the Act requires a consultation period of no less than 1 month.

Council decisions and direction to date

6. On 12 December 2023, the Long Term Plan/Annual Plan Subcommittee (the Subcommittee) agreed on the priority projects for inclusion in the consultation document. The Subcommittee also considered and provided feedback on the engagement approach which has been incorporated into the draft Long Term Plan 2024-2034 (draft Long Term Plan) and consultation documents.
7. At the same meeting, elected members received reports and agreed on a number of financial decisions to be incorporated into the draft Long Term Plan.
8. On 20 February 2024, the Subcommittee agreed that consultation on the draft Long Term Plan will run from 9am Tuesday 2 April 2024 through to 5pm Friday 3 May 2024.

9. On 13 March 2024, officers briefed elected members with material, consultation activities and information to support the consultation process.

Project timeline for delivering the Long Term Plan

10. **Table 1** provides the high-level timeline and milestones for delivering the 2024-34 Long Term Plan.

Table 1: high level timeline for the 2024-2034 Long Term Plan

Activity	Date	Status
Initial planning	May 2023	Complete
Elected member hui to set initial priorities and objectives for the Long Term Plan.	31 May 2023	Complete
Council decisions on draft strategic framework, approach to early engagement and high-level approach to draft Long Term Plan.	30 June 2023	Complete
Council decisions following feedback from early engagement and progressing decisions on key draft Long Term Plan assumptions.	30 August 2023	Complete
Council agreement on draft budgets, policies and strategies and any issues arising from asset management planning review process.	30 October 2023	Complete
Council agreement on updated budgets, policies and strategies, trade-off considerations.	27 November 2023	Complete
Council agrees draft Long Term Plan budgets, policies and strategies and approach to consultation.	12 December 2023	Complete
External audit process by Audit NZ commenced.	5 February 2024	Complete
Council decisions on the draft consultation document and survey, further budget decisions and policy settings agreed.	20 February 2024	Complete
Council briefing on consultation material.	13 March 2024	Complete
Council adopts the draft Long Term Plan and consultation material for the formal public consultation process.	27 March 2024	Today
Public consultation process.	2 April to 3 May 2024	Not Started
Hearings of public submissions on the draft Long Term Plan.	15 to 17 May 2024	Not Started
Council provides direction and progresses decisions to support the plan being finalised.	17 May 2024	Not Started
Final external audit process by Audit NZ.	June 2024	Not Started
Council meets to make final decisions.	5 June 2024	Not Started
Council adopts the Long Term Plan 2024-2034 and sets the rates.	27 June 2024	Not Started

Discussion

Long Term Plan Working Group decisions

11. On 30 June 2023, Council agreed to establish a Working Group comprising the Mayor and Chairs of standing committees to finalise decisions in the preparation of the consultation material for the draft Long Term Plan and consider any other matters that may arise in the preparation of the draft Long Term Plan.
12. The Working Group has provided feedback on various points in relation to the draft Long Term Plan and consultation document. Officers have made changes in response to the feedback which are summarised in Table 2.

Table 2: LTP Working Group - direction provided and/or decisions.

	Area	Brief description	LTP Working Group
1.	Consultation document	Update key issue items (Water services, Food Organics and Green Organics, Rates Relief, and Petone Assets) to give better context around decisions elected members have made previously, and the impact of the proposed levels of investment on levels of service	Approve the updated key issue items to give better context around decisions elected members have made previously, and the impact of the proposed levels of investment on levels of service
2.	Consultation document	Provide clarity in the Infrastructure Strategy on costs that are shared with others, such as joint venture parties or central government.	Approve updated tables.
4.	Development contribution policy changes	Further changes to development contribution charges as a result of the reviews and updates to growth assumptions as well as underlying capital projects. Refer to Appendix 5 for more details. Results in total estimated revenue of \$146M over 10 years (\$50M more than 20 February 2024 DC policy report to the Subcommittee).	Approve the updated charges in the development contribution policy and revenue budget for the draft Long Term Plan.

5.	Water budget changes	<p>On 20 February 2024 Council made a range of changes to operating budgets and capital budgets for Three waters. There is an impact on budgets and rates as a result of these changes, which were reported at the time.</p> <p>Refer to Appendix 5 for more details.</p>	<p>Notes the proposed rates increases and budget updates for the draft Long Term Plan as a result of the decisions.</p>
6.	Other budget changes	<p>As a result of ongoing budget review and reconciliation work, a range of changes were identified for capital grants, subsidies capex and opex budgets, mainly in Transport and Three Waters.</p> <p>Refer to Appendix 5 for more details.</p>	<p>Approve the proposed budget changes for the draft Long Term Plan as a result of the reviews.</p>
7.	Financial strategy projections	<p>As a result of the budget changes the projections around balanced operating budget, forecast net debt and debt headroom have changed.</p> <p>Refer to Appendix 5 for more details.</p>	<p>Approve the proposed financial projection graphs for the draft Long Term plan as a result of the updated budgets.</p>

Development of the draft Long Term Plan

13. The draft Long Term Plan was developed with consideration of environmental, organisational, financial challenges and changing demographics. It highlights key projects, including the agreed strategic direction, priorities, challenges, and the Statements of Service Performance.
14. The draft Long Term Plan document is attached as Appendix 1 (to be separately circulated). Note that the document has been reviewed to incorporate feedback from elected members following the Subcommittee meeting on 20 February 2024. It also incorporates the LTP working group feedback and audit feedback.

Consultation document and consultation material

15. The draft consultation document, attached at Appendix 2 (to be separately circulated), has been reviewed to incorporate feedback from elected members following the Subcommittee meeting on 20 February 2024.
16. Consultation collateral was presented at the briefing on 13 March 2024. Elected members have now been provided with a calendar of engagement activities and the toolkit to support engagement.

17. The consultation document will be available online as a digital, interactive document, as well as in print at our facilities and partner organisations. Officers will be available to provide additional engagement support as required.

Feedback form content

18. The draft feedback form is attached at Appendix 3 (to be separately circulated). The questions have been developed based on best practice and meet the requirements of the Act.
19. The feedback form has been reviewed to incorporate feedback from elected members following the Subcommittee meeting on 20 February 2024.
20. To support the analysis process, the feedback form will be hosted by an external provider. It will be embedded on Council's website, accessible from the draft Long Term Plan page. Printed copies will also be available at our facilities alongside the consultation document.

Audit of the draft Long Term Plan and consultation document

21. On 5 February 2024, Audit NZ began its audit of the draft Long Term Plan and consultation documents. The purpose of the audit is to assess:
 - a. whether the consultation document provides an effective basis for public participation in the council's decisions about the proposed content of our draft Long Term Plan;
 - b. whether the underlying information and assumptions are reasonable; and
 - c. whether the draft Long Term Plan provides a reasonable basis for long-term decision-making and co-ordination of the council's resources, and its accountability to the community.
22. The Audit New Zealand engagement letter for the audit of the consultation document and Long Term Plan 2024-2034 was to be reported to the Audit and Risk Subcommittee on 27 February 2024. The Office of the Auditor General delayed the distribution of the letters due to the repeal of water reform legislation the was being progressed by Central Government. The engagement letter is attached to this report for information (Appendix 4) and will also be presented to the next Audit and Risk Subcommittee.
23. The audit plan notes that the main focus areas for the audit includes:
 - a. impact of the current economic environment on the Council's forecasts;
 - b. Central Government reforms;
 - c. Financial strategy and Infrastructure strategy;
 - d. assumptions; and
 - e. quality of asset-related forecasting information.

24. Officers have prepared and submitted material for the audit process. The audit “hot review” process of the Consultation Document took place on the 13 and 14 March and officers have worked through the feedback and queries raised.
25. The final step in the process is a meeting of the Office of the Auditor General to agree the audit opinion to be issued. This is scheduled for the 20 March which is after the close off for agenda papers. Officers will therefore publish a supplementary agenda paper which includes:
 - a. information on the outcome of the audit opinion;
 - b. the audited Consultation Document; and
 - c. the full detailed Draft Long Term Plan document.
26. Our Audit New Zealand Audit Director will attend the Subcommittee meeting and talk through the audit findings and audit opinion.
27. Following Council’s adoption of the consultation document and the draft Long Term Plan on 27 March 2024, the final published version of the consultation document will include the signed audit opinion from Audit NZ.

Next Steps

28. Officers will keep the Subcommittee informed about any escalation of risks associated with the delivery of the Long Term Plan.
29. The public hearings on the draft Long Term Plan will take place on 15 to 17 May 2024. This will be an opportunity to hear feedback on the draft plan and consider further decisions to be made ahead of the plan being finalised.
30. The final Long Term Plan 2024-2034 will be presented to Council for adoption on 27 June 2024.

Climate Change Impact and Considerations

31. The matters addressed in this report have been considered in accordance with the process set out in Council’s Climate Change Considerations Guide.

Consultation Considerations

32. Consultation on the draft Long Term Plan is required under section 93(2) of the Act.
33. The proposed approach to consultation aligns with the special consultative procedure described in section 83 of the Act.

Legal Considerations

34. Councils must develop and manage a Long Term Plan under section 93 of the Act.
35. In developing the draft Long Term Plan and consultation document, officers have sought appropriate legal advice to ensure that they comply with the requirements of the Act and associated legislation. The most relevant legislation includes the Local Government Act 2002, Local Government (Rating) Act 2002 and the Rating Valuations Act 1998.

Financial Considerations

36. Appendix 5 outlines the changes to budgets and financial projections since the information presented at the 20 February 2024 meeting which have been endorsed by the Long Term Plan Working Group.

Appendices

No.	Title	Page
1	Appendix 1 - Draft Long Term Plan 2024-34 (to be separately circulated)	
2	Appendix 2 - Draft Consultation Document (to be separately circulated)	
3	Appendix 3 - Draft feedback document (to be separately circulated)	
4	Appendix 4 - Audit NZ Engagement Letter	13
5	Appendix 5 - Budget and funding changes memo	30
6	Appendix 6 - Audit opinion (to be separately circulated)	

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Approved By: Jo Miller
Chief Executive



AUDIT NEW ZEALAND
Mana Arotake Aotearoa

28 February 2024

Level 1, 100 Molesworth Street
Thorndon
PO Box 99, Wellington 6140

Campbell Barry
Mayor
Hutt City Council
30 Laings Road
Lower Hutt 5040

Dear Campbell

Audit Engagement Letter: Audit of the consultation document and long-term plan for the ten-year period commencing 1 July 2024

This Audit Engagement Letter is sent to you on behalf of the Auditor-General, who is the auditor of all "public entities", including Hutt City Council (the Council), under section 14 of the Public Audit Act 2001. The Council wishes to have its 2024 consultation document audited and it is mandatory for the long-term plan (the LTP) to be audited. The Auditor-General has appointed me, John Whittal, using the staff and resources of Audit New Zealand, under sections 32 and 33 of the Public Audit Act 2001, to carry out the audit of the Council's consultation document and the LTP.

This letter outlines:

- the terms of the audit engagement and the respective responsibilities of the Council and me as the Appointed Auditor;
- the audit scope and objectives;
- the approach taken to complete the audit;
- the areas of audit emphasis;
- the audit logistics; and
- the professional fees.

1 Specific responsibilities of the Council for preparing the consultation document and the long-term plan

We will carry out our audit on the basis that the Council acknowledges that it has responsibility for preparing the consultation document and LTP, by applying the Council's own assumptions, in accordance with the Local Government Act 2002 (the Act) (in particular, the requirements of Part 6 and Schedule 10) and in accordance with generally

accepted accounting practice in New Zealand. We assume that elected members are familiar with those responsibilities and, where necessary, have obtained advice about them.

For clarity, we note the following statutory responsibilities as set out in the Act:

- Section 93 of the Act requires the Council to have an LTP at all times, and Part 1 of Schedule 10 prescribes the information that must be included in the LTP.
- Section 111 requires all information that is required to be included in the LTP to be prepared in accordance with applicable generally accepted accounting practice standards.
- Section 83 (with reference to section 93A) sets out the special consultative procedure that the Council is required to follow to adopt the consultation document and LTP.
- Section 93C(4) requires an auditor's report on the consultation document¹, and section 94 requires a separate audit report on the LTP.

Please note that the audit does not relieve the Council of any of its responsibilities.

Other general terms are set out in the relevant sections of this letter and Appendix 1.

2 Our audit scope

The Act requires us to provide two separate reports, as follows:

- on the consultation document, a report on:
 - whether the consultation document gives effect to the purpose specified in section 93B; and
 - the quality of the information and assumptions underlying the information in the consultation document; and
- on the LTP, a report on:
 - whether the LTP gives effect to the purpose in section 93(6); and
 - the quality of the information and assumptions underlying the forecast information provided in the LTP.

We expect our work to assess the quality of underlying information and assumptions to be a single, continuous process during the entire LTP preparation period.

¹ Clause 45 of Schedule 1AA of the Act (inserted by the Water Services Acts Repeal Act 2024) provides that, despite section 93C(4), the consultation document for the 2024-2034 LTP of a territorial authority (except the Chatham Islands Council) or the Wellington Regional Council need not contain an auditor's report. However, the Council wishes to have its consultation document audited.

Our focus for the first limb of each report will be to assess whether the consultation document and the LTP meet their respective statutory purposes. Given the different purposes of each document, we will assess the answers to different questions for each report.

Our focus for the second limb of each report will be to obtain evidence about the quality of the information and assumptions underlying the information contained in the consultation document and LTP. How we obtain this information depends on our judgement, including our assessment of the risks of material misstatement of the information and assumptions underlying the information contained in the consultation document and LTP, whether because of fraud or error.

Our audit reports do not:

- provide a guarantee of absolute accuracy of the information in the relevant document;
- provide a guarantee that the Council has complied with all relevant legal obligations;
- express an opinion on the merits of any policy content; or
- include an opinion on whether the forecasts will be achieved.

3 Our approach to this audit

3.1 The content of the consultation document

The Act emphasises the discretion of the Council to decide what is appropriate to include in the consultation document and the associated consultation process. In deciding what to include in the consultation document, the Council must have regard to its significance and engagement policy, and the importance of other matters to the city and its communities.

We will need to understand how the Council has approached the task of applying its significance and engagement policy, and how it has weighed the importance of other matters in deciding what to include in the consultation document. This will help inform our assessment of whether the consultation document achieves its statutory purpose.

3.2 Adopting and auditing the underlying information

Before adopting the consultation document, section 93G of the Act requires the Council to prepare and adopt the information that:

- is relied on by the content of the consultation document;
- is necessary to enable the Auditor-General to issue an audit report under section 93C(4); and
- provides the basis for the preparation of the LTP.

The information to be prepared and adopted needs to be enough to enable the Council to prepare the consultation document.

We consider that local authorities will need to have thought comprehensively about how best to meet the requirements of the Act. Consistent with the guidance of Taituarā, Local Government Professionals Aotearoa, our view is that core building blocks of an LTP will be needed to support an effective consultation document. This will include, but not be limited to, draft financial and infrastructure strategies and the information that underlies them, including asset management information, assumptions, defined levels of service, funding and financial policies, and a complete set of financial forecasts.

We will work with management to understand the information proposed to be adopted and assess whether it will enable us to issue an audit report under section 93C(4).

In addition, the time frames to consider and adopt the LTP after the consultation process will be tight. From a practical perspective, it will be important that the Council is well advanced with the preparation of the full LTP when it issues the consultation document. Otherwise, you may find it difficult to complete the work and adopt the full LTP before the statutory deadline. The same is true for the audit work. The more audit work that can be completed at the first stage of the process, the less pressure there will be on you and the audit team at the end of the process.

3.3 Control environment

The Council is responsible for establishing and maintaining accounting and internal control systems (appropriate to the size of the Council), supported by written policies and procedures, designed to prepare the consultation document and LTP, and to provide reasonable quality information and assumptions underlying the information contained in these documents.

Our approach to the audit will be to identify, confirm, and assess the Council's key processes and controls over the underlying information and the production of both the consultation document and the LTP. The purpose of this assessment is to enable us to plan the most effective and efficient approach to the audit work needed to provide our two audit reports. Our assessment is not for the purpose of expressing an opinion on the effectiveness of the Council's internal controls.

We will carry out a review of the control environment to help us understand the approach taken to develop the consultation document and LTP, develop expectations of what should be included in the consultation document and LTP, and identify areas of potential audit risk. This will involve discussions with elected representatives and selected staff throughout the Council, review of publicly available information about the Council, updating our knowledge of Council issues developed during recent years, and a review of Council minutes since the last audit review.

Our review of your self-assessment response (see below) and key controls relating to the underlying information and development of the LTP is useful to our initial assessment of audit risk and so the nature and extent of our overall audit work.

3.4 Project management, reporting deadlines, and audit progress

The development of the consultation document and LTP is a significant and complex project, and a comprehensive project plan is required for a successful LTP process. It is also essential that there is commitment throughout the organisation for the project, starting with the elected representatives. The involvement of senior management and elected representatives is important in deciding what to include in the consultation document.

The LTP has complex and inter-related information needs and draws together plans, policies, decisions, and information from throughout the Council and its community. We recognise that the Council will be doing its LTP preparation over an extended period. A more efficient and cost-effective audit can be achieved when audit work and feedback is provided in "real time" or on an "auditing as you go" basis as the underlying information is developed.

Consequently, we will discuss with you and your staff the Council's approach to preparing and completing the LTP. We expect that the Council is approaching its preparation on a project basis and recognise that our audit work should "shadow" that project timetable. The success of this "auditing as you go" approach will depend on the Council's project management of the overall LTP process, which should include time for audit work at appropriate points in the process.

3.5 Self-assessment

To assist our audit planning, we intend to use a self-assessment process to assist with our risk assessment process. The self-assessment requires you to reflect on your most significant issues and risks, governance of the LTP project, and the systems and processes you have in place (particularly to meet the purposes in the Act for the consultation document and the LTP), asset management, performance management and reporting, and financial management.

We have previously forwarded the self-assessment to you under a separate cover, and it has been returned us. We have used the information to assist with our assessment of audit risk assessment.

The self-assessment is like those used with our audit of previous LTPs. The information provided through the self-assessment will be confirmed with you through discussion after its completion.

4 Our particular areas of audit focus

4.1 Impact of the current economic environment on the Council's forecasts

The national and international response to the Covid-19 pandemic has created a significantly uncertain economic environment. Supply chain and labour market constraints due to closed borders and economic stimulus has led to inflationary pressures being seen around the world. New Zealand's response to increased inflation has meant significantly higher interest rates than that experienced in the recent past.

The current economic environment and what it means for the future will need to be factored into the Council's LTP forecasts. We will review the approach the Council has done to do this, and the quality of the supporting evidence used for the resulting assumptions.

We will also carefully consider how the Council sets out its proposed response to the current economic environment, including any discussion of any affordability trade-offs that are needed in the response, in the consultation document. We will specifically focus on whether Council's consultation document is "fit for purpose" in accordance with section 93B of the Local Government Act 2002.

4.2 Central Government reforms

The Government is undertaking a significant reform programme, some of which impacts on the operations of the Council. We discuss the main areas of reform and how we expect them to impact on the audit of the LTP below:

Resource Management Act reforms

The Natural and Built Environment Act 2023 and the Spatial Planning Act 2023 were both enacted in August 2023. We understand implementation of the reforms will be staged over the next seven years.

As we understand all regional spatial strategies will need to be completed by mid-2029, the Council will need to forecast the implementation in the LTP. We will assess the reasonableness of the assumptions made by the Council in forecasting the implementation. In assessing the reasonableness, we will be interested in understanding what discussions have occurred with other councils involved in the implementation of its regional spatial strategy.

We note that the new coalition Government has confirmed its intention to repeal the Natural and Built Environment Act and the Spatial Planning Act. In the absence of amending legislation being passed, the current legislative requirements stand, and so our audit will need to be conducted in the context of the current legislative framework. Should amending legislation be passed we will reassess our approach.

Future for local government

As the Future for Local Government Panel only provided its final report to Government in June 2023, we do not expect any substantive policy decisions will be made to inform the development of the LTP.

The Council may decide to include some discussion of the Future for Local Government Panel's final report in the LTP or other supporting documentation such as the consultation document. We will assess the reasonableness of any such discussion.

4.3 Financial strategy and infrastructure strategy

The Act requires a local authority to prepare two key strategies as part of the LTP: the financial strategy and the infrastructure strategy.

The purpose of the financial strategy is to:

- facilitate prudent financial management by the local authority by providing a guide for the local authority to consider proposals for funding and expenditure against; and
- provide a context for consultation on the local authority's proposals for funding and expenditure by making transparent the overall effects of those proposals on the local authority's services, rates, debt, and investments.

The purpose of the infrastructure strategy is to:

- identify significant infrastructure issues for the local authority during the period covered by the strategy; and
- identify the principal options for managing those issues and the implications of those options.

For the two strategies to be effective, they must be closely aligned. Section 101B(5) allows for them to be combined into a single document.

Although the Act clearly sets the minimum requirements for these strategies, it does not define the only things that can be in a strategy. A good strategy should include what is needed to be a good quality strategic planning document. In the case of the infrastructure strategy, the principles of ISO 55000 should be considered, particularly where the Council is seeking to prepare a best practice strategy.

In our audit of the Council's 2021/31 LTP, we recommended improvements to the Asset Management Plans (AMP) and that all parts of the Wellington Water Limited proposed approach to the AMP are finalised. We also recommended that additional investigations and condition assessments which support the AMPs are completed, particularly the level of renewal capital expenditure.

Overall we were satisfied that the infrastructure strategy was fit for purpose and the supporting underlying information is considered reasonable (in the context of our comments about the 3 waters renewals). The infrastructure strategy fulfilled the legislative purpose and meets our expectations of such a document and is consistent with our knowledge of asset management planning for the Council.

Our focus when reviewing both strategies is to assess whether the Council has met the purpose outlined in the Act and presented the strategies in a coherent and easily readable manner. Specifically, we will:

- confirm that the two strategies are appropriately aligned;

- understand the effect of the financial forecasts included in the infrastructure strategy on the prudence of the financial strategy; and
- assess the reasonableness of the prepared forecasts by:
 - understanding how the Council has applied the effect of its assumptions (for example, allowing for changing demographics, the implications of the changing climate, the condition and performance of critical assets) and levels of service on expenditure decisions and outlined the implications of these decisions in the strategies;
 - reviewing the Council's relationship between its renewal capital expenditure and depreciation expenditure forecasts; and
 - checking that the infrastructure strategy is appropriately inflated.

The Council's financial modelling is a significant component of the underlying information that supports both the financial strategy and infrastructure strategy. We will place particular emphasis on the integrity and effectiveness of the financial modelling of all local authorities.

An additional role played by these strategies is to facilitate accountability to the community. It is critical that these strategies are presented in such a way that they are engaging and informative, and support the presentation of issues, options, and implications presented in the consultation document.

4.4 Assumptions

The quality of the Council's financial forecasts is significantly affected by whether the assumptions on which they are based are defined and reasonable. The Act recognises this by requiring all local authorities to clearly outline all significant forecasting assumptions and risks underlying the financial estimates in the LTP (Schedule 10, clause 17). Prospective Financial Statements (PBE FRS 42) also requires the disclosure of significant assumptions.

We will review the Council's list of significant forecasting assumptions and confirm that they are materially complete. We will also test the application of selected assumptions in the financial forecasts to check they have been reasonably applied. Finally, we will confirm that:

- all significant forecasting assumptions disclose the level of uncertainty associated with the assumption; and
- for all significant forecasting assumptions that involve a high level of uncertainty, the uncertainty and an estimate of the potential effects of the uncertainty on the financial forecasts are appropriately disclosed in the LTP.

We consider that the significant forecasting assumptions are crucial to the underlying information for the consultation document and will complete our review during our audit of the consultation document.

Climate change assumption

We will continue to focus on the assumptions that the Council has made about climate change and the adequacy of other information and disclosures relating to climate change.

We will review the Council's climate change assumptions to determine whether they are reasonable and supportable. We will assess the quality of the supporting information the Council is using in developing its assumptions and disclosures included in the LTP, the consultation document (if relevant), and the adopted underlying information.

We do expect the Council to reflect information on the impacts of climate change identified in the last three years in its climate change assumptions and work plans outlined in the LTP.

4.5 Quality of asset-related forecasting information

A significant portion of the Council's operations relates to the management of its infrastructure: the roading network and the "three-waters" of water supply, sewerage, and stormwater drainage. These activities make up a significant amount of operational and capital expenditure.

In our audit of the Council's 2021/31 LTP, we recommended improvements to the Asset Management Plans (AMP) and that all parts of the Wellington Water Limited proposed approach to the AMP are finalised. We also recommended that additional investigations and condition assessments are completed which support the AMPs, particularly the level of renewal capital expenditure. The Council's forecast cost of critical asset renewals for three waters assets were based on age only. Using only aged-based information means there is a higher degree of uncertainty in the timing and amounts of these forecasts. It was noted that the Council's 2021/31 forecasts included investment to better understand asset the condition of critical three waters assets, which will improve the reliability of the amount and timing of future forecasts asset renewals for future LTPs. We included an Emphasis of Matter paragraph in our audit report on this matter.

To prepare reasonable quality asset information, the Council needs to have a comprehensive understanding of its critical assets and the cost of adequately maintaining and renewing them. An important consideration is how well the Council understands the condition of its assets and how the assets are performing.

In reviewing the reasonableness of the Council's asset-related forecasting information, we will:

- assess the Council's type asset management planning systems and processes;
- understand what changes the Council proposes to its forecast levels of service;
- understand the Council's assessment of the reliability of the asset-related information;
- consider how accurate recently prepared budgets have been; and

- assess how matters such as affordability have been incorporated into the asset-related forecasts prepared.

Depending on what we identify in completing the above, we may have to complete further detailed testing on the Council's asset-related information.

5 Other matters

5.1 Our independence

It is essential that the audit team and Audit New Zealand remain both economically and attitudinally independent of the Council (including being independent of management personnel and the Council). This involves being, and appearing to be, free of any interest that might be regarded, whatever its actual effect, as being incompatible with integrity, objectivity, and independence.

5.2 Publication of the consultation document and adopted long-term plan on the Council's website

The Council is responsible for the electronic presentation of the consultation document and LTP on its website. This includes ensuring that there are enough security and controls over information on the website to maintain the integrity of the presented data. Please ensure that your project plan allows time for us to examine the final electronic file version of the respective documents, including our audit report, before their inclusion on the website.

We need to do this to ensure consistency with the paper-based documents that have been subject to audit.

6 Audit logistics

6.1 Audit timing

The key dates in the audit timetable are as follows:

Self-assessment provided to Council	12 October 2023
Self-assessment returned to audit team for consideration	15 December 2023
Proposed consultation documents available	2 February 2024
First audit visit - audit of consultation document	5 February 2024
Verbal clearance	14 March 2024
Audit report on consultation document required	27 March 2024
Draft report to governors on consultation document engagement	15 April 2024

Finalised report to governors on consultation document engagement	30 April 2024
Proposed LTP for adoption available	31 May 2024
Second audit visit – audit of LTP	4 June 2024
Audit report on adopted LTP required	27 June 2024
Draft report to governors on LTP engagement	15 July 2024
Finalised report to governors on LTP engagement	31 July 2024

Should we encounter any significant problems or delays during the audit, we will inform you immediately.

We have an electronic audit management system. This means that our auditors will complete most of their work on their laptops. Therefore, we would appreciate it if the following could be made available during our audit:

- a suitable workspace for computer use (in keeping with the health and safety requirements discussed in Appendix 1); and
- electronic copies of key documents.

As noted in section 3.4, our audit work needs to be done as you develop your underlying information and prepare your consultation document and LTP, to ensure the timely completion of our audit.

To ensure that we meet agreed deadlines, it is essential that the dates agreed are adhered to.

7 Professional fees

Our audit fee, covering both the consultation document and the LTP for the ten-year period commencing 1 July 2024, is \$123,400 (excluding GST and disbursements).

In the unlikely event the actual hours to carry out the audit of the consultation document and LTP results in the above audit fee being more than \$210 per hour, the fee will be reduced to a maximum \$210 per hour.

For the 2018 LTP, our actual hours were 991. These hours are likely to include some inefficiencies on our part, as well as inefficiencies caused by the council. The audit fee we charged was \$139,000 (includes a recovery of \$46,000), which was an effective hourly rate of \$140. For context, in 2018 the average effective charge out rate for an audit of this complexity should have been \$163-\$211 per hour.

For the 2021 LTP, our actual hours were 1,073. These hours are likely to include some inefficiencies on our part, as well as inefficiencies caused by the council. The audit fee we

charged was \$108,300, (includes a recovery of \$8,000) which was an effective hourly rate of \$101. For context, in 2021 the average effective charge out rate for an audit of this complexity should have been \$180-\$233 per hour.

We cannot continue to spend significant amounts of time on the audit that is not compensated. Over time, we need to increase our audit fees to fairly reflect the costs of performing an efficient audit. The proposed 2024 fee is an increase of 13.9% compared to the final 2021 fee.

The proposed fee is based on the following assumptions:

- Information required to conduct the audit is complete and provided in accordance with the agreed timelines. This includes the draft consultation document and the full draft financial strategy, draft infrastructure strategy and key underlying assumptions and information that supports the draft consultation document.
- There will be an appropriate level of assistance from your staff.
- All documentation (consultation document, LTP, and all other underlying documentation) provided will be subject to appropriate levels of quality review before submission for audit.
- The consultation document and LTP will include all relevant disclosures.
- We will review, at most, two drafts of each of the consultation document and LTP during our audit.
- We will also review one printer's proof copy of the consultation document and LTP and one copy of the electronic version of the consultation document and LTP (for publication on your website).
- There are no significant changes in the structure or level of operations of the Council impacting on the audit, such as the establishment of a CCO to deliver core functions or a major restructuring of groups of activities.
- The local authority is preparing forecast financial statements for the "Council parent" only, rather than including consolidated forecast financial statements for the Council and any controlled entities in the adopted LTP.

If the scope and/or amount of work changes significantly (such as a change in direction during the development of the consultation document or between the development of the consultation document and the LTP), we will discuss the issues with you at the time.

A possible change in audit scope could arise if the new government makes changes to the legislation to transfer water assets, liabilities and operations to the new water services entities, as signalled ahead of the election. Such an outcome would impact the amount of audit work we are required to carry out, and therefore the fees we charge. If this happens, we will discuss the matter and any implications for additional audit fees with you.

If information is not available for the visits as agreed, or the systems and controls the Council use to prepare the underlying information and assumptions cannot be relied on, we will seek to recover all additional costs incurred as a result. We will endeavour to inform you as soon as possible should such a situation arise.

This fee is exclusive of any subsequent amendments the Council might make to the adopted LTP under section 93D.

We wish to interim bill as work progresses. We propose the following billing arrangements:

	\$
February	35,000
March	25,000
June	30,000
July	28,400
	123,400

8 Personnel

Our personnel involved in the management of the audit are:

John Whittal	Appointed Auditor
Julian Tan	Engagement Quality Review Director
Rebecca Murphy	Special Audit and Assurance Specialist
Chee Hong Lim	Audit Manager
Hannah Nerona	Audit Supervisor

We have endeavoured to maintain staff continuity as far as possible.

9 Agreement

Please sign and return the attached copy of this letter to indicate that:

- It is in accordance with your understanding of the arrangements for this audit of the consultation document and LTP for the ten-year period commencing 1 July 2024; and
- you accept the terms of the engagement set out in this letter that apply specifically to the audit of the consultation document and LTP and supplement the existing Audit Engagement Letter dated 11 July 2023.

If there are any matters requiring further clarification, please contact me.

Yours sincerely



John Whittal
Appointed Auditor

cc Jenny Livschitz, Chief Financial Officer

I acknowledge that this letter is in accordance with my understanding of the arrangements of the audit engagement. I also acknowledge the terms of the engagement that apply specifically to the audit of the consultation document and LTP, and that supplement the existing Audit Engagement Letter dated 11 July 2023.

Signed: 
Campbell Barry
Mayor

Date: 5/03/24

Signed: 
Jo Miller
Chief Executive

Date: 4 March 2024

Appendix 1: Terms of the engagement that apply specifically to the audit of the consultation document and LTP

Objectives

The objectives of the audit of the consultation document and LTP are:

- to provide independent reports on the consultation document (under section 93C(4) of the Act) and on the LTP (under section 94(1) of the Act) about:
 - whether each document gives effect to the relevant statutory purpose; and
 - the quality of the information and assumptions underlying the information included in each document; and
- to report on matters relevant to the Council's planning systems that come to our attention.

Our audit involves performing procedures that examine, on a test basis, evidence supporting assumptions, amounts, and other disclosures in the consultation document and LTP, and evaluating the overall adequacy of the presentation of information.

We also review other information associated with the consultation document and LTP to identify whether there are material inconsistencies with the audited consultation document and LTP.

Provision of a report to the governors of the Council

At a minimum, we will report to the governors of the Council at the conclusion of the engagement. The report communicates matters that come to our attention during the engagement and that we think are relevant to the Council. For example, we will report:

- any weaknesses in the Council's systems; and
- uncorrected misstatements noted during the audit.

Please note that the Auditor-General may refer to matters that are identified in the audit of consultation documents and LTPs in a report to Parliament if it is in the public interest, in keeping with section 20 of the Public Audit Act 2001.

Materiality

Consistent with the annual audit, the audit engagement for the consultation document and LTP adheres to the principles and concepts of materiality during the ten-year period of the LTP and beyond (where relevant).

Materiality is one of the main factors affecting our judgement on the areas to be tested and the nature and extent of our tests and procedures performed during the audit. In planning and performing the audit, we aim to obtain assurance that the consultation document and LTP, and the information and assumptions underlying the information contained in these documents, do not have material misstatements caused by either fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence a reader's overall understanding of the consultation document and LTP.

Consequently, if we find material misstatements that are not corrected, we will refer to them in the audit report. Our preference is for any material misstatement to be corrected, avoiding the need to refer to misstatements.

The standards applied when conducting the audit of the consultation document and adopted long-term plan

Our audit is carried out in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we considered particular elements of the Auditor-General's Auditing Standards and International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information* that were consistent with those requirements.

Responsibilities

General responsibilities

The general responsibilities of the Council for preparing and completing the consultation document and LTP are consistent with those for the annual report, as set out in the Audit Engagement Letter dated 11 July 2023 - but noting that the consultation document and LTP include forecast information.

These responsibilities include those set out in Appendix 1 of that Audit Engagement Letter as detailed below:

- Appendix 1: Respective specific responsibilities of the Council and the Appointed Auditor:
 - responsibilities for compliance with laws and regulations; and
 - responsibilities to establish and maintain appropriate standards of conduct and personal integrity.

Specific responsibilities

The Council is responsible for:

- maintaining accounting and other records that:
 - correctly record and explain the forecast transactions of the Council;

- enable the Council to monitor the resources, activities, and entities under its control;
- enable the Council's forecast financial position to be determined with reasonable accuracy at any time; and
- enable the Council to prepare forecast financial statements and performance information that comply with legislation; and
- providing us with:
 - access to all information and assumptions relevant to preparing the consultation document and LTP, such as records, documentation, and other matters;
 - additional information that we may request from the Council for the purpose of the audit;
 - unrestricted access to Council members and employees that we consider necessary; and
 - written confirmation of representations made to us in connection with the audit.

Health and safety of audit staff

The Auditor-General and Audit New Zealand take seriously their responsibility to provide a safe working environment for audit staff. Under the Health and Safety at Work Act 2015, we need to make arrangements with you to keep our audit staff safe while they are working at your premises.

We expect you to provide a safe work environment for our audit staff that is without risks to their health and safety. This includes providing adequate lighting and ventilation, suitable desks and chairs, and safety equipment, where required. We also expect you to provide them with all information or training necessary to protect them from any risks they may be exposed to at your premises. This includes advising them of emergency evacuation procedures and how to report any health and safety issues.



Subject:	DRAFT LONG-TERM PLAN 2024-2034 – Budget changes and funding implications
Date	27 March 2024
From:	Deepu Nunnian – Manager Financial Planning and Strategy Jenny Livschitz - Hutt City Council Group Chief Financial Officer
To:	Long-Term Plan/ Annual Plan Subcommittee

Purpose of memorandum

1. To provide the Long-Term Plan/ Annual Plan Subcommittee with an update on financial and budget changes as endorsed by the Long-Term Plan Working Group;

Summary of changes

- | |
|---|
| <ol style="list-style-type: none"> i. updated advice on the Development Contribution Policy and updated charges as outlined in Table 2 which equates to an additional \$50M development contributions revenue budget over ten years. ii. updated opex, capex and capital funding budget changes as outlined in the other budget changes section. iii. progressed decisions on Three Waters Capex and Opex on 20 February 2024 and resulting impact on rates increases applied to the draft Long-Term Plan 2024-34 (DLTP) iv. impact and update to the financial strategy debt limits, debt headroom and the balanced budget as a result of these changes. |
|---|

Background

2. A set of funding and financial statements to be included in the DLTP were presented on to this subcommittee on 20 February 2024. Following this meeting, the budgets have been adjusted to align with the decisions made. Additionally, further detailed review work and reconciliation of budgets have been performed which identified some adjustments for grants and subsidies revenue. These have now been corrected and were approved by the Long-term Plan Working Group on 4 March 2024.

Three Waters

3. Wellington Water Ltd (WWL) provided updated advice on the opex budgets and some capex changes to 2023-24 at the 20 February meeting (refer to [LTPAP_20022024](#) and [LTPAP_20022024_SUP](#)). This advice informed further decisions made and have been incorporated into the financial modelling, with the following rates impact.

Table 1

Detail	2025	2026	2027
Leaks backlog funding \$2.8M one off opex	1%	0.00%	(1.00%)
Capex changes	-	-	0.90%
Meters opex	-	0.50%	1%
Total rates impact	1.0%	0.5%	0.9%

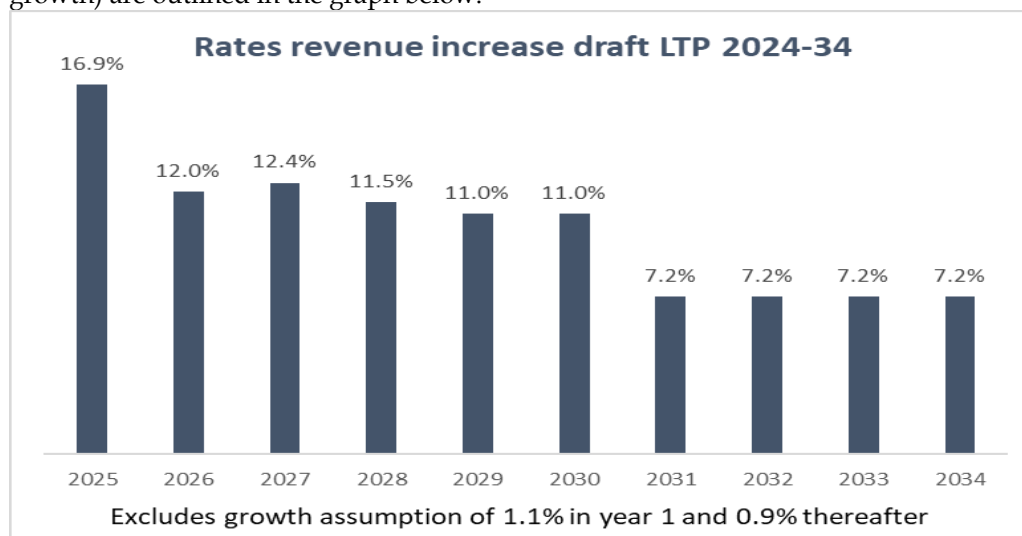
4. The financial implication of the leaks and meters opex changes are outlined below.

The presented figures are: Inflated												
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total	
Draft LTP 2024-2034	35.0	35.8	36.6	37.5	38.3	39.1	39.9	40.7	41.5	42.3	386.9	
Final Draft LTP 2024-2034	37.8	36.6	38.0	39.6	40.5	41.3	42.2	43.0	43.8	44.7	407.6	
Variance	(2.8)	(0.8)	(1.4)	(2.1)	(2.2)	(2.2)	(2.3)	(2.3)	(2.3)	(2.4)	(20.7)	

5. The financial implication of the capex changes are outlined below.

The presented figures are: Inflated												
\$M	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Draft LTP 2024-2034	76.7	112.8	191.0	179.4	148.4	165.2	143.3	147.9	149.0	203.8	183.9	1,624.8
Final Draft LTP 2024-2034	90.9	108.5	189.6	179.4	148.4	165.2	143.3	147.9	149.0	203.8	183.9	1,619.1
Variance	(14.2)	4.3	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.7

6. The updated total rates revenue increases included in the financial projections (after growth) are outlined in the graph below.



Other budget changes

7. Review of grants and subsidies to reconcile them with funding applications based on funded programmes of work has been performed. This exercise identified some inconsistencies and errors. Errors identified have now been corrected, resulting in a net decrease in funding of \$34M. This included an adjustment of funding from operating to capital for Area wide pavement treatment, Pavement surfacing and Wainuiomata Hill Rd Safety Seal projects of \$4.2M. The financial implications on revenue budgets are outlined below and but are largely in capital grant funding (\$24M), some in operating subsidy funding (\$8M) and a minor impact to UHCC JV subsidy (\$1.7M).

Subsidies and grant revenue - The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Draft LTP 2024-2034	23.8	20.7	16.3	16.6	16.9	17.2	17.5	19.0	18.1	18.3	184.3
Final Draft LTP 2024-2034	23.2	17.1	12.7	13.0	13.3	13.6	13.7	14.0	14.3	14.5	149.4
Variance	(0.7)	(3.6)	(3.6)	(3.6)	(3.6)	(3.6)	(3.7)	(5.0)	(3.8)	(3.8)	(34.8)

8. The financial implications on capex budgets are outlined below and include a transfer of funding from opex to capex.

Capex budget - The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Draft LTP 2024-2034	10.7	11.0	11.2	11.5	11.7	12.0	12.2	12.4	12.7	12.9	118.3
Final Draft LTP 2024-2034	11.0	11.2	11.6	11.9	12.2	12.4	12.7	12.9	13.2	13.4	122.4
Variance	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)	(4.2)

9. The financial implications on opex budgets are outlined below and include a transfer of funding from opex to capex as well as reduction of some lines of duplicated expenditure that were linked to subsidies removed.

Opex budget - The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Draft LTP 2024-2034	21.7	22.2	22.7	22.8	23.3	23.7	24.2	24.6	25.1	28.3	238.5
Final Draft LTP 2024-2034	21.5	21.9	22.2	22.3	22.8	23.3	23.8	24.2	24.7	25.2	231.9
Variance	0.3	0.3	0.4	0.5	0.4	0.3	0.4	0.4	0.4	3.2	6.6

10. It was identified that the approved capex for CCTV of \$200k per year (per decision 27 November [LTPAP_27112023](#) pg. 13) was not loaded for years 2- 10 and has now been corrected.

Development Contribution Policy changes

11. Work has been ongoing around validation of growth assumptions included in the DLTP capital programme and several changes have been made as a result. The most significant changes are to:
- the Seaview Wastewater Treatment Plan renewal and capacity upgrade programme (called Trunk DBO JV asset replacement and capacity upgrade in the DLTP). This has increased the number of projects related to this programme significantly.
 - the joint venture wastewater pipe renewal and upgrade programme (called Trunk DBO network cyclic replacement in the DLTP).
 - The Naenae reservoir and outlet costs were transposed, as these have quite different growth assumptions the charges for water supply have changed.
12. This work also identified that the previous planning assumption around how much of the Seaview Wastewater Treatment Plan programme should be attributed to growth

was too low. This has risen from 6% to 25% on the basis that at least 25% of the plant's future capacity will be needed for growth over the next 30 years.

13. These adjustments result in changes to the policy schedule and charges as outlined in table 2 below.

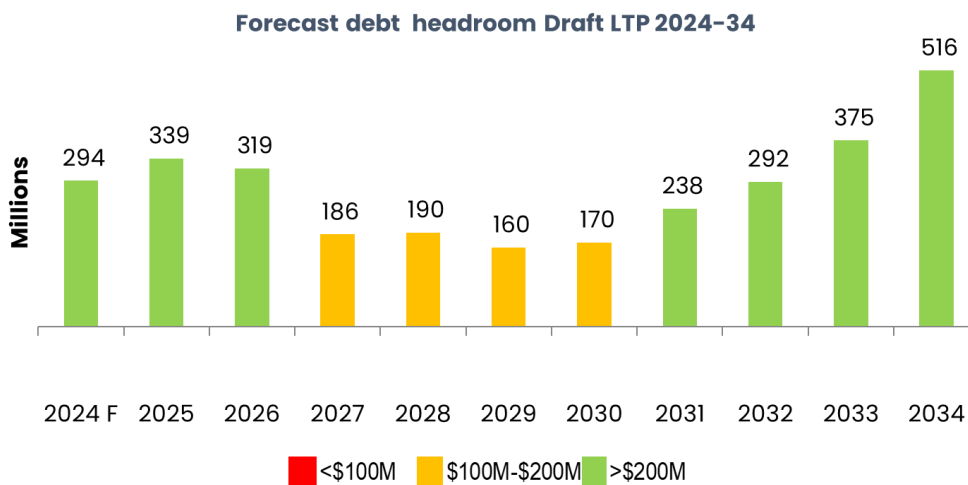
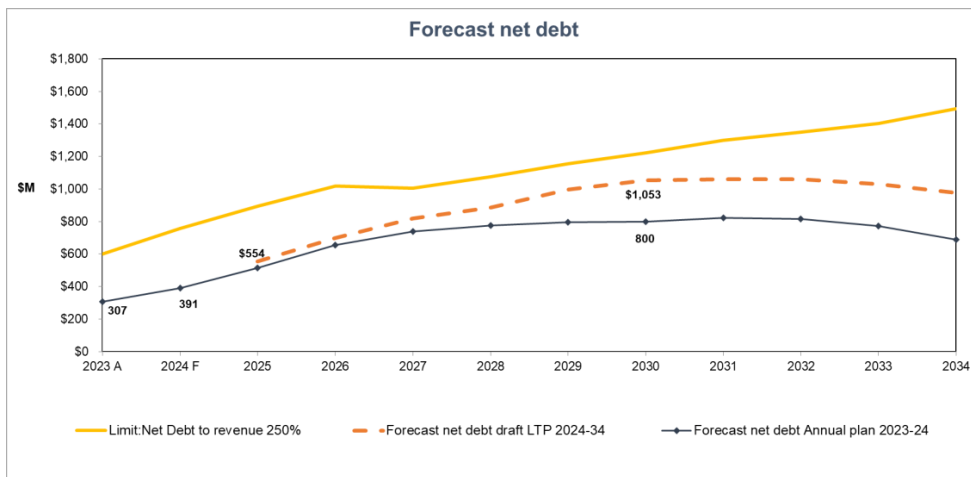
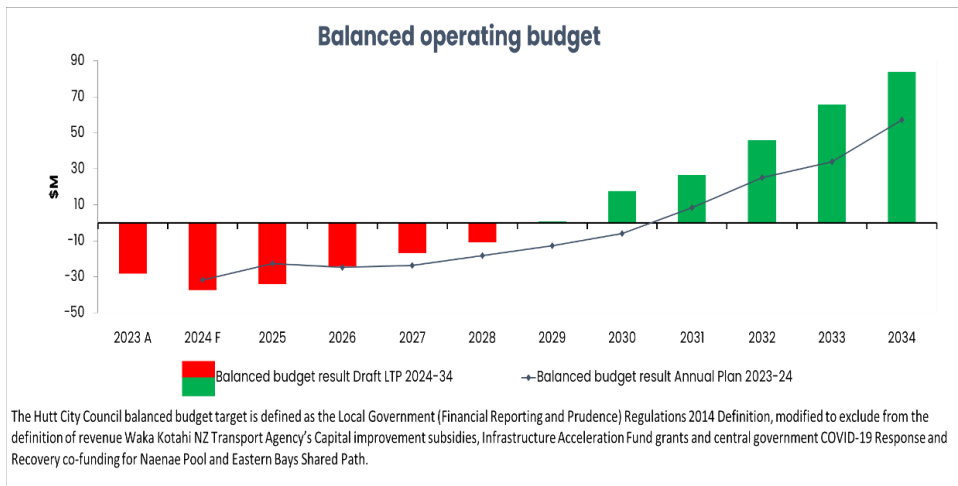
Table 2: Comparison of proposed charges (applicable 1 July 2024)

Catchment		Eastbourne	Stokes Valley	Valley Floor	Wainuiomata	Western Hills	Rural	Districtwide
DC per EHU ^a development will pay in each catchment	Current policy	\$7,802	\$6,954	\$14,779	\$26,000	\$8,257	\$2,497	\$6,272
	Revised proposed charges	\$19,736	\$18,608	\$53,003	\$41,956	\$19,233	\$5,275	\$16,683
	Increase compared to current policy	\$11,934	\$11,654	\$38,224	\$15,956	\$10,976	\$2,778	\$10,411
	20 February charges approved by Council	\$13,931	\$14,083	\$46,670	\$34,751	\$14,707	\$5,570	\$10,878
	Change compared to 20 Feb charges	\$5,805	\$4,525	\$6,333	\$7,205	\$4,526	(\$295)	\$5,805

14. Based on the above change, Council would be proposing to fund approximately \$409M (20%) of the growth-related capital expenditure of \$1.8B over the life of the projects through development contributions. In the ten-year period of the draft LTP 2024-2034 this equates to projected revenue of around \$146M (additional \$50M compared to budget approved on 20 February 2024).

Financial Strategy projections

15. Based on all budget changes to date, including changes as outlined above, the debt and balanced budget for the DLTP for consultation are presented in the graphs that follow. These are not materially different to the position presented on 20 February.



20 December 2023

Report no: LTPAP2024/1/71

Reserves Investment Strategy update

Purpose of Report

1. The purpose of this report is to update the Subcommittee on the development of the Draft Reserves Investment Strategy (RIS or the 'Strategy') and Proposed Project List and seek approval for these to progress to the 24-34 Long Term Plan (LTP) consultation.

Recommendations

That the Subcommittee recommends Council:

- (1) notes changes made to the Proposed Project List since the last update in September 2023, outlined in point 8, a - f;
- (2) provides feedback to officers on the Draft Reserves Investment Strategy and Proposed Projects List attached as Appendix 1; and
- (3) subject to feedback, agrees for the Reserves Investment Strategy and the Proposed Project list to proceed to draft Long Term Plan consultation.

For the reason that approval to fund projects from the Reserves Purchase and Development fund requires approval in the Long Term Plan process.

Background

2. The Reserves Investment Strategy (the 'Strategy') outlines why we need to grow, adapt, and activate our green network as our city's open space needs change, and how we will meet the rapidly growing demand created by more residents living more densely.

3. The timeline for engagement to date with elected members is outlined in the table below:

Date	Milestone
March 2023	Communities Culture and Partnership Committee provided early guidance on a Reserves Investment Strategy
March-Nov 2023	Draft RI Strategy developed with internal consultation, consideration of existing strategies, data and insights and early conversation with stakeholders
August 16 2023	Elected members briefing on strategy development
September 2023	Paper to Communities Culture and Partnership Committee updating on strategy and proposing projects for LTP 24
October 2023	AP/LTP Sub-committee considers LTP budgets including proposed projects supported by CCP Committee

4. In September 2023, as well as approving the draft strategy, the CCP Committee approved a Proposed Projects List to provide budget certainty for the draft Long Term Plan 2024-34, with proposed projects to be funded from the Reserves Purchase and Development Fund. The budget was approved for inclusion in the draft LTP by the AP/LTP Subcommittee in October 2023.
5. The Projects List will be reviewed and adjusted every three years in line with the LTP process.
6. There is a planned Open Space Best Practice Design Guide (non-statutory) that will act as a supporting document to accompany the Strategy. The Guide is expected to be completed in June 2024. The Strategy also indicates the need for Officers to update the existing Land Acquisition and Disposal framework, including full review of the 2016 Reserves Strategic Directions.

Discussion

7. Since the October meeting Mana Whenua have been further briefed and provided feedback, and further conversations have been held with teams across Council.
8. The Project list has been amended slightly to reflect these conversations and align with the bespoke Typology Framework (Appendix A). This includes:
- removed proposed central city 'Skate Park' project, as Council has now approved the development of a significant new skate facility at Avalon Park in partnership with NZTA (freeing up the previous \$5M allocation);
 - the addition of Te Wai Takamori o Te Awa Kairangi/Riverlink capital funding to improve Streetscapes (\$1.6M allocation);
 - the addition of Te Whiti Park Enhancement in Waiwhetu to further provide funding to meet capex project needs, particularly for placemaking with Mana Whenua partnership (\$250K allocation);
 - after further investigation and costed examples from other accessibility (Universally)- designed the 'All abilities Play & Recreation' project has proposed an additional \$600K for a total of \$1M to sufficiently meet

growing demand, rising costs and increasing levels of service over the next 10 years;

- e) widening scope on 'Purchase Properties for New Reserve Land (Waterloo/Epuni); Other indicated possibilities from the Valley Floor Review is expanding frontage off Farmer Crescent into Pomare Reserve, in close proximity to train station (Taitā neighbourhood); and
 - f) addition of resource allocation to add Ancillary Facilities in Frederick Wise Sportsground to meet carrying capacity from increased growth and depleting levels of service (\$1.5M).
9. The proposed project list will need to be fully scoped, as budgets are indicative only. Projects may overlap, be staged, or extend into multiple years. Projects are based on predicted feasibility, demand, and previous public engagement.
 10. Elected members should note that where new assets are being created, additional Opex funding will be required to fulfil the work programme. Where possible new assets will be designed to be low-cost in terms of ongoing maintenance.
 11. Including previously approved Reserve Purchase and Development Fund backed projects (from March 2023), the proposed portfolio currently sits at \$25.9M. This figure does not include the future proposed separate fund of \$10M to act more swiftly on opportunities to acquire reserve land through purchase (indicated within the Strategy). A delegations change for officers to utilise this separate fund will be proposed in 2025, when delegations' policies are under review. The Fund balance as of 30 June 2023 was \$26M, with projected Financial Contributions of \$3M pa proposed to be added to offset the debt impact requirement (predicted at \$1.2M over 10 years).
 12. Internal controls include an application that must be filled out and approved via Parks and Reserves Team before allocation of budget. This will help adhere to policy, strategy and management of project including responsible team(s) and operational accountability. To note, projects do not need to always go through the LTP process to receive budget allocation from the Fund but will need to be approved through Council processes and due diligence.
 13. Without a clear investment plan, parks and reserves might suffer from decreased safety, poor visitor experience, and potential loss of biodiversity. Limited amenity provision will deter user numbers and reduce community satisfaction with reserves.

Options

14. Council could agree for the Reserves Investment Strategy and the Proposed Project list to proceed to draft LTP consultation.
15. Alternatively, Council could agree for the Reserves Investment Strategy and a reduced project list to proceed to the draft LTP consultation.

Climate Change Impact and Considerations

16. The matters addressed in this report have been considered in accordance with the process set out in Council's Climate Change Considerations Guide.
17. Retaining and providing new reserve can support the concept of spongy cities. There are soft engineering opportunities to develop and redevelop parks and reserves to provide landscapes and surfaces that are permeable (like turf) and can cope with some stormwater inundation. One simple option is to retain parks and reserves and preserve surfaces, like turf, that allow water to permeate into soil. This reduces the increasing amount of water that is being piped and directed into stormwater infrastructure which may not always cope well.
18. Biophilic principles; nature-based solutions and energy-efficient design can aid in adaptation to climate change impacts such as heat waves, floods and drought. This would align with Council's "spongy city" vision.
19. Intensification may result in further depletion of permeable surfaces, and the proliferation of invasive species such as invasive mammalian predators and harmful pest plants, thus raising the need and pressure to respond quickly and directly. Improving reserve space, including the use of pest management can help offset these effects.

Consultation

20. Parks and Reserves, alongside Thrive Consultants, have met with Mana Whenua representatives and the Te Tira Māori team. There is a high level of interest in contributing to the Strategy, particularly to:
 - work out how the relationship between Mana Whenua and Council will work to implement the strategy to provide a great network of quality and meaningful reserves for the community;
 - include values-based thinking into the approach for making decisions and setting priorities for Reserves Purchase and Development Fund expenditure with direct input on the Strategy and;
 - represent Mana Whenua stories in reserve development and redevelopment to tell the community about the past function and characteristics of the site. There will be features or clues that help to explain the past from a Te Ao Māori perspective.

21. The draft Reserves Investment Strategy work addressed technical and metric matters for planning purposes and has included extensive consultation and advisement from internal Council teams and Thrive Spaces and Places. This included workshops to identify:
- tighten up criteria to determine which proposed projects quality and which don't;
 - include decision making process in the design guide;
 - identify critical issues in the reserves network and possible solutions and projects and;
 - capture best practice ideas, principles and vision for the reserves network to support the local and wider community.
22. In September 2023, local planning and land surveying firms met with officers and the consultant to provide advice about the draft Reserves Investment Strategy. Developers are typically seeking certainty so that they can easily understand Council's likely requirements and plan for maximum yield. The firms expressed a desire for very clear direction on:
- tools, eg a design guide
 - incentives
 - rules and possibly designations
23. If the recommendations in this report are adopted, formal consultation on the Draft Reserve Investment Strategy will be undertaken as part of the 2024 Draft Long Term Plan. Information about the Strategy and a link to it would be included in the Draft Long-Term Plan for consultation in April 2024. The results would be reported back in June for implementation over 10 years starting 1 July 2024.

Legal Considerations

24. Reserves Investment Strategy decisions will need to meet the requirements of the Resource Management Act. Reserves Financial Contributions are collected in accordance with the District Plan and Development and Financial Contributions Policy.

Financial Considerations

25. Absence of an investment strategy may result in a reduction or further loss of resourcing (financial and/or staffing) to maintain public open space. Without a strategy, the District Plan will not have a formal strategic position which justifies taking Reserve Financial Contributions.
26. As new lots and dwellings are developed, Council collects additional rates. A proportion of the rates from these new lots and dwellings should be directed at operations to fulfil obligations from Reserve Financial Contributions.

27. Although the capital cost of acquisition can be covered by the Reserves Purchase and Development Fund and thus eases pressures on ratepayers, ongoing operational cost are likely to require additional budget in the future. This will be sought through future Annual and Long Term Plan budget reviews.
28. While all efforts will be made to ensure new assets are low-maintenance, Council should anticipate the need to increase operational budgets as the investment programme is rolled out.

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Draft Hutt City Reserves Investment Strategy

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He Mihi – He Pao

Taku raukura rauna i te puata	My raukura encircles the early dawn
Hei tomokanga i te mea ngaro e	As an entrance way to the spiritual realm
Tākiri taku raukura haere ki runga rā	I cast my raukura high above
Hei kāuru mō Te Awakairangi e	As a headwater in which Te Awakairangi flows
Tō tātou awa ko te rangimārie	Our river is likened to a tributary of peace and goodwill
Hei puna waiora mō Te Āti Awa kuao e	A spring that provides sustenance for the people of Te Āti Awa
E kore tātou e taea te wehewehe	Our connection as people will never be undone
Toitū te kupu o te raukura e	As we uphold the principles of the raukura

These words of welcome come to you by way of this pao, a song composed for the purposes of this kaupapa. This pao acknowledges the Raukura, a symbol that for generations has been a guidepost for the people of Te Āti Awa and Taranaki Whānui ki Te Upoko-o-te-Ika. One of the symbols that encapsulates the Raukura is a plume of three albatross feathers, which encapsulates the relationship between celestial and terrestrial realms, and humankind's relationship within these realms.

The connection of the Raukura to this kaupapa is all encompassing. It highlights a unique spiritual relationship between mana whenua to our river, Te Awakairangi. It highlights how our river flows and nourishes the holistic wellbeing of all our communities and the environment in which we all reside. It acknowledges our responsibilities as a community to being stewards of wellbeing, to reside in balance and harmony within the environment that sustains us all. It calls our communities to action to uphold and advance the principles of the Raukura so that our environment for successive generations can be nurtured, nourished, and thrive.

Best wishes to you all as we undertake this journey together. Nāu te rourou, nāku te rourou ka ora ai te whenua me te iwi – With each of our contributions the land and its people shall thrive.

Setting the Scene- Mana Whenua

The iwi of Te Āti Awa and Taranaki Whānui ki Te Upoko-o-te-Ika have exercised mana whenua authority throughout the Hutt Valley, Wellington and Cook Strait regions since their arrival in the 1820s to the present day. Te Āti Awa and their iwi relations, namely Ngāti Mutunga, Ngāti Tama, Taranaki and Ngāti Ruanui, settled these regions after a series of migrations that took place from their original homelands located throughout Taranaki. These iwi are recognised collectively under the name, Taranaki Whānui ki Te Upoko-o-te-Ika, because of this relationship. The relationship is not only genealogical, but connects these iwi at political, cultural, economic, and social levels.

One of the things that initially attracted the Taranaki people to these regions was the sighting of a European ship on the Cook Strait during their participation in the taūa of predominantly northern iwi who came down the west coast of the North Island and into Te Whanganui a Tara in 1818-19. This highlighted the potential strategic and political opportunities of engagements and relationships between Māori and Pākehā, and the impact of this on lands, forestry, fisheries and estates for Māori.

It was in 1839 that Te Wharepouri, a rangatira of Te Āti Awa, laid out the mana whenua boundaries to colonial settlers whilst uttering the following whakatauaāki (proverbial phrase) upon the Pito One foreshore:

“Tumutumu parea, rākau parea. Whānui te ara ki a Tāne.”

“Ward off post and weapon so that the expansive path of mankind is opened up.”

Te Wharepouri, like his counterparts, saw the benefits of building positive relationships with the colonial settlers and working together towards common goals and initiatives. Hence, Te Wharepouri's statement acknowledged the bringing together of different peoples, and the importance of overcoming obstacles and issues together to achieve outcomes of mutual interest. On 29 April 1840, Te Tiriti o Waitangi was signed upon the Ariel in the Wellington harbour by 34 rangatira, including Te Wharepouri. This re-affirmed the status of mana whenua within these regions and their authority over their environs. However, challenges to this authority persisted soon after its signing through ongoing land acquisitions of the New Zealand Company on behalf of government to support the tide of colonial settlers entering these regions. This in turn created much unrest between mana whenua, the government, and colonial settlers.

Despite these significant challenges, Te Wharepouri carried his hopes for unity to his death bed, where in 1842 it is said that his dying message was:

“I muri nei kia pai ki aku taonga Māori, taonga Pākehā,

kia tae ake te haruru o tō reo ki ahau i Te Reinga.”

*“After I have gone be good to my Māori people and my European people,
let the thunder of your voice reach me in the spirit land.”*

For the generations of mana whenua descendants since, these histories and statements continue to be guideposts for their aspirations, where the importance of working together to support objectives and goals of significance is as pertinent today as it was then. The term itself, Mana Whenua, acknowledges the significance of land and its environs to Māori, and the duty of kaitiakitanga to protect and nurture its natural environment, health, and wellbeing for successive generations to come. Hence, the following phrase encapsulates this principle:

“Toitū te whenua, whatungarongaro te tangata.”

“When man is gone, the land remains.”

This statement highlights an intimate connection which gives meaning to what it is to be mana whenua. It is a relationship which transcends arguments of ownership in a commodity sense; a relationship which reinforces a sense of belonging shared between those who have passed on, the living and those yet to be born. It is a sacred connection; represented through the dual meanings of whenua to both nourish the people, and to nurture the growing new life of the unborn child.

With this sense of identity as a foundation, it is important to understand the aspirations of mana whenua for their land, forestry, fisheries, and estates, and how these environs be retained and used to enable the appropriate passing onto future generations.

Executive Summary

Reserves support the well-being; physical and mental health of our communities and they contribute to the protection of ecosystem services and indigenous biodiversity. Our communities need access to a range of reserves that offer amenities and recreation opportunities.

The Reserves Investment Strategy (the 'Strategy') recognises the incredible opportunity Hutt City Council ('HCC' or 'Council') has to provide better quality reserves to help address the effects of growth. As the city's population grows and urban areas intensify, the role of reserves becomes even more important. The Strategy outlines why we need to grow, adapt and activate our green network to help meet the rapidly growing demand created by more residents living more densely. The Strategy also provides a needs and opportunities analysis with a provisional metric framework tailored for Hutt City Council that provides tactical direction for future provision.

Council is able to collect Reserve Financial Contributions as part of the resource consent process for development (primarily residential subdivision) under the Resource Management Act and District Plan. These contributions are managed as the Reserve Purchase and Development Fund (RPF or the 'Fund').

The Fund can be used to:

- Purchase land for reserve purposes to respond to effects from population growth and urban intensification
- Undertake reserve development, redevelopment or enhancement work on reserve land to respond to effects from growth and intensification.

Council is committed to:

- Working alongside Mana Whenua to improve outcomes for Māori and protect sites that are significant to Iwi
- Establishing a separate Reserve Land Purchase Fund to enable officers to respond quickly when property acquisition opportunities arise to close gaps in reserve provision and address equity
- Adopting a 10 year programme of projects which will be funded from the Reserves Purchase and Development Fund
- Preventing existing gaps in reserve provision from widening
- Addressing the quantity and quality of our green network, especially in urban areas to meet the anticipated needs and expectations of changing land use
- Implementing the Reserve/Open Space Provision Typology Framework and Best Practice Design Guide to inform decisions about the provision and development of reserves.

Section 1: Introduction

Our lifestyles are better when our whānau have access to quality reserves. As the population grows and we live in more densely developed residential areas, access to quality reserves becomes more critical. In our urban settings especially, the open spaces in between and around buildings are extensions of our green network and provide spaces for gathering, relaxation, or a simple place to get away from a bustling environment.

We will grow and nurture our reserve network upholding the mana of tangata whenua to better protect taonga and our urban ecosystems and support the health and well-being of our communities. The network connects communities, supports their diverse needs and abilities, and provides access to recreation opportunities. Like other cities in New Zealand, we are facing big challenges, a fast-growing population, rapid residential development, and climate change.

Whakakitenga: Our Vision

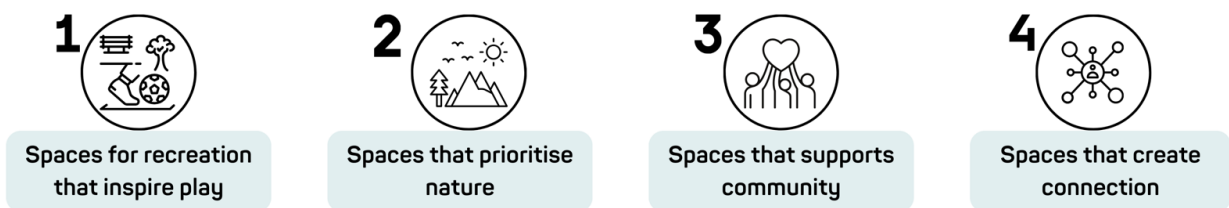
“A reserve network that connects people to place; is valued for protecting the natural environment, and its role in contributing to the health and wellbeing of the people of our city”

The Reserves Investment Strategy has four overarching goals related to community and the environment with the aim to fulfil four focus outcomes:

Ngā Whāinga: Goals



Ngā aronga: Focus Outcomes



Why this strategy is needed

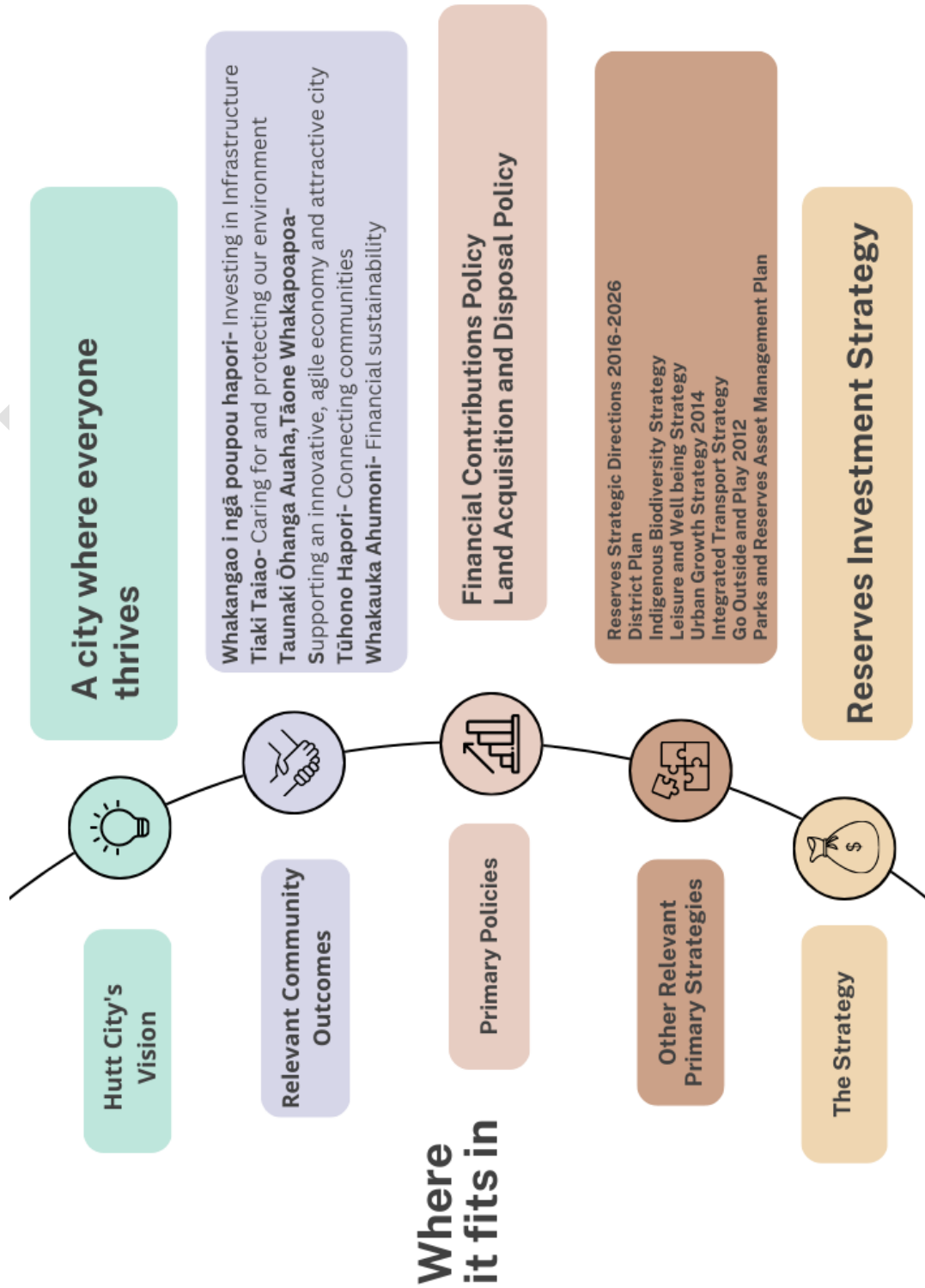
Like other cities experiencing rapid intensification due to population growth, there has been a reduction of private open space. This growth in Te Awa Kairangi ki Tai Lower Hutt is partly a response to urban development centred National Policy Statements and legislation introduced by Central Government.

Our reserves are areas that offer opportunities to support the re-indigenising of our city, as well as encouraging people to be active, and build social capital. They aid in offering accessible greenspace for a variety of recreation and leisure opportunities, bringing people together with similar interests, values, and offer preventative healthcare for communities.

The Reserves Investment Strategy outlines why we need to improve our reserve network as our city's needs change. Investment includes the monetary and legislative resources we put into development or improvement to reserves. It is also about the protection of environmental, cultural, social, and economic values that will support future generations. This Strategy acts as a comprehensive roadmap, outlining an integrated approach to deliver balanced reserve land use planning and investment within Lower Hutt. This means helping activate our community by providing open space options that are accessible to everyone, offer a variety of experiences, are safe, and encourage people to recreate and get outside to connect with nature.

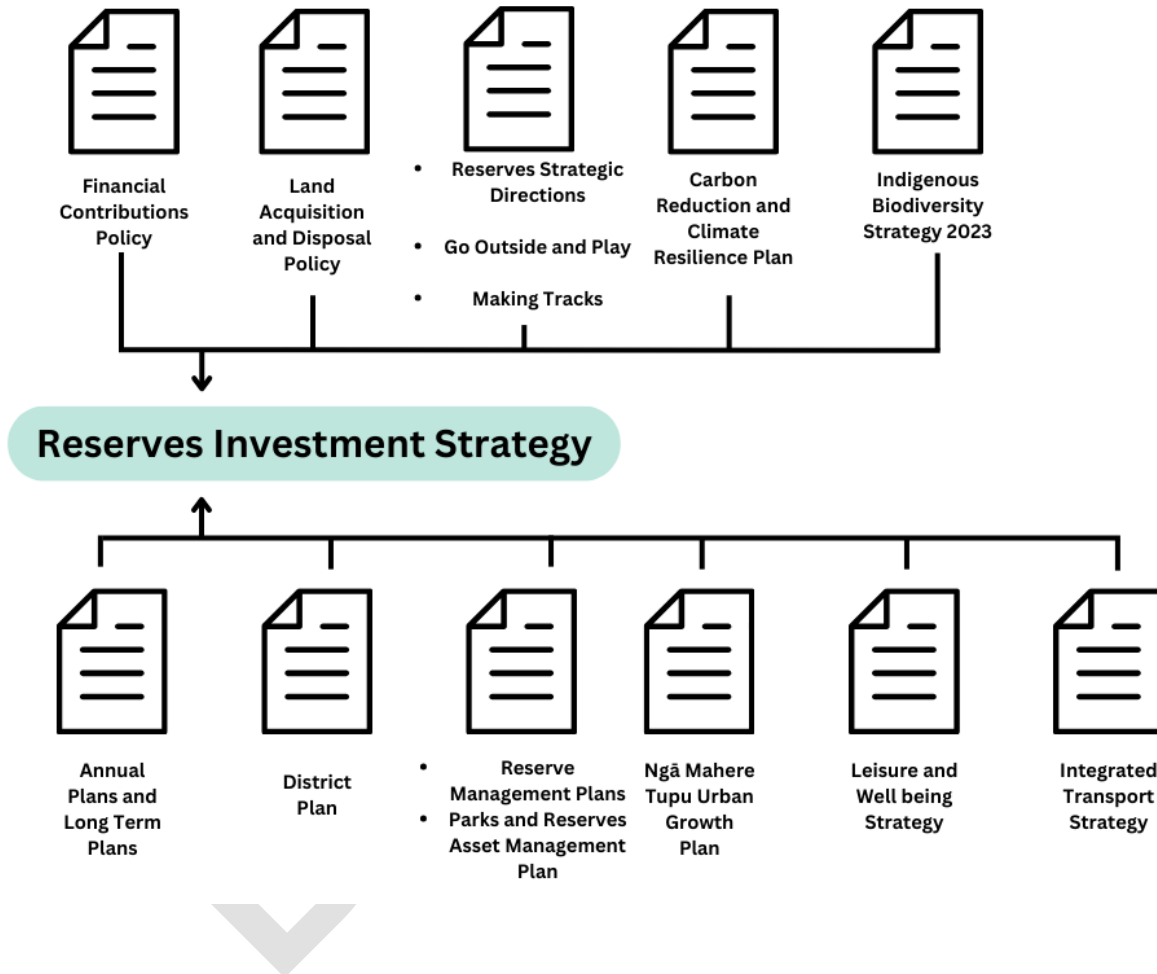
DRAFT

Horopaki kaupapa here o tā tātou rautaki: The Policy Context of our Strategy



Anga Rautaki Strategy Framework

This Strategy sets out a vision, goals, and focus outcomes that will influence existing and future projects. It aligns with and reinforces, other documents and plans that are already in use, as outlined here.



Pou Urungi o tā tātou rautaki: The Drivers of our Strategy

There are a number of strategic challenges and issues that drive our response as we manage and improve our parks to make a more accessible open space network.

What do we mean by Equity of Access?

All of Te Awa Kairangi ki Tai Lower Hutt residents can access a reserve without social, geographical, or economic barriers. Council will work towards lifting the quantity and quality of the reserve network with a focus on areas where there are pragmatic solutions to address under provision, in comparison to the provision typology.

The presentation and maintenance of reserves will need to be delivered at a level that enables the open space network to perform the intended functionality, that include using Universally Designed amenities. Communities have varied requirements, depending on factors like age, ethnicity, local topography, local levels of development/intensification, local preferences - there isn't a recipe for the perfect reserve.

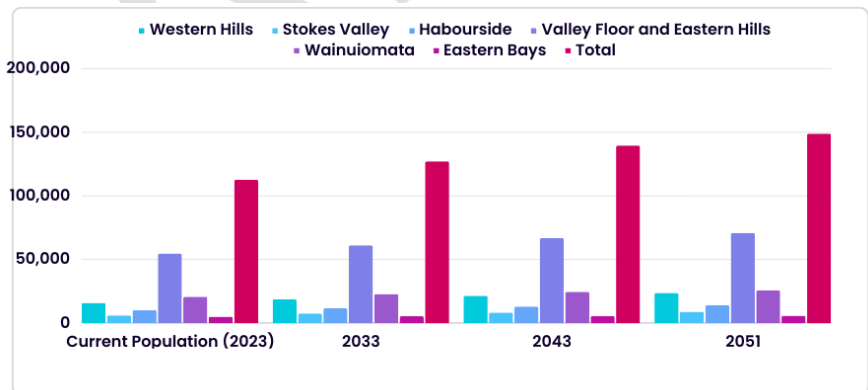
Population growth and Intensification



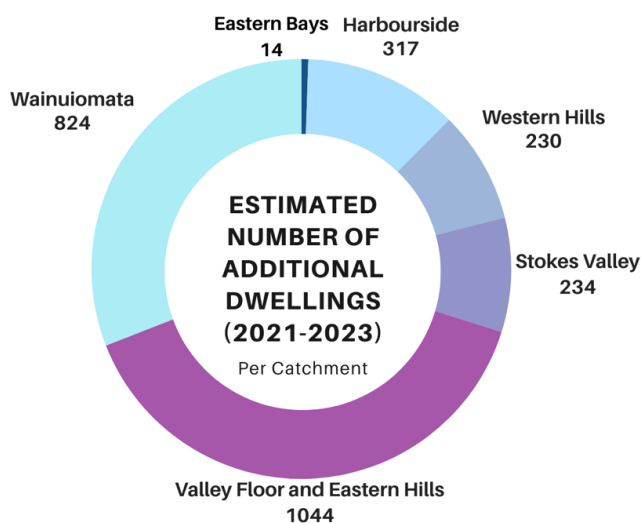
Te Awa Kairangi ki Tai Lower Hutt has been experiencing strong population growth in recent years. In 2023 the resident population count of 112,683 had already surpassed earlier projections for 2030. Hutt City's population is expected to increase between 2 and 5% per

year, while the average age will also reduce (SensePartners and NZ Stats). This population growth (as shown in the graph on the right) creates carrying capacity issues across the reserve network.

Underprovision is already a factor in some areas of Lower Hutt. Additionally, private open space is reducing in residential areas. Across the city there will be increasing pressure on our existing reserve network unless we invest in growth and the changing needs of our community.



Future development is expected to primarily consist of medium and high-density residential housing, including townhouses and multi-story apartment buildings built within already existing residential areas. In terms of future planning, the Strategy acknowledges the increasing population and diversified demographics of the region. There is a reasonable expectation of increased participation in some sports and



recreation and having access to spaces and places to support this demand becomes crucial. Increasing density may also lead to a decrease in overall site permeability. Sites with less permeability can exasperate the effects stormwater overflow and flooding. This anticipated increase in population and intensification through infill, brownfield, and greenfield development will drive the need to increase both the quality and quantity of reserves as a response to growth. The chart above illustrates recent

residential development across Hutt City.



Human & Environmental Health and Wellbeing

The health and wellbeing of Te Awa Kairangi ki Tai Lower Hutt residents and the environment are at the forefront of the decision-making process. As cities grow, higher intensification translates to less outdoor space for people to actively choose to recreate, socialise and connect with. Air and water pollution, invasive exotic plant and animal species, changes in land use, and climate change have decreased ecosystem services. Reserves support human and environmental health by supporting opportunity for incorporating mātauranga Māori in relation to the whenua. Protection of traditional places for gathering and harvesting will contribute to meeting the current and future needs of nourishing our people while providing kaitiakitanga of the natural environment.

Many cultures, including indigenous peoples, recognise the importance of open space and the connection with nature for well-being. We are not running parallel with the environment, but are intertwined with Papatūānuku moving as a singular unit. Some reserves contain spaces that are spiritually significant to Māori. They are considered places of healing, reflection, and connection to the land and ancestors. These spaces provided opportunities for cultural practices, ceremonies, and the preservation of traditional knowledge.

By focusing on community-wide access to open space we improve our quality of life, helping individuals connect, thrive, and be stewards to our environment. The concept of well-being in relation to open spaces and nature goes beyond physical health. It encompasses mental, emotional, and spiritual aspects. Being in and engaging with nature has been associated with stress reduction, improved mood, increased creativity, and a sense of belonging and connectedness.



Evolving Levels of Service

Recent investigations, including the Nuku Ora Regional Sports Field Report (2023), have revealed that the existing reserve network under-provided for training and competition spaces for some clubs/codes. Current provision needs to address gaps (under provision) and meet the growing and changing needs of our community. This may be addressed by investing in new and existing assets (including choosing assets with long lifecycles or low maintenance) and infrastructure to support the growth and/or improving existing spaces to increase the carrying capacity.

Installing or improving sports field drainage will help to provide the community with grounds that can meet demand. Provision of more or better assets may require additional operational funding. In order to maintain or extend an asset's life, sufficient operational expenditure (Opex), and renewal funding (Capex) is required to realise the full value of capital investment. Theoretically a small portion of rates from each new property is directed at operational budgets for reserves, however, Council had many funding priorities and sufficient budget is not always possible. Poorly maintained reserves are less appealing and are less likely to be used by the community. In order to meet incoming Capex, Opex must be matched proportionally in order to maintain the new levels of service.



Climate Change and Resilience

In the past decade, Aotearoa New Zealand has experienced a spectrum of climate induced disasters. Intense flooding, drought, erosion, erratic and abnormal weather, and unpredictable seismic activity have placed many regions' green network under threat. Sustainability, resilience, and equity have now become a focal point for many regions and are a leading consideration for planning and design decisions. The management of wai is especially critical in protecting and improving mauri. Mana Whenua's concept is to put water first – te Mana o te Wai.

Ka ora te wai – If the water is cared for.

Ka ora te Whenua – The land will be nourished.

Ka ora te Whenua – If the land is nourished.

Ka ora te tāngata – The people will prosper.

For Hutt City, this means planning and designing a network that can withstand climate induced changes, and provide the community with the services they need, particularly flood and inundation protection. Having more permeable surfaces and sustainable stormwater management can help mitigate these risks.

Having the right trees in the right place can help to mitigate climate change effects and sequester carbon. Retaining and planting new trees can reduce the Urban Heat Island Effect. Reserves provide spaces where large native and exotic trees (7 to 15m+ height at maturity) can thrive and this helps to sequester carbon and lower greenhouse gas emission to the atmosphere. Part of adapting to climate change includes designing and encourage

sustainable multimodal transportation to reduce the city's carbon footprint. Providing appealing neighbourhood reserves within a 10-minute walk of dwellings in residential areas is one way Council can support carbon reduction.



Relevant Legislation & Policy-Development and Financial Contributions Policy

The Reserve Financial Contributions system (enabled under the Resource Management Act 1991), allows Council to collect financial contributions through the application of the District Plan. This such helps fund growth related reserve improvement, provision and offset adverse environmental or other cumulative effects from residential, industrial or commercial development. The Reserve Purchase and Development Fund (RPF) collects Reserve Financial Contributions, Hutt City Council's *Development and Financial Contributions Policy (2021-2031)* supports the District Plan, and typically undergoes review every 3 years to review how contributions are collected and invested in. Development contributions, required under the Local Government Act (LGA), fund planned and budgeted capital expenditure related to growth for activities and assets listed in the policy's schedule, and are separate from Reserve Financial Contributions.

Financial contributions, on the other hand, are enabled under the Resource Management Act (RMA) and apply to reserves and other capital expenditure not covered by development contributions. Financial contributions may be imposed as conditions of resource consents. The specific rules for Reserve Financial Contributions are set out in the District Plan. This Strategy utilises the RPF to propose open space improvements and developments primarily during the Long Term Plan process, which undergoes review every 3 years.

Land Acquisition and Disposal Policy

The 2016 Land Acquisition and Disposal Policy was created to guide the acquisition and/or disposal of land managed as reserve when Council is contemplating sale or another use. The Council follows the Acquisition and Disposal Methodology and is used in conjunction with Māori Design Principles and the Open Space Best Practice Design Guide. This policy helps to mitigate any issues Council may face when considering changes to the reserve network. For some acquisitions and disposals, the inclusion of advice from professionals like landscape architects and ecologists is required and in other cases consideration with Mana Whenua.

Open Space Zones (Sport and Active Recreation Zones, Natural Open Space Zone, and Open Space Zone)

Open Space Zone (OSZ): The OSZ contains many of Hutt City's smaller sized reserves. OSZ reserves are characterised by open spaces with limited infrastructure and are utilised for both passive and active recreation, conservation, and community activities, and cemeteries. The zone primarily provides for the operation and development of parks, open space reserves, gardens, and community facilities owned and/or administered by Council and Greater Wellington Regional Council (GWRC)

Natural Open Space Zone (NOSZ): The NOSZ is focused on setting specific objectives, policies, and rules for natural open spaces that contain high natural, ecological, and historical values allowing for both passive and active recreation, conservation, cultural, and community activities. The zone primarily provides for the operation and development of larger greenspace owned and/or administered by Council, GWRC or the Department of Conservation (DOC).

Sport and Active Recreation Zone (SARZ): The SARZ is focused on sports fields and facilities and include those areas that are used for organised sports and that are used for information active recreational within urban areas. This zone primarily applies to public parks that are used for active recreation such as sports fields, golf courses and larger reserves with play features.



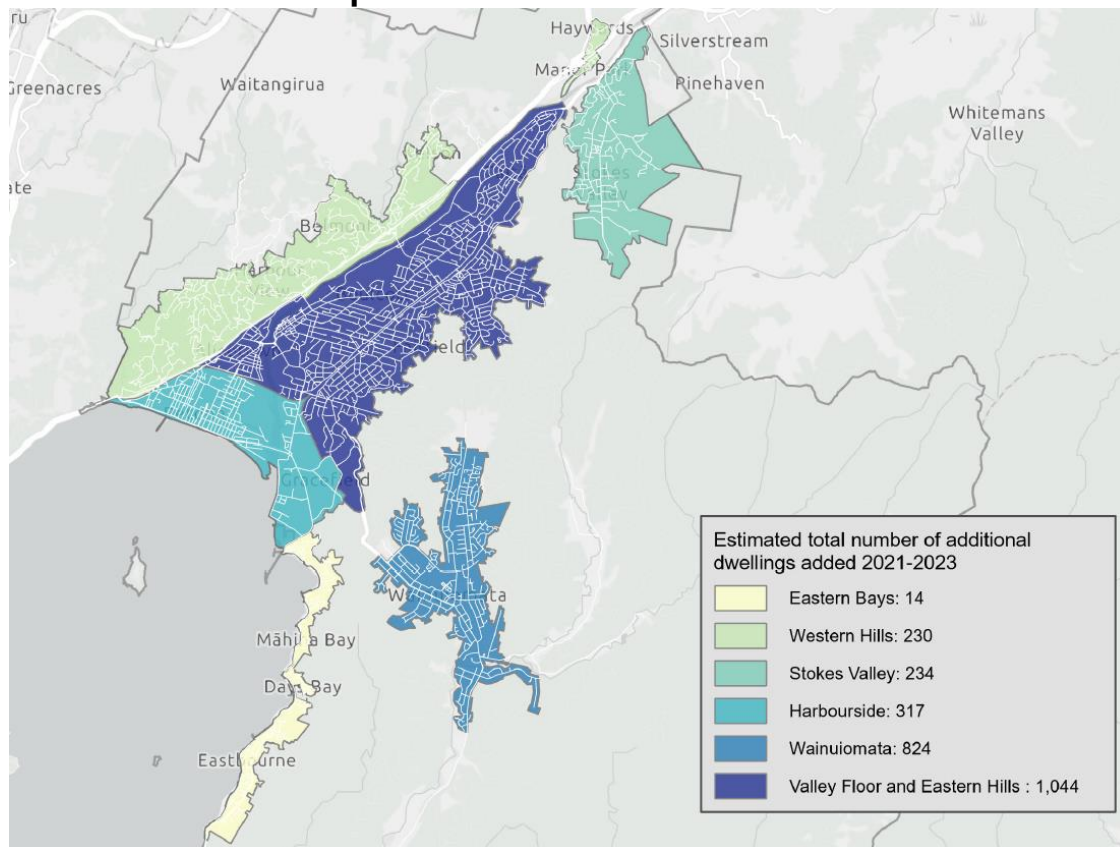
Land Use Changes

Hutt City's ability to acquire well located property of sufficient size and useful shape and terrain can be challenging, especially in parts of the city where residential, commercial and industrial uses are already established. The Parks and Reserves Asset Management Plan (2023) outlines development strategies to help address the growing need for reserves. Reserve acquisition, improvement, or enhancement, funded by Reserve Financial Contributions, may include the provision of new or upgraded assets that are required to amend levels of service. These reserve financial contributions can be separated into:

- Growth – development of new assets responding to population growth, cumulative and adverse environmental effects and residential/commercial activity;
- Level of service improvement – development or upgrade required to meet specified levels of service. This may also include renewals that have been more impacted by usage due to growth.

The Strategy, coupled with the Open Space Best Practice Design Guide, aims to outline how potential land acquisition or existing reserve improvement may occur when a need for development has been identified. The thematic map below illustrates catchments of increased dwelling density throughout Hutt City. Areas with the highest growth in dwelling numbers are the Valley Floor and Wainuiomata.

Dwelling density across catchments–additional dwellings from subdivision and development 2021–2023



**He urupare Hapori–What our community has told us
Nuku Ora Report–Regional Sports Field Report**

The Nuku Ora Survey was completed in September 2023 and focused on traditional turf codes/clubs and some indoor sporting facilities across the Wellington region. The study analysed the supply and demand of those sports fields in the region as a whole, rather than focusing on individual councils or codes. As the population increases and diversifies, there is an expectation for increased participation in various forms of physical activity, including sports that utilise sports fields.

This increased demand puts pressure on existing facilities and necessitates the need for planning and investment decisions to meet the growing demand. The study identified that Lower Hutt was missing a total of 88.4 hours of provision. Primarily significant deficits were identified for football and rugby league. Some of the main challenges identified with the provision of sporting fields and equitable access to sporting field infrastructure across the region included:

1. Existing grounds in Hutt City are unable to meet the demand for training and competition. Ground conditions and drainage are issues limiting carrying capacity
2. Inadequate infrastructure, such as changing rooms, toilets, and shower blocks
3. Limited access to lighting for sports training
4. Difficulty in accessing fields during non-traditional times due to conflicts between matches and development activities
5. Shared ownership of assets like lighting, fencing, and ongoing maintenance costs.

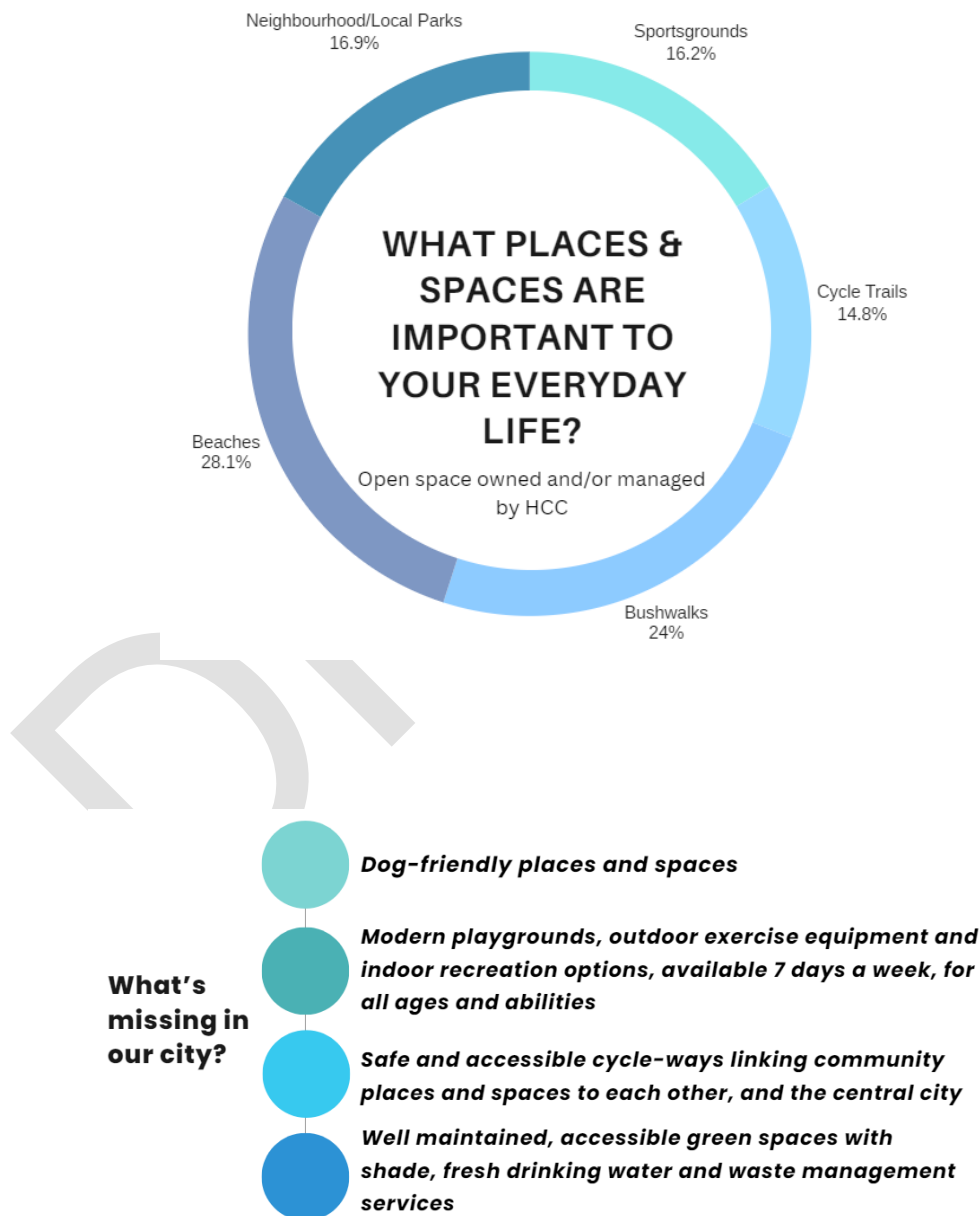
To address gaps and future plan, key recommendations were made around some potential solutions to mitigate further gaps. Shared themes include:

1. Maximising the use of available fields: This involves maintaining and improving the current network by reallocating existing fields and prioritising upgrades to facilities such as drainage, floodlights, amenities, and sand-carpeting;
 - a. Making more effective use of sports fields through adjusting code allocations and use schedules.
2. Repurposing spaces in the region;
 - a. Increasing the supply of sports fields by repurposing existing land or acquiring new land.
3. Develop new sports fields in areas where there is a lack of availability (this could be done through the Reserves Investment Strategy).

These implementations of these recommendations would increase the capacity of existing sports fields and optimise their use. However, it is important to consider their feasibility, cost, and long-term sustainability in the context of population growth and development. Implementation would be required by Hutt City Council and others.

2023 Places and Spaces Engagement Survey

In March 2023, a survey was conducted to better gauge how residents interact with Hutt City's owned and/or managed assets (parks, playgrounds and features, buildings, and facilities). Many respondents indicated that Council operated reserves and the amenities within them were important features in their neighbourhood. Below are some critical highlights from the survey results.



2023 Residents Satisfaction Survey

The Residents Satisfaction Survey is an annual survey with the purpose of determining levels of satisfaction Hutt City residents have with Council services, facilities, and decision-making to identify possible future improvement opportunities. With respect to parks and open space, residents shared what aspects they valued and appreciated within the network shown in the diagram below. Overall, these factors contribute to residents' positive experiences and appreciation of parks and open spaces in Hutt City.



Wānanga Tuarua: Tūāhua onāianeī- Section 2: Take o te wā: Our current situation

Our Reserves Network

Hutt City's reserves play a key role in connecting our communities, and providing spaces for people of all ages to recreate, socialise and relax. They also present venues for community activity, celebrating local identity, increasing native biodiversity, strengthening ecosystem services, and offer alternative transportation options. It is evident that existing open space is an asset and decisions on its future need to be considered very carefully.

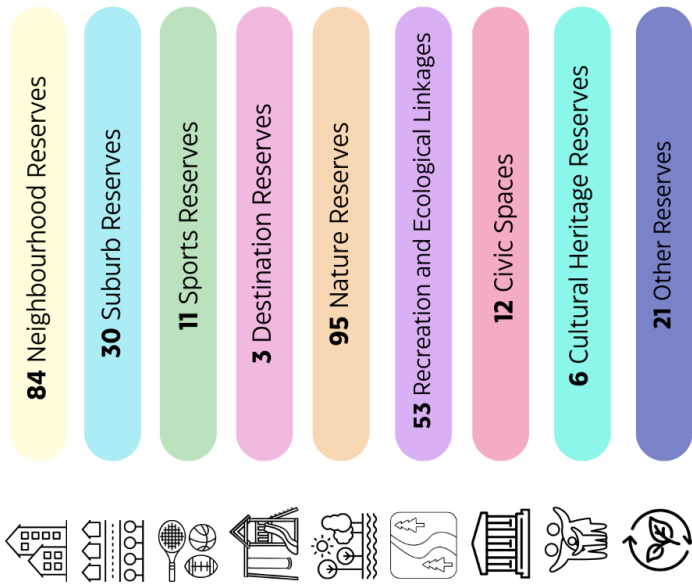
Using the bespoke Open Space Provision Typology Framework (The 'Framework') (Appendix A) assessing all reserves managed or owned by the Parks and Reserves Team, Hutt City Council currently has an estimated 2,996 ha of land managed as reserve. Of these 2,996 ha, approximately 337 ha are actively maintained reserves. There is an additional 16,000 ha of open green space managed primarily by Greater Wellington City Council and Department of Conservation.

Note: The assessment was primarily based on existing site access, size and existing function. Increasing amenity and overall fit of some reserves is required in order to meet the designated priorities of the framework.

The quantity of open space provided in urban areas (actively maintained) is well below similar territorial authorities in Aotearoa New Zealand.

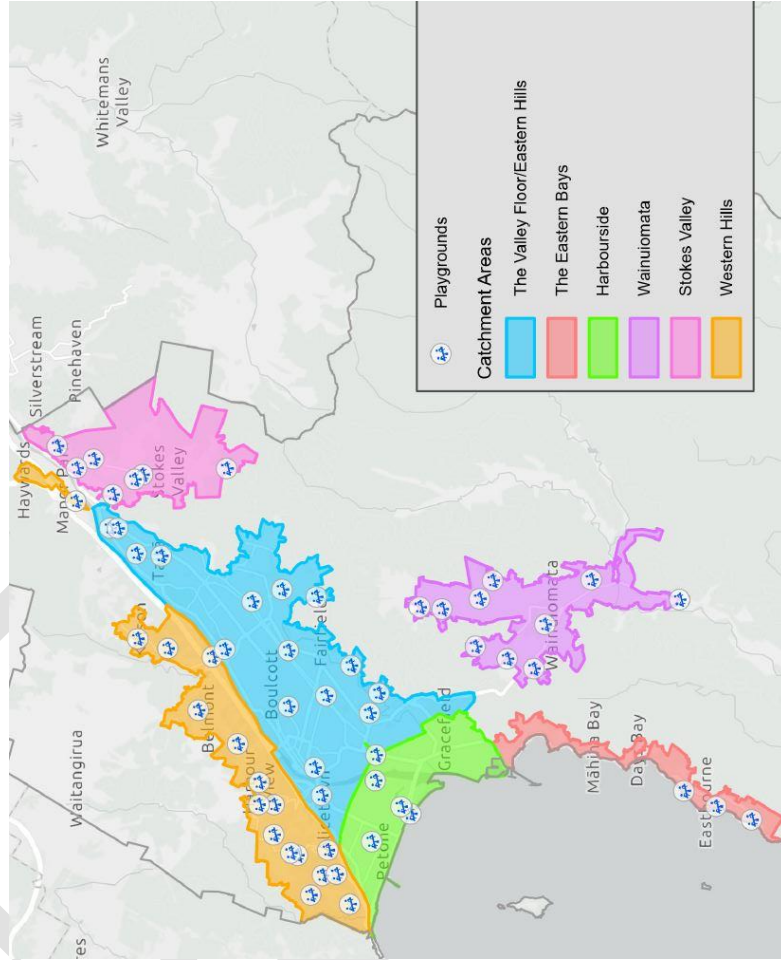
Typology in Hutt City	Hectares (ha)
Neighbourhood	65
Suburb	121
Sports Park	111
Destination Park	19
Nature	2,391
Recreation & Ecological Linkage	66
Civic Space	2
Cultural Heritage	65
Other Reserves	155
Grand Totals	2,996

Using the Framework, Council's reserves have been assessed to categorise quantity of reserve typologies (image on the left). However, 21 outlining reserves did not fall within the category framework as their general design characteristics, size, amenities, and proximity to residential areas do not comfortably match a provision level. However, these 21 reserves provide open space that is publicly accessible, and may provide other social, cultural, or environmental values. The Strategy paired with the Open Space Best Practice Design Guide will help to guide future provision of reserves so that all reserves fit into a typology and are fit for purpose.



Existing Playground Provision

There are 57 playgrounds that currently exist across Lower Hutt (map on the right). As these playgrounds are scheduled for



regular renewal and maintenance, there is opportunity to improve these sites to meet increasing levels of service, and to incorporate Universal Design and non-traditional play features for all ages (including space for caretakers) w/varying abilities. Within Lower Hutt, there are noticeable gaps in playground provision across some catchments, particularly in the Valley Floor and Stokes Valley. The demographics of these catchments tend to be of growing and diverse families and young first-home buyers or renters, most suited to needing access to playgrounds or play features.

How does the Open Space Provision Typology Framework help to manage reserves provision across the city?

The Open Spaces Provision Typology Framework provides Council with high level guidance around reserve provision and which investments should be funded from the Reserve Purchase and Development Fund. Applying this framework, paired with the Open Space Best Practice Design Guide (2024), and the Land Acquisition and Disposal Policy will help to close existing and anticipated gaps in reserve provision across Hutt City.

The Framework (Appendix A) outlines the eight levels of provision hierarchy: Neighbourhood Reserve, Suburb Reserve, Sports Park, Destination Park, Nature Reserve, Ecological Linkage or Corridor, Civic Space and, Cultural Heritage Reserve. The concept is an adaptation of the New Zealand Recreation Association (NZRA) Parks Categories Framework to suit Hutt City Council. The Framework is a set of metrics based on five specific criteria. These standards ensure residents have good access to a range of reserves and a variety of open space experiences. Detailed typologies are in Appendix A. The open space planning criteria include:

1. **Provision Typologies** – categorises reserves to be categorised based on their purpose, size, and location
2. **Access** – outlines how residents are expected to access the park, reserve, or open space, normally categorised by time,

distance, and mode of transport, which underpins raising levels of equity

3. **Population-ratio/Catchment Size** – refers to the ideal number of residents the space serves, based on its purpose, size, and intended access. Often the level of provision is in relation to the level of population and a typical guideline has been 4 hectares/ 1000 people in Aotearoa New Zealand
4. **Size/Area Percentage** – a specified quantity of land to be reserved for open space depending on the expected use of the reserve
5. **General Design Characteristics** – the development that makes a space fit for purpose, or what are the key design characteristics needed in a space of that size and purpose for it to be effective.

Hutt City also follows additional performance measures outlined in the Open Space Best Practice Design Guide when it is evaluating projects to determine whether they could be funded by the Reserves Purchase and Development Fund because they are growth related. These fine grain measures ensure that reserves are fit for purpose, depending on the function and anticipated use. Mana Whenua aspirations are considered. The considerations are:

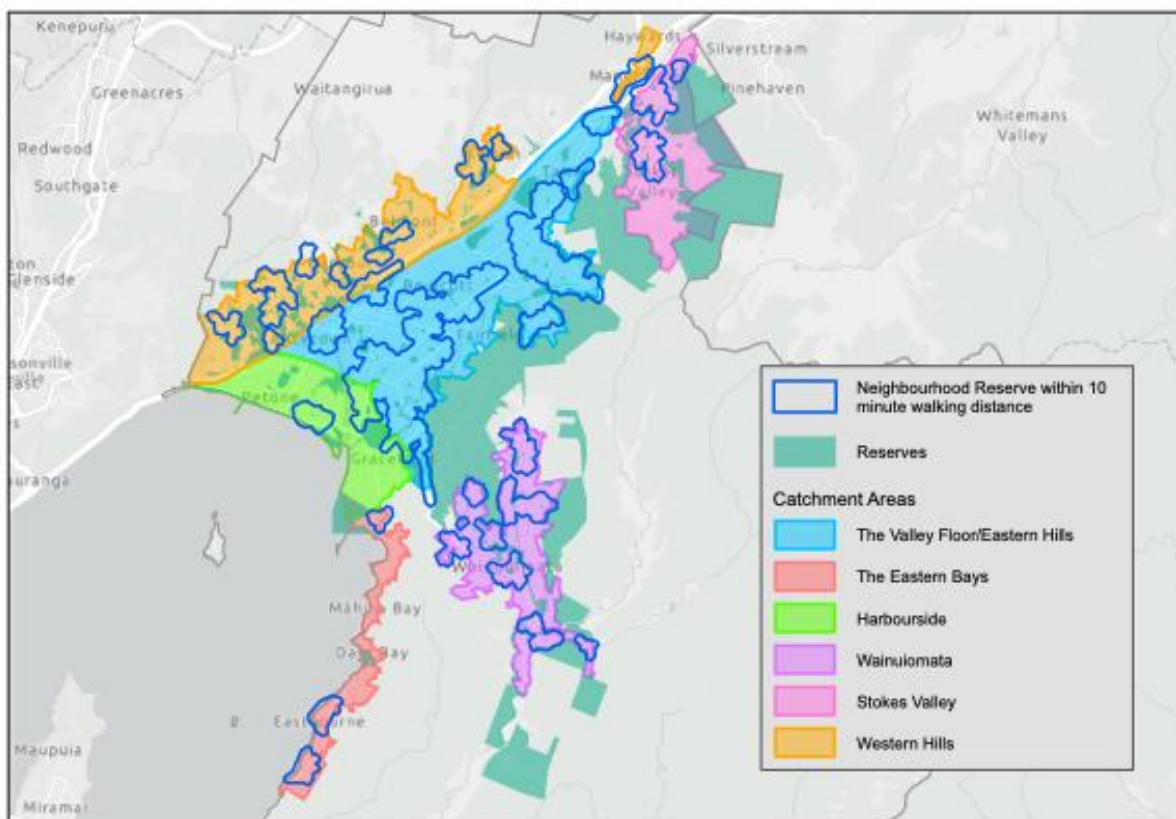
1. Quality and performance (fit for purpose)
2. Health and wellbeing
3. Environmental protection and enhancement
4. Cost effectiveness and fiscal responsibility (align with Council's Asset Management Principles).

Are we providing the right spaces? Provision trends across Lower Hutt

Hutt City has an extensive natural bush reserve lands in the surrounding mountains, but it is not evenly distributed throughout the city, and in some areas does not adequately serve the growing population. Distance (walking distance/time) and size (ha) are the main two factors when considering the provision of open space within a city. Focusing on three key types of public reserves: Neighbourhood (Study Area 1), Suburb (Study Area 2), and Sports Park (Study Area 3), we can test the network against the existing size (ha) and access (walking distance/time) within the Typology Framework to the existing reserve network.

Study Area 1: Neighbourhood Reserve Provision

Neighbourhood Reserves are appealing local spaces that meet every day needs of nearby residents. Some households may treat them as an alternative to private greenspace,



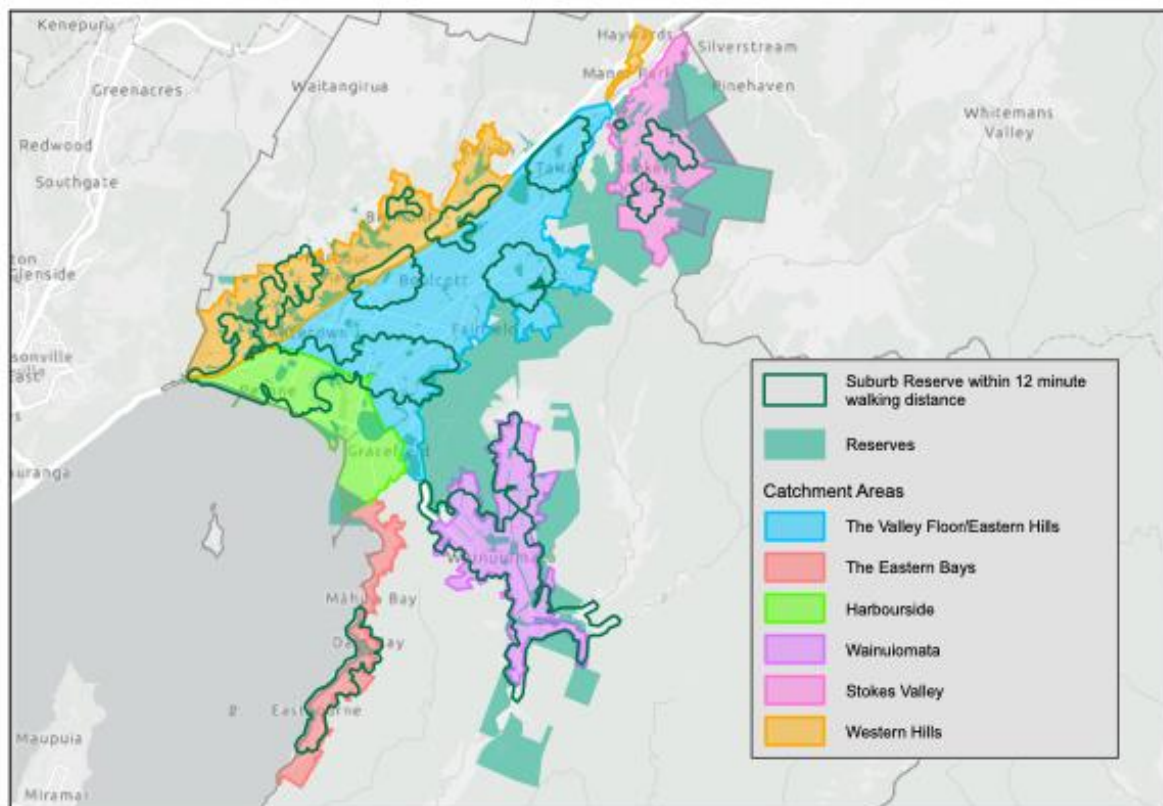
essentially and extension of their homes. Neighbourhood Reserves tend to have few buildings and simple landscapes. Areas inside the blue lines indicate the location of reserves that are within 10-minute walking distance of a neighbourhood reserve. The map illustrates clear gaps in provision, demonstrating the need for additional reserves in residential areas.

Notable gaps in neighbourhood provision are:

1. Valley Floor/Eastern Hills- Large pockets of minimal to no provision, centralised in the areas of Fairfield, Taitā, Alicetown, Avalon, and Naenae
2. Eastern Bays - Limited neighbourhood provision. Some neighbourhood reserves are limited in amenities and only offer basic or single function. Although there are significant gaps in neighbourhood provision, coastal beach reserves and large suburb reserves exist as primary outdoor space.
3. Wainuiomata - Low to minimal provision of neighbourhood parks and underdeveloped neighbourhood sites (there is a high reliance on and limited access to only natural and native bush reserves)
4. Western Hills - Gaps of neighbourhood provision between Belmont and Kelson, as well as lower Korokoro and parts of Normandale (there is a high reliance on and limited access to only natural and native bush reserves)
5. Harbourside -Minimal to no provision across the whole catchment, most noticeably in the Petone and Gracefield area
6. Stokes Valley - Low provision for in the Southern part of the catchment, although high concentration of neighbourhood provision in the North end of the valley.

Study Area 2: Suburb Reserve Provision

Suburb reserves are important pieces in the reserve network because they are larger and provide for a wider range of experiences and greater multi-purpose functionality that what is found at neighbourhood reserves. Suburb reserves tend to be in prominent locations and may be near commercial activity and potentially contain community facilities. The area



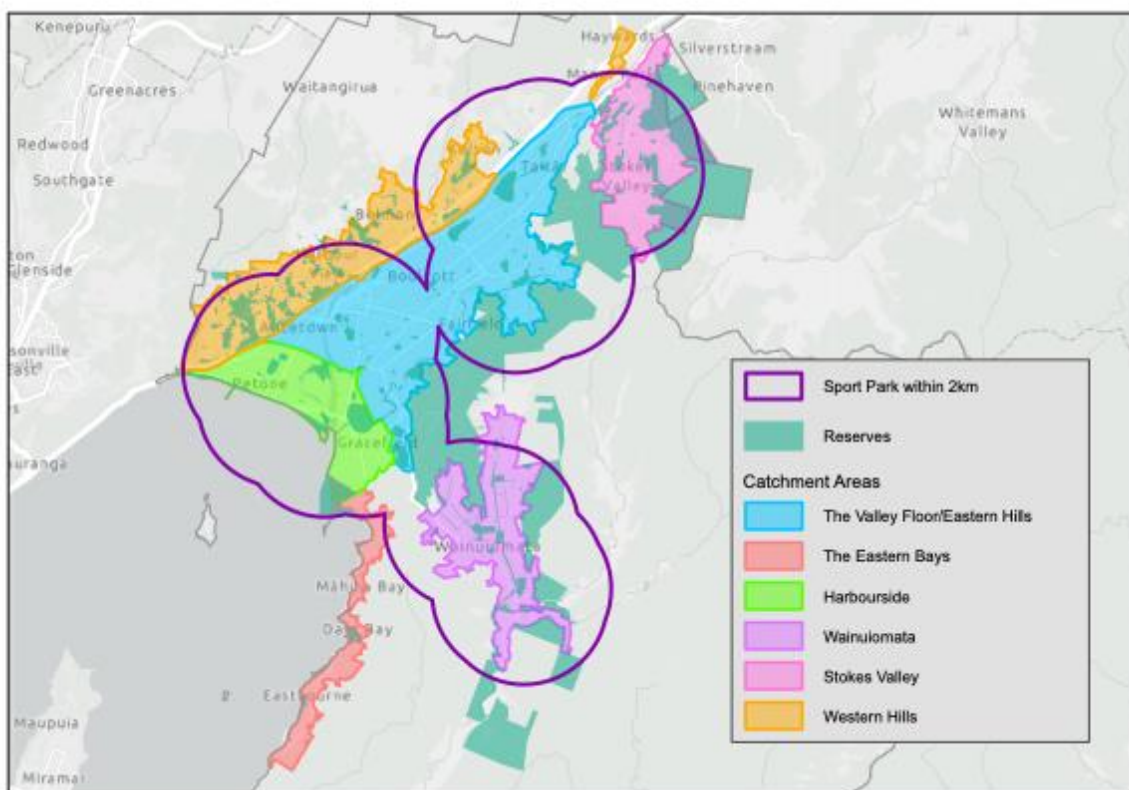
inside the green lines indicates urban areas located within a 12-minute walking distance of a suburban-sized reserve.

Notable gaps in suburb provision are:

1. Valley Floor and Eastern Hills - Limited to nil provision within the Eastern suburbs in the Valley Floor including Waterloo, Boulcott, Epuni, Fairfield, and Waiwhetu. With ongoing intensification, there will be a growth in population.
2. Harbourside - Small gaps of no provision, mainly in Grace field and Seaview (although it is noted that this area has a high concentration of industrial dwellings). However, areas growing in residential density such as Moera will be missing larger suburb reserves.
3. Western Hills - There is a large gap north of Tirohanga, between Belmont and Harbourview that has no suburb reserve provision. Residents rely on the many natural reserves surrounding the catchment, but they have limited access points and are not accessible to many residents because of the topography of the area)
4. Stokes Valley -Suburb-sized reserves appear to be more concentrated centrally, with a gap in South Stokes Valley, and the tip of the North.

Study Area 3: Sports Park Provision

Sports Parks are focused on organised sport and recreation. They cater to both local residents and citywide or regional population (for competition purposes). The purple lines indicate access to a sports park within a 2km, 15–30-minute reach, typically through private transportation. These parks are typically larger open green spaces with formal outdoor sports surfaces (natural turf, artificial turf and hard surfaces). Some sports fields host indoor sporting facilities that include court spaces, indoor training and clubrooms. Sports Parks



20

provide the community with benefits beyond sporting surfaces and facilities through multi-purpose functionality for exercise and informal sport competitions and practice.

Notable gaps in sports parks provision are:

1. Eastern Bays- Although there are suburb reserves that provide areas for playing and training on fields, the catchment has no larger sports parks that cater sufficiently to multiple clubs/codes.
2. Stokes Valley- There are notable gaps in turf field provision, specifically football fields. Junior football participation has increased significantly in recent years as the population grows, creating higher demand for longer performing turf and need to make sport parks more multi-purpose (such as tracks and play areas for growing families). Although a sport park is largely within 2km of residential, there is only 1 primary sport park that carries organised sport.
3. Western Hills- Low sports park provision within the areas of Belmont, Tirohanga, and Harbourview. The topography of this area doesn't easily provide for larger sporting facilities.

What kind of open space is in each catchment? Existing Reserve Provision

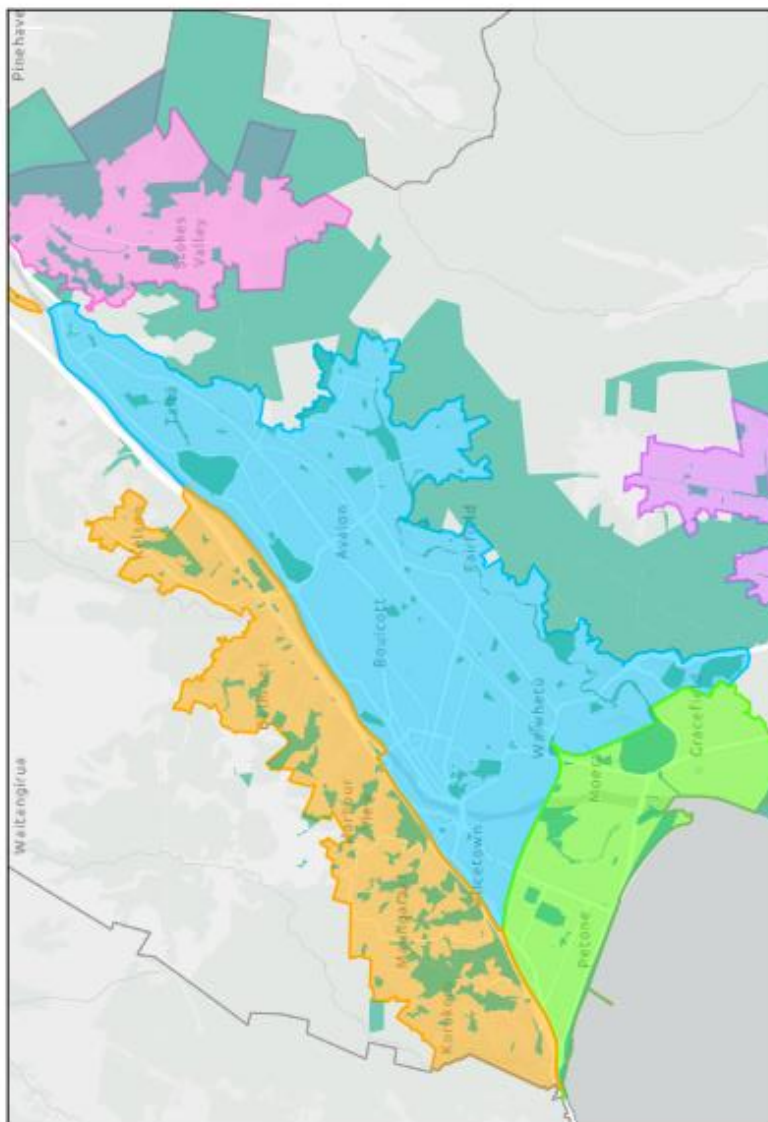
The Valley Floor and Eastern Hills

The Valley Floor and Eastern Hills (in blue) is the most heavily populated and dense catchment with a current population of 64,930 people and has a projected population growth to 75,890 by 2051 (SensePartners, 2021). Most residents live in the suburbs of Waterloo, Naenae, and Taitā. There is a total of 419 ha of both active and passive reserves to serve these communities. The Hutt River Corridor is virtually free of development and provide public open space and opportunities for recreation.

There are 39 neighbourhood reserves, 6 suburb reserves, 4 sports park reserves, 13 nature reserves, 20 recreation and ecological linkages, 3 destination parks, 7 civic spaces and 4 cultural heritage reserves. The Hutt River Corridor, which is managed by Greater Wellington Regional Council (GWRC) is not included in the figures used in the Strategy. This catchment also currently contains the highest levels of social and economic deprivation within Hutt City.

Suburbs within the catchment:

- Waiwhetu
- Alicetown/Melling
- Boulcott
- Avalon
- Fairfield
- Taitā
- Naenae
- Waterloo
- Woburn
- Hutt Central
- Boulcott
- Epuni



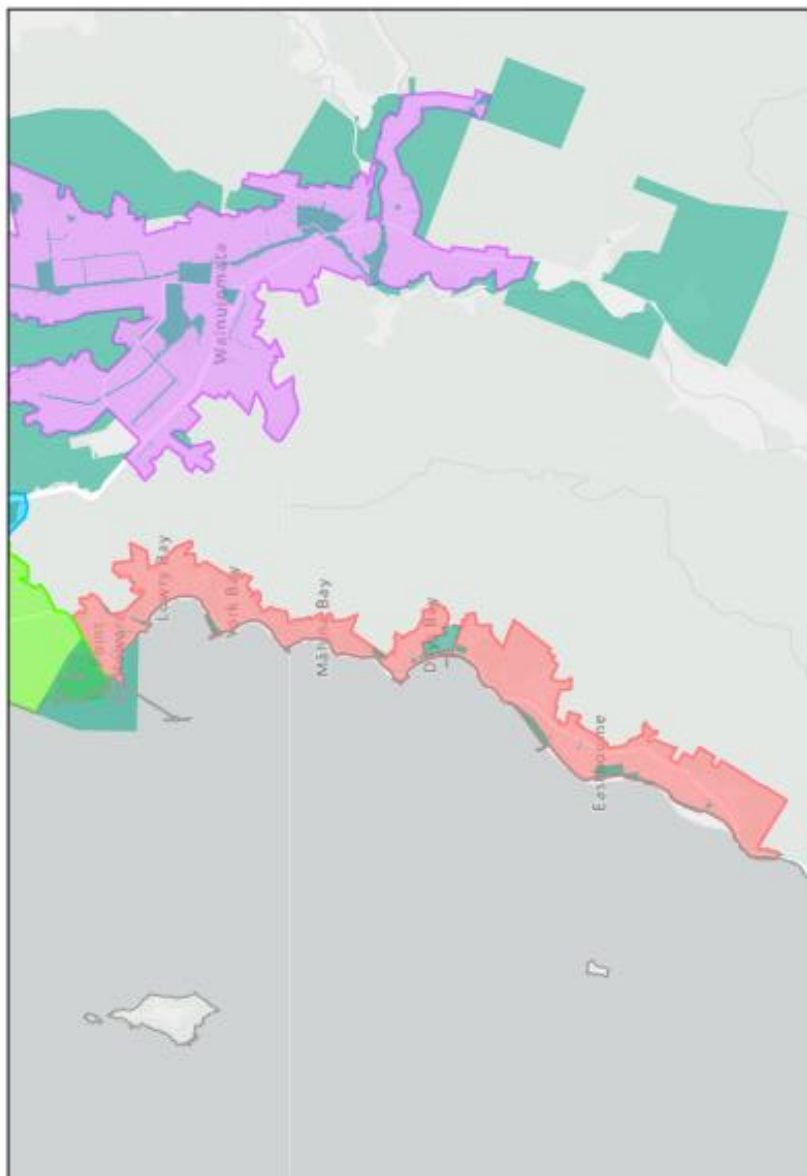
The Eastern Bays

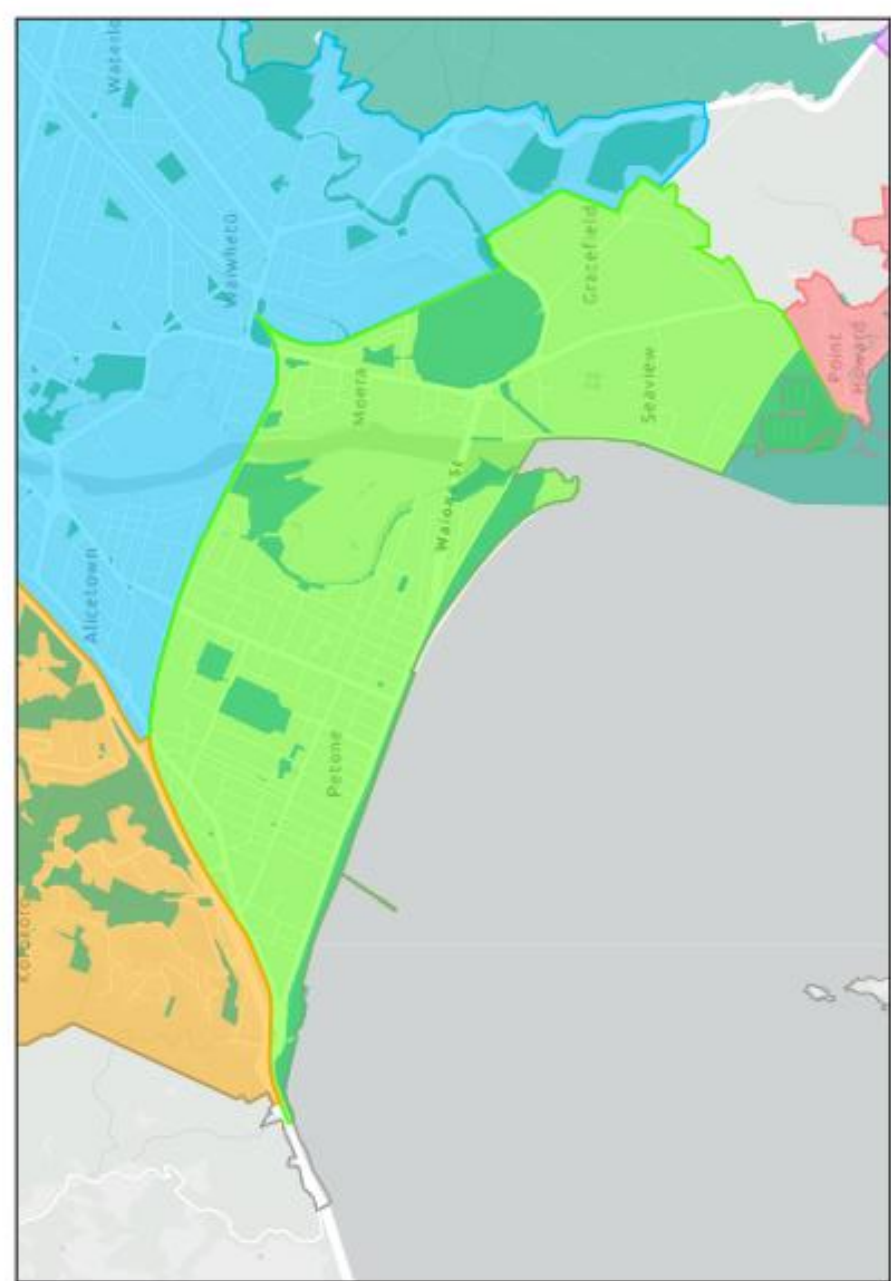
The Eastern Bays catchment (in red) is the smallest of the catchments, with most of the population centred in Eastbourne. There is a total of 19 ha of passive and active reserves. However, East Harbour Regional Park (managed by GWRC) sits parallel to the Eastern Bays and provides large areas for walking of cycling, tramping, and other recreational activities). The area has a high reliance on native bush for reserve provision but is also home to a few neighbourhood and suburb reserves. Land within East Harbour Regional Park is not included in the 19 ha stated above.

There are some recreational and ecological connections, primarily along the coastline. The current population is 5,039 and the proportion of elderly people is going to increase to approximately 20.9 % of the total catchment population over the next 15 years. There are 4 neighbourhood reserves, 3 suburb reserves, 9 nature reserves, 4 recreation and ecological linkages and 2 civic spaces.

Suburbs within the catchment:

- Lowry Bay
- York Bay
- Mahina Bay
- Sunshine Bay
- Days Bay
- Eastbourne





Harbourside

The Harbourside catchment (in green) hugs the northern edge of Whanganui-a-Tara Wellington Harbour. The population of Petone is expected to increase from 10,148 to 13,980 residents within the next 30 years. The average age of Petone residents will drop. There is a total of 125 ha of passive and active reserves in the Harbour Catchment.

There are 4 neighbourhood reserves, 4 sports park reserves, 1 cultural heritage reserve, 3 suburb reserves, 2 nature reserves, 2 civic spaces and 7 recreation and ecological linkages.

Suburbs within the catchment:

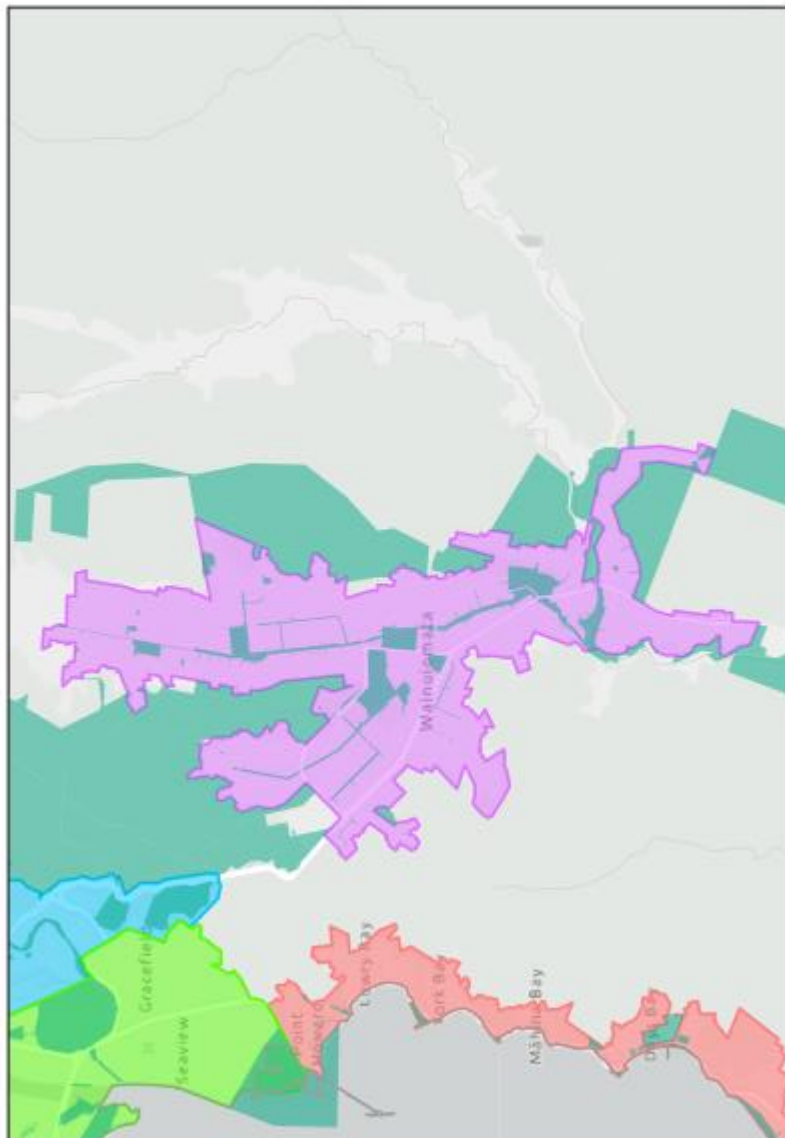
- Petone
- Moera
- Seaview
- Gracefield

Wainuiomata
 The Wainuiomata catchment (in purple) is surrounded by East Harbour Regional Park, the Eastern Hills and the Remutaka Forest Park. There is a total of 837 ha of both active and passive reserves, excluding the Regional Park and the Forest Park. The large concentration of natural areas provides users with many outdoor recreational opportunities and offers some ecological linkages.

There are 13 neighbourhood reserves, 7 suburb reserves, 2 sports park reserves, 12 nature reserves, and 19 recreation and ecological linkages. Some assets are sports parks and supporting facilities and play features. The area is currently home to approximately 20,025 residents and forecasted to increase by 4,000 people by 2051. There is a higher concentration of younger people with the average age ranging between 15–39 years old.

Suburbs within the catchment:

- Wainuiomata West
- Arakura
- Glendale
- Homedale East & West
- Wainuiomata Central
- Pencarrow & Rural



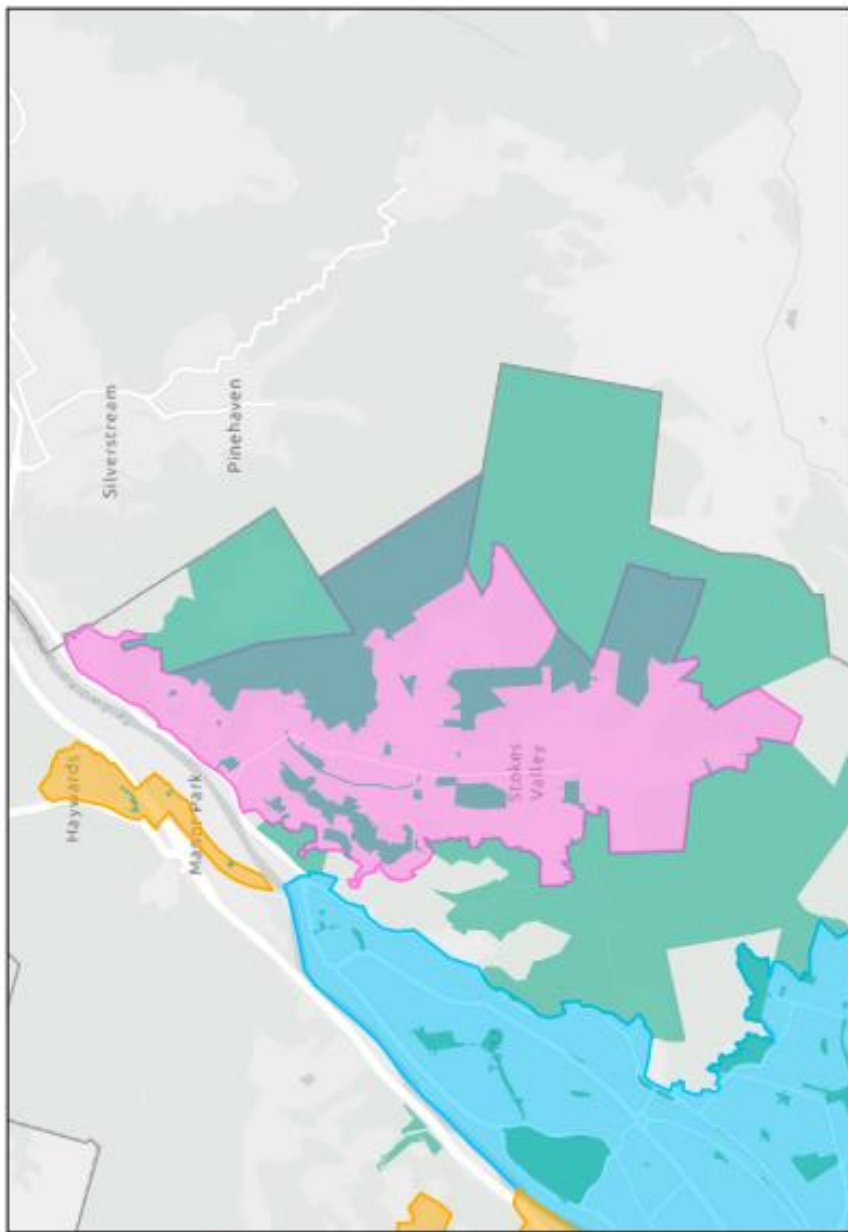
Stokes Valley

Stokes Valley is a diverse catchment that is home to around 6,058 people and contains 1,378 ha of active and passively maintained reserves (primarily large swaths of nature bush reserves) with a variety of amenities including trail networks (primarily in the hills), play features and local parks.

There are 10 neighbourhood reserves, 3 suburb reserves, 11 nature reserves, 1 civic reserve, 1 sports park reserve and 2 recreation and ecological linkage. Stokes Valley overall has less green corridor connection to move from the public open spaces, and a lack of various sport parks for both informal and formal organised sport (there is only 1 primary formal sport ground).

Suburbs within the catchment:

- Stokes Valley North & Central

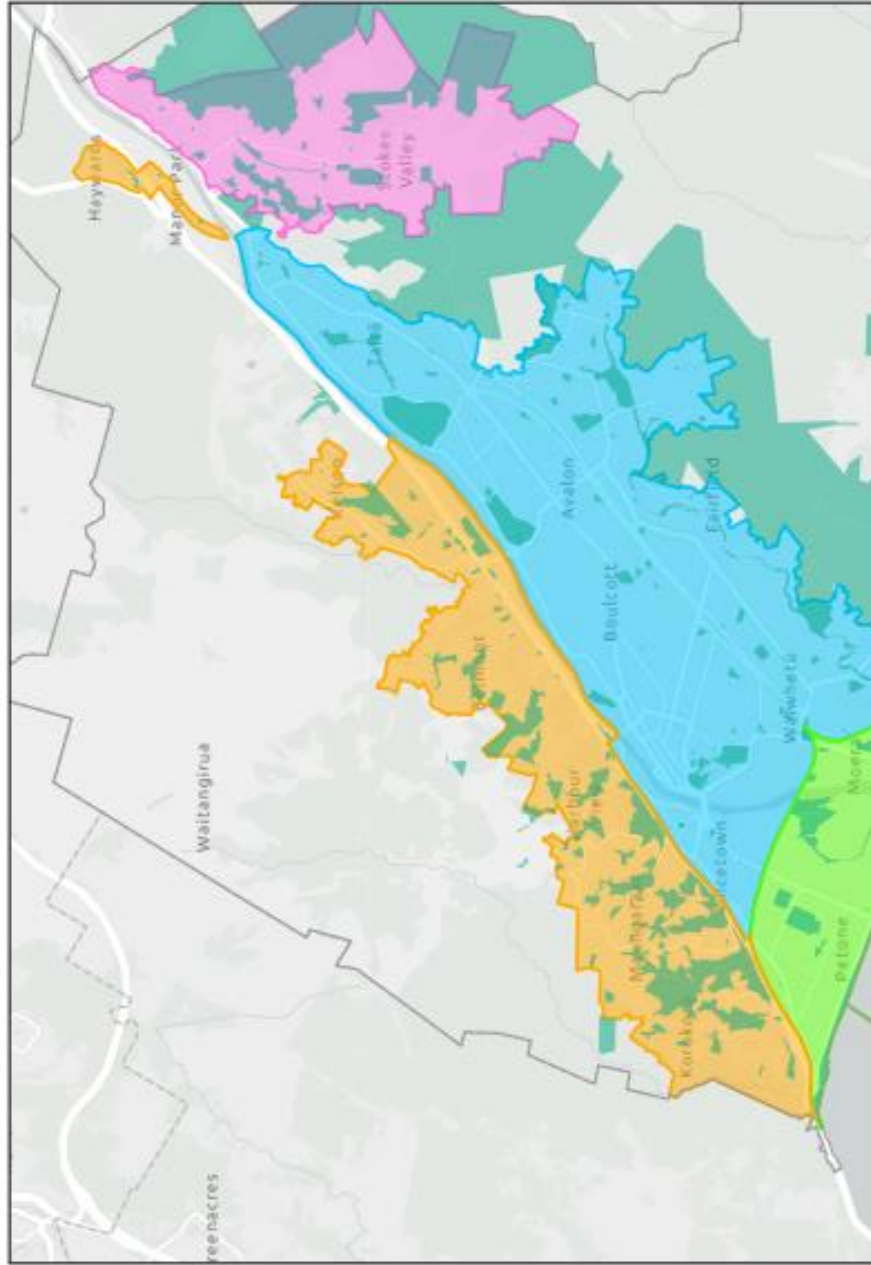


The Western Hills

The Western Hills catchment (in orange) has a current population of 14,991 and is set to increase by 5,000 by 2051 (SensePartners, 2021). There is a higher number of elderly people, which is steadily increasing. The reserve network consists of 15 neighbourhood reserves, 5 suburb reserves, 48 nature reserves, 2 recreation and ecological linkages, and 2 civic spaces. With an undulating landscape comprised of residential areas, forest, some pasture and bush gullies, the catchment is home to approximately 217 ha of active and passive reserves. The figure excludes Belmont Regional Park. Belmont Regional Park (managed by GWRC) forms the western edge of this catchment, providing significant protection of indigenous biodiversity and recreational opportunities which attracts locals and the wider community.

Suburbs within the catchment:

- Korokoro
- Tirohanga
- Belmont
- Kelson
- Maungaraki
- Normandale



Section 3: Our Future –Principles and Outcomes

In line with the Leisure and Wellbeing Strategy, the Reserves Strategic Directions, Go Outside and Play, the Parks and Reserves Asset Management Plan, the Strategy will also support the activation of Council to support growth and urban intensification by providing open space (green and built) opportunities for recreation, play, physical activity, relaxation, gathering and connecting with nature.

Ngā Mātāpono: Guiding principles

The vision, principles, and focus outcomes of this strategy will underpin future decisions to fund projects from the Reserves Purchase and Development Fund. Hutt City has a fiscal responsibility to provide a reserve network that:

- a. Provides the community with sufficient and quality spaces and services; and
- b. Is funded and operated in a sustainable way at standards that meet the expectations of the community

To achieve this, we have adopted six principles to guide planning, design, and management of the reserves;

1. Community Driven
2. Being Proactive
3. Connectedness-Supporting our Communities
4. Quality at the Core
5. Environmental Stewardship: Te Taiao-Protecting and Enhancing the Health of our Environment
6. Partnership Approach

These principles require Council to make conscious and targeted decisions when planning, working alongside Mana Whenua, the community, and individuals involved in property development for the reserves network.

Guiding Principles- what do these mean for Hutt City?		
<p>Community Driven</p> <p>Council supports a community led approach. This incorporates community preferences and priorities for reserves. This, alongside understanding the known gaps in provision being filled, will increase equity of access. At a design level, we will provide opportunities for communities to participate in the decision-making process, including tamariki, rangatahi.</p>	<p>Be Proactive</p> <p>We will improve the network so that it can cope with growth and urban intensification and be more resilient to climate change. Being proactive in the design and development of our reserves will lead to a more resilient network that meets the needs of communities. Evidence based decision-making and best practice will underpin decisions about reserve development and documents such as the Nuku Ora Sports Field Strategy will influence provision decisions.</p>	<p>Supporting our Communities</p> <p>Communities are at the heart of our reserve network. The design and allocation of current and future reserve assets must be strategic to connect diverse communities that may include medium to high residential areas. Our spaces should promote kaitiakitanga and foster connectedness among users. Ultimately, the network will be designed to support accessibility, considering all mobilities and abilities and cater to all ages and stages as the site and resources allow.</p>
<p>Quality at the Core</p> <p>Council is continually challenged to resource ordinary ongoing operational maintenance and renewals. Capital investment may create assets which need ongoing operational budget to deliver the intended benefits to the community. Sustainability and equity are also key to providing quality spaces. Hutt City sets out the resourcing requirements in the Parks and Reserves Asset Management Plan and this informs the budget set in the Long-Term Plan.</p>	<p>Environmental Stewardship: Te Taiao-Protecting and Enhancing the Health of our Environment</p> <p>Urban and peri-urban reserves and open spaces are becoming more important in addressing climate induced challenges. Reserves provide a variety of spaces for indigenous biodiversity to flourish and will help to deliver some outcomes outlined in the 2023 Indigenous Biodiversity Strategy. Identifying, protecting, and managing indigenous biodiversity requires active tangata whenua relationship, engagement, and sufficient resourcing. Utilising mātauranga Māori to help make evidence-based decisions for planning and protecting green space. Connection with nature in outdoor can help encourage people to take stewardship of the space.</p>	<p>Partnership Approach</p> <p>Implementation will be ongoing and progress will largely depend on projects approved in the Long Term Plan process. Some projects will best be coordinated with other agencies, community groups, Codes, Mana Whenua or internal Council teams. Actions will be taken to recognise the importance of the Te Tiriti o Waitangi to ensure Māori values and perspectives are reflected within the design and implementation of the reserve network and partnership with Mana Whenua is maintained to achieve this.</p>

Focus Outcomes

The project list (Appendix B) contains many opportunities for collaborative partnerships, and this requires developing relationships with Mana Whenua, neighbourhoods, schools, codes, community and interest groups.



Focus Outcome One: Spaces for recreation that inspire play

Goal: A reserve network that offers an accessible spectrum of traditional and alternative play and recreation experiences for all people, including space for tamariki and rangatahi to have meaningful play *Te ao taiohi- with young people we explore wisdom.*

There are physical and mental benefits of recreation and play. Regular participation in recreation, play and leisure pursuits helps to reduce stress and alleviate mental health issues by providing an outlet for relaxation and enjoyment. This is not limited to young people, but to people of all ages and abilities.

The focus is to create a diverse network of appealing spaces where people can have fun and express themselves, exercise, gather to help support strong and healthy neighbourhoods. There is also a need to address gaps for people with disabilities to use traditional and natural play spaces, universal design best practice will be critical. This outcome supports the Go Outside and Play Strategy, the Leisure and Wellbeing Strategy and the Reserves Strategic Directions, aiming to increase participation and inspire play by providing easily accessible opportunities for organised and informal play and recreation for all people.



Focus Outcome Two: Spaces that prioritise nature

Goal: A reserve network that contains a resilient and thriving range of ecosystems that supports species and habitat protection, maintains, and restores indigenous biodiversity and enables communities to connect with nature. *Kaitiakitanga - stewardship of the natural environment is an integral part of history and describes the inherent responsibility of care of the land, the land needs to be treasured, protected, and nurtured for current and future generations to enjoy.*

The best opportunities to connect with native biodiversity are typically beyond the edges of urban areas, however, urban reserves will offer nearby residents' outdoor settings that have natural qualities. Our reserves need to be appropriately developed and well-managed to provide opportunities for people to connect with nature in places close to their home. Enhancement of the natural values in our reserves will maintain a balance between public use and protection of ecological and landscape values, and natural character.



Focus Outcome Three: Spaces that support community

Goal: A reserve network that is people-focused, connecting people to their communities, are easily accessible and provide landscapes and experiences that encourage people to stay and enjoy the spaces. *Manaakitanga- care of our whānau and community at the centre.*

Creating an accessible and inclusive network involves reducing barriers to reserve access and increasing participation in activities, ultimately creating ‘something for everyone’. Developing a reserves network inclusive of diverse spaces for the community requires an emphasis on providing active and passive spaces that cater to all needs and abilities, focusing on the functionality of our reserves and the amenities (both built and natural) offered. Reserve development and enhancement projects will also need to be cognisant of the Council’s Micro Mobility Programme and consider how reserves benefit from and support active transport routes, moving people safely through our city. This is beneficial from a social and climate change perspective.



Focus Outcome Four: Spaces that create connection

Goal: A reserve network that provides spaces for people to connect with nature, connect with culture, heritage or city, whenua history inspiring a sense of belonging, and connecting the wider community.

In line with a Mana Whenua and te ao Māori worldview, reserves play a pivotal role in fostering connections between people, place, and the environment, both in physical and theoretical dimensions. Physically, these green spaces offer a tangible link between individuals and nature, providing opportunities for outdoor activities, exploration, and appreciation of biodiversity. The shared experience of enjoying reserves promotes a sense of community and shared ownership of the environment, creating a collective bond among users.

Reserves also serve as symbolic representations of our commitment to environmental conservation and sustainable living. They embody the idea that humans are an integral part of the ecosystem, emphasizing the interconnectedness between individuals and their surroundings. The presence of these protected spaces encourages environmental awareness and a sense of responsibility, fostering a connection between people and the need for ecological preservation. Ultimately, reserves act as dynamic settings where both physical interactions and community understanding converge, promoting a harmonious relationship between people, place, and the environment.

Project List

Projects are organised by Focus Outcome. Hutt City Council will primarily oversee each proposed project. This List of Projects (Appendix B) is arranged over a 10-year programme. Projects could be approved outside of the Long-Term Plan if they appropriately comply with the Strategy and supplementary documents.

Project Term Start/ LTP 2024–2027, 2024 through to 2034
Immediate start (previously approved by Council in March 2023)
Year 1-3+/Short
Year 2-3+/ Medium
Year 3+/ Long

Budget

The budgets provided against each project are estimates only and are not fully costed or based on design. There is a degree of data uncertainty, and budgets are subject to change upon further investigation and stakeholder engagement.

Long Term Plan (LTP)

The current LTP iteration concerns the 2024–2027 review cycle. During each 3 yearly LTP review, there is opportunity to propose new projects for the next 10 years. The projects below have been ordered in terms of which year they can feasibly fit into the current iteration. Projects may overlap, be staged, or extend into multiple years. Projects have been based on predicted feasibility, demand, and previous public engagement. Projects outlined in the Reserves Investment Strategy will be fully or partially funded from the Reserves Purchase and Development Fund, of which the Reserve Land Purchase Fund is a subset.

Most projects will require further investigation, design, costing, and public consultation. Additional resourcing for project management (from the Parks and Reserves team and externally) will be required and this could be funded from capital project budgets. Additional assets will typically require additional operational and renewal funding. The first few years of additional operational maintenance could be potentially handled as a project cost and funded from the Reserves Purchase and Development Fund. However, it is important to note that Opex must proportionally meet the Capex.

Reserve Land Purchase Fund

A Reserve Land Purchase Fund (a subset of the Reserve Purchase and Development Fund) will be established to purchase qualifying land for reserves as it comes onto the market. The fund (with a preliminary proposal of \$10m) will enable officers to purchase suitable property as acquisition opportunities arise. Delegations will be amended to allow officers to act on prudent opportunities to take advantage of opportunities presented by willing sellers or the real estate market. Establishing delegations will be reported on in mid-2025.

Wāhanga Tuawhā: Whiria te Muka Tangata: Section 4: Coordinating our approach

improve outcomes for Māori and the whole community is a key strand of The Strategy plus the supplementary Framework and the Guidelines.

What can we do about it

The Reserves Investment Strategy enables Mana Whenua to establish priorities for reserve improvement, and recommend projects and programmes of interest to Māori and iwi that aid in the overall wellbeing of the open space network. Collaborative projects may include:

1. Actions to protect spaces that support māhinga kai and customary practices like gathering and foraging that are connected to traditional forms of active recreation, art, and leisure.
2. Work that improves the vitality of Te Awa Kairangi and other waterways and aquatic ecosystems, as recommended in the Strategy *Te Mahere Wai o Te Kāhui Taiao*, for the Greater Wellington Region.
3. Acquiring additional reserve land that encompasses Māori sites of significance
4. Through relevant regulatory mechanisms, create contemporary rules and policies to reflect Mana Whenua priorities for protecting, conserving, and enhancing overall open space network
5. Create places to engage in traditional Māori games and recreation practices.

Whārikihia te Kaupapa: Implementing the Strategy

Encouraging people to rethink what an open space network looks like, including understanding;

- the differences in how people may participate in recreation
- the importance of the habitats that support indigenous biodiversity and provide ecosystem services
- the requirement for additional reserve land that is well distributed
- reserves need to be activated for multi-uses and multi-users

Partnership with Mana Whenua

It is imperative to partner collaboratively with Mana Whenua. Part of this coordinated approach is in joint kaitiakitanga, supporting aspirations and providing guidance. This will align with Council's Te Tira Māori team who work with Mana Whenua for best Kaupapa and tikanga practice. The alignment of Council and iwi aspirations is reflected in Council's Tā kai Here (Memoranda of Partnership) and The Strategy's Guiding Principles, to weave them throughout. Protecting te taiao, wai quality, and the provision of open space to

Ngā Uara Māori: Māori values

kaitiakitanga. With our unwavering commitment to these overarching objectives shaping our decision-making, as mana whenua, we are committed to engaging in collaborative endeavors with the Hutt City Council.

As an aspect of the partnership Mana Whenua have assisted with the development of The Strategy. They have with the development of the statement below.

Te Ōhākīo Te Wharepōuri

"I muri nei kia pai ki aku taonga Māori, taonga Pākehā, kia tae ake te haruru o to reo ki ahau i Te Reinga"

"After I have gone be good to my Māori people and my European people, let the thunder of your voice reach me in the spirit land"

This Ohaki provides us with our guiding principles as mana whenua in this takiwa. Bequeathed to us by our tupuna Te Wharepouri, it serves as the foundation for our deliberative processes within ētehi o nga iwi o Taranaki ki te upoko o te ika.

These principles bestow upon us the responsibility of being kaitiaki or guardians, compelling us to not only safeguard and manaaki our own people but also extend our care to those who have chosen this whenua as their home. The stewardship of te taiao, the natural environment, in implementing the knowledge's and tikanga developed over generations regarding the health of the environment and its connection to the health of living beings is integral to breathing vitality into perpetuating the legacy of

This collaboration seeks to ensure that the outcomes derived benefit the broader community and the environment while remaining aligned with the core values inherent in the Ohaki. Facilitating co-decision making will fortify this partnership, fostering an environment of mutual advantage for mana whenua, HCC, the wider community, the whenua, awa and te taiao.

Section 5: Monitoring & Governance Planning

Monitoring is important for evaluating the progress of each project. A range of measures can be used to gauge if projects have implemented the vision of the plan, including user levels and satisfaction, well-being measures biodiversity indicators, improved access, resident satisfaction, and human and environmental health related indices. A supporting Best Practice Open Space Design Guide will be utilised for monitoring. The Parks and Reserves team, alongside other appropriate and relevant council teams will be responsible for monitoring the effectiveness of work undertaken to implement the strategy using the Reserves Purchase and Development Fund.

Review

This document will be reviewed every three years, prior to the preparation of each draft Long-Term Plan. Proposals to alter the Strategy, which will all have been discussed with Mana Whenua, require approval from the relevant Committee of Council. A partial review may be triggered earlier. Due to supporting documents having more flexibility for review and amendments, these could be reviewed more frequently whereas this Strategy will be more enduring.

Monitoring and Evaluation

Tracking measures of success lets us know how we are doing on meeting our goals while utilising the Reserve Purchase and Development Fund. A mix of qualitative and quantitative reporting will be used when measuring indicators of success (shown below) utilising surveys, community consultation, and management. Some specific examples items that may be measured are:

1. The reduction of provision gaps identified in the catchments
2. Compliance with metrics set out in Provision Framework (Appendix A)
3. Application of the Open Space Best Practice Design Guide critical success elements to projects
4. The rate of delivering of the Project List
5. Cessation of capping system for Reserve Financial Contributions and revenue into the Reserves Purchase and Development Fund
6. The level (increase of decrease) of protection of sites of significance, landscapes, and trees
7. Increased Levels of Service and retained Operational Expenditure allocation

Monitoring progress and reporting will be done annually, with the first 2 years being used to establish a baseline.

