



# KOMITI RATONGA RANGATŌPŪ ME TE RAUTAKI | POLICY, FINANCE AND STRATEGY COMMITTEE

28 February 2024

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

**Wednesday 6 March 2024 commencing at 2:00 pm**

The meeting will be livestreamed on Council's Facebook page

## Membership

	Cr A Mitchell (Chair)
	Deputy Mayor T Lewis (Deputy Chair)
Mayor C Barry	Cr K Brown
Cr B Dyer	Cr S Edwards
Cr K Morgan	Cr C Parkin
Cr T Stallinger	

For the dates and times of Council Meetings please visit [www.huttcity.govt.nz](http://www.huttcity.govt.nz)

### 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](mailto:DemocraticServicesTeam@huttcity.govt.nz) or calling the Democratic Services Team on 04 570 6666 | 0800 HUTT CITY

## KOMITI RATONGA RANGATŌPŪ ME TE RAUTAKI | POLICY FINANCE AND STRATEGY COMMITTEE

<b>Chair:</b>	Cr Andy Mitchell
<b>Deputy Chair:</b>	Deputy Mayor Tui Lewis
<b>Membership:</b>	<p>Mayor Campbell Barry Cr Keri Brown Cr Brady Dyer Cr Simon Edwards Cr Karen Morgan Cr Chris Parkin Cr Tony Stallinger</p> <p>Refer to Council's Standing Orders (SO 31 Provisions for Mana Whenua)</p>
<b>Quorum:</b>	Half of the membership
<b>Meeting Cycle:</b>	Meets on an eight-weekly basis or at the requisition of the Chair
<b>Reports to:</b>	Council
<b>Membership RMA Hearings</b>	An independent Commissioner plus a minimum of either three or four elected members (including the Chair) and alternates who have current certification under the Making Good Decisions Training Assessment and Certification programme for RMA Decision Makers

### OVERVIEW:

This committee assists Council in setting the broad direction of the city, discharging statutory functions and overseeing organisational performance. The committee is aligned with the Office of the Chief Executive and Strategy and Engagement Directorate.

Its areas of focus are:

- Long term/high-level strategic focus
- Long Term Plan/ Annual Plan oversight
- Treaty partnerships
- Economic development
- Financial and non-financial performance reporting
- Oversight of the Property Working Group
- Oversight and general co-ordination (including community engagement) of strategies and policies
- Bylaw development
- Oversight of Council Controlled Organisations/Statements of Expectation/Statements of Intent
- Strategic oversight of current community engagement

## PURPOSE:

To assist the Council in setting the broad vision and direction of the city to promote the social, economic, environmental and cultural well-being of the city's communities in the present and for the future.

This involves determining specific outcomes that need to be met to deliver on the vision for the city, and overseeing the development of strategies, policies, bylaws and work programmes to achieve those goals. This committee is also responsible for monitoring the overall financial management and performance of the Council Group.

## DELEGATIONS FOR THE COMMITTEE'S AREAS OF FOCUS:

- All powers necessary to perform the committee's responsibilities including the activities outlined below.
- Develop required strategies and policies. **Recommend draft and final versions to Council** for adoption where they have a city-wide or strategic focus.
- Implement, monitor and review strategies and policies to ensure policies and strategies are consistent, effective and current.
- Identify the need for any new strategies and policies.
- Oversee the implementation of major projects provided for in the Long Term Plan or Annual Plan.
- Oversee budgetary decisions provided for in the Long Term Plan or Annual Plan.
- **Recommend to Council** the approval of any financial decisions required outside of the annual budgeting process.
- Advocate for strong relationships with Council's Mana Whenua partners as outlined in the Tāhaki Here agreements ensuring the outcomes of the committee are in line with the aspirations of the partners.
- Advocate for the best interests of Māori communities in Lower Hutt having regard to the committee's goals.
- Ensure the committee is operating in a way that is consistent with various pieces of legislation that provide for Te Tiriti o Waitangi.
- Maintain an overview of work programmes carried out by Council's Office of the Chief Executive and Strategy and Engagement, Directorate.
- Oversee any consultation/engagement processes required on issues before the committee.
- Approve and forward submissions (other than those delegated to the District Plan Review Committee).
- Any other matters delegated to the committee by Council in accordance with approved policies and bylaws.
- The committee has the powers to perform the responsibilities of another committee where it is necessary to make a decision before the next meeting of that other committee. When exercised, the report/minutes of the meeting require a resolution noting that the committee has performed the responsibilities of another committee and the reason/s.
- If a policy or project relates primarily to the responsibilities of the Komiti Ratonga Rangatōpū me te Rautaki | Policy, Finance and Strategy Committee, but aspects require additional decisions by the Komiti Hapori Ahurea me ngā Rangapū | Communities, Culture and Partnerships Committee, Komiti Hanganga | Infrastructure and Regulatory Committee and/or Komiti Kaupapa Taiao | Climate Change and Sustainability Committee, then the Komiti Ratonga Rangatōpū me te Rautaki | Policy, Finance and Strategy Committee has the powers to make associated decisions on behalf of those other committees. For the avoidance of doubt, this means that matters do not need to be taken to more than one of those committees for decisions.

### **Bylaw Delegations:**

- Develop and agree on the Statement of Proposal for new or amended bylaws for consultation/engagement.
- **Recommend to Council** the approval of draft bylaws before consultation.
- The Chair of the Komiti Ratonga Rangatōpū me te Rautaki | Policy, Finance and Strategy Committee, in conjunction with the Chief Executive, is authorised to appoint a subcommittee of suitably qualified persons to conduct hearings on draft bylaws on behalf of the committee.
- **Recommend to Council** new or amended bylaws for adoption.

### **Financial, Project and Performance Reporting Delegations:**

- **Recommend to Council** the budgetary parameters for the preparation of Council's Long Term Plans and Annual Plans.
- Monitor progress towards achievement of budgets and objectives for the Council Group as set out in the Long Term Plan and Annual Plans, including associated matters around the scope, funding, prioritising and timing of projects.
- Monitoring and oversight of significant city-wide or strategic projects including operational contracts, agreements, grants and funding, except where these are the responsibility of another standing committee.
- Monitor progress towards achievement of the Council's outcomes as set out in its overarching strategies for the city and their associated plans.
- Oversee the activities of the Property Working Group in its implementation of the Purchase and Sale of Property for Advancing Strategic Projects Policy.
- Oversee the acquisition and disposal of property in accordance with the Long Term Plan.
- Monitor the integrity of reported performance information at the completion of Council's Annual Report process.
- **Review and recommend to Council** the adoption of the Annual Report.
- **Recommend to Council** the approval of annual Statements of Intent and annual Statements of Expectation for Council Controlled Organisations and Council Controlled Trading Organisations and granting shareholder approval of major transactions.
- Monitor progress against the Council Controlled Organisations and Council Controlled Trading Organisations Statements of Intent and **make recommendations to Council** in the exercising of Council powers, as the shareholder, about Council Controlled Organisations/Council Controlled Trading Organisations under sections 65 to 72 of the Local Government Act.
- Oversee compliance with Council's Treasury Risk Management Policy.
- Consider and determine requests for rate remissions.
- Consider and determine requests for loan guarantees from qualifying community organisations where the applications are within the approved guidelines and policy limits.



HUTT CITY COUNCIL

KOMITI RATONGA RANGATŌPŪ ME TE RAUTAKI | POLICY, FINANCE AND  
STRATEGY COMMITTEE

Meeting to be held in the Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt on  
Wednesday 6 March 2024 commencing at 2:00 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

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 6 MARCH 2024

- a) Seaview Marina Limited Draft Statement of Intent 2024/25 to 2026/27

Report No. PFSC2024/1/37 by the Financial Accountant

8

CHAIR'S RECOMMENDATION:

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

- b) Urban Plus Limited Group Draft Statement of Intent 2024/25 to 2026/27  
Report No. PFSC2024/1/38 by the Senior Financial Accountant 36

CHAIR'S RECOMMENDATION:

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

**RECOMMENDATION TO TE KAUNIHERA O TE AWA KAIRANGI |  
COUNCIL 27 MARCH 2024**

Adoption of Hutt City Council's Control of Animals Bylaw

Report No. PFSC2024/1/21 by the Head of Democratic Services 62

CHAIR'S RECOMMENDATION:

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

**6. SEAVIEW MARINA LIMITED SIX MONTH REPORT TO  
31 DECEMBER 2023**

Report No. PFSC2024/1/40 by the Financial Accountant 100

CHAIR'S RECOMMENDATION:

"That the recommendation contained in the report be endorsed."

**7. URBAN PLUS LIMITED GROUP SIX MONTH REPORT TO  
31 DECEMBER 2023**

Report No. PFSC2024/1/41 by the Senior Financial Accountant 111

CHAIR'S RECOMMENDATION:

"That the recommendation contained in the report be endorsed."

**8. HUTT VALLEY CHAMBER OF COMMERCE - SIX MONTHLY REPORT  
TO 31 DECEMBER 2023**

Report No. PFSC2024/1/42 by the Head of Business and Economy 140

CHAIR'S RECOMMENDATION:

"That the recommendation contained in the report be endorsed."

9. **QUARTERLY PERFORMANCE REPORT - 1 OCTOBER TO 31 DECEMBER 2023**

Report No. PFSC2024/1/44 by the Head of Enterprise Portfolio Management Office 162

**CHAIR'S RECOMMENDATION:**

"That the recommendation contained in the report be endorsed."

10. **INFORMATION ITEM**

**Komiti Ratonga Rangatōpū me te Rautaki | Policy, Finance and Strategy Committee Forward Programme**

Memorandum dated 22 February 2024 by the Democracy Advisor 219

**CHAIR'S RECOMMENDATION:**

"That the recommendation contained in the memorandum be endorsed."

11. **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.

12. **CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA**

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

Kathryn Stannard  
HEAD OF DEMOCRATIC SERVICES

**08 February 2024**

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**Report no: PFSC2024/1/37**

## **Seaview Marina Limited Draft Statement of Intent 2024/25 to 2026/27**

### **Purpose of Report**

1. The purpose of this report is to provide the draft 2024/25-2026/27 Statement of Intent for Seaview Marina Limited for Council to review.

### **Recommendations**

That the Committee recommends that Council:

- (1) notes the Seaview Marina (SML) board has submitted a draft Statement of Intent (SOI) for the three years 2024/25 to 2026/27, attached as Appendix 1 to the report, in accordance with the Local Government Act 2002;
- (2) notes that officers have reviewed the draft SOI for compliance with the Local Government Act 2002 and provided their analysis;
- (3) receives the draft SOI;
- (4) reviews the draft SOI and considers if any modifications should be made;
- (5) provides comment for the SML Board to consider in finalising its SOI (including any modifications suggested by the Committee arising under recommendation (4) above); and
- (6) notes the SOI includes the assumed purchase of the breakwater from Council for \$3.4M which will be funded by additional borrowings; this is subject to further decision making processes by Council and may vary.

### **Background**

2. The Local Government Act 2002 (LGA) requires the board of a Council Controlled Organisation (CCO) to deliver to its shareholders a draft SOI on or before 1 March of each year.

### **Discussion**

3. The board of SML has submitted a draft SOI to Council. This is attached as Appendix 1 of this report.

4. The board of a CCO must provide information prescribed by the LGA for the SOI, to the extent is appropriate given the organisation form of the CCO. They must do this for the 'the group' comprising the CCO and its subsidiaries. The information is required to be provided for the 2024/25 financial year and the two years following that (section 9, Schedule 8 of the LGA).
5. The compliance of the company with the legislative requirements for the SOI and a summary of the amendments proposed by the Board for their 2025-2027 SOI are detailed below:

Required Content	SML Draft SOI Content
(a) the objectives of the company	The objectives of the SML are stated.
(b) a statement of the board's approach to governance of the group	A statement is included.
(c) the nature and scope of the activities undertaken by the group	The nature and scope of activities are outlined – no significant changes.
(d) the ratio of consolidated shareholders' funds to total assets, and the definition of those terms	Ratio provided.
(e) the accounting policies of the group	Accounting policies are outlined.
(f) the performance targets and other measures by which the performance of the group may be judged in relation to its objectives	Performance targets are included.
(g) an estimate of the amount or proportion of accumulated profits and capital reserves that are intended to be distributed to the shareholders	Information provided.
(h) the kind of information to be provided to the shareholders by the group during the course of those financial years, including the information to be included in each half yearly report (and, in particular, what prospective financial information is required and how it is to be presented)	The kind of information to be provided is outlined.
(i) the procedures to be followed before any member of the group subscribes for, purchases, or otherwise acquires shares in any company or other organisation	Information on procedures is not provided, but it is noted that there is no intention to subscribe to or invest in any other organisation.
(j) any activities for which the board seeks compensation from any local authority (whether or not the local authority has agreed to provide the	No compensation is requested.

compensation)	
(k) the board's estimate of the commercial value of the shareholder's investment in the group and the manner in which and the times at which that value is to be reassessed	A statement as to the net value of the shareholder's investment is provided.
(l) any other matters that are agreed upon by the shareholders and the board	Some additional information is provided.

6. The draft SOI has been prepared to address the priorities included in the Letter of Expectation it received from Council on 20 December 2023.
7. The main difference to the previous SOI is the assumed purchase from Council of the breakwater valued at \$3.4M. This was agreed upon in principle by the Long Term/ Annual Plan Subcommittee Report No. LTPAP2023/5/395, with a further report back to Council, required to finalise decisions. Timing will be confirmed off the back of Council decisions, but in the draft SOI, it is assumed to be settling in September 2024. The purchase would be funded by additional borrowings of this value.
8. Dividend payments are planned for all three years of the SOI. However, it should be noted that this is subject to Directors being satisfied with the financial position being sustainable following a dividend payment and in accordance with the Companies Act 1993 requirements.
9. It is important to note that the Hutt City Council draft Long Term Plan 2024-2034 (DLTP) includes assumed dividends of \$200,000 per annum being paid by Seaview Marina Limited to the Council for the full period of the plan. Further, interest revenue of 1% margin has also been included in the DLTP on borrowings to SML. The draft SOI has been prepared on the same basis.

### **Legal Considerations**

10. Council may suggest changes that the Board must consider in finalising its SOI. The Board must consider within two months of 1 March any comments on the draft SOI that are made by the shareholders. The Board must deliver a completed SOI to Council on or before 30 June 2024.
11. Outside of this current process, Council may, by resolution, require the Board to modify the SOI and the Board must comply (section 5, Schedule 8 LGA), provided that Council first consults the Board.

### **Financial Considerations**

12. The draft SOI contains the financial forecasts for SML for the three-year period commencing 1 July 2024.
13. Council will need to decide whether the prescribed ROE for the next year should be revised. Last financial year, SML was required to achieve a prescribed rate of return on equity (ROE) of at least 0.8% in 2024/25 and 1% in 2025/26. However, due to the need to increase borrowings for the assumed purchase of the breakwater valued at \$3.4M, interest on borrowings

will increase, impacting the ROE. Other impacts to the ROE are an increase in staff costs, Council rates, insurance, and audit expenditure, coupled with an increase in depreciation.

Return on Equity	2024/25 Budget	2025/26 Planned	2026/27 Planned
Prescribed ROE from 23/24 Statement of Intent	0.8%	1.0%	Not Applicable
Planned ROE	0.4%	0.2%	0.2%

14. The draft SOI proposes that the ROE be lowered to 0.4% for 2024/25 and reviewed annually in subsequent years.
15. Additional funding of \$3.4M is required in conjunction with the assumed breakwater purchase. This was agreed in principle in the 12 December 2023 report to the Long Term/ Annual Plan Subcommittee No. LTPAP2023/5/395.

## Appendices

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Financial Accountant

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Financial Accounting Manager

**Reviewed By:** Jenny Livschitz  
Group Chief Financial Officer

**Approved By:** Tim Lidgard  
Chief Executive, Seaview Marina



**SEAVIEW MARINA LIMITED**  
**STATEMENT OF INTENT**  
**2024/25 to 2026/27**



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## 1. Vision

Renowned as a New Zealand leading Marina that embraces the whole spectrum of services that boaties' and water enthusiasts' desire.

## 2. Mission

To provide industry leading facilities and services that delight customers and stimulate related economic activity whilst meeting shareholder expectations.

## 3. Nature and Scope of Activities

Seaview Marina Limited (the Company) is responsible for the operation of the boating facilities and services, the maintenance of infrastructural assets and the development of additional facilities and services as demand dictates.

## 4. Corporate Governance Statement

The Company is 100% owned by Hutt City Council and accordingly is a Council Controlled Trading Organisation (CCTO) as defined by the Local Government Act 2002 (LGA). The Directors' role is defined in Section 58 of the LGA which requires that all decisions relating to the operation of a CCTO shall be made pursuant to the authority of the directorate of the CCTO and its Statement of Intent (SOI). In addition to the obligations of the LGA, the Company is also covered by the Companies Act 1993 which places other obligations on the Directors.

The Directors are responsible for the preparation of the SOI, which along with the three-year financial plan is provided to the Company's Shareholder, Hutt City Council. Six monthly and annual reports of financial and operational performance are provided to the Shareholder. Financial and operational /management reports are prepared monthly for the Directors.

The Directors of the Company are responsible for the overall control of the Company, but no cost-effective internal control system will permanently preclude all errors or irregularities. The control systems operating within the Company reflect the specific risks associated with the business of the company.

Drawing down additional funding for Council supported capital expenditure comes with significantly increased pressure from finance expenses, compared with prior years. Additionally, there are some unknowns around final costs of these large transactions. The Directors of the Company have budgeted for fixed dollar dividend payments in 2024/25 and the outyears, however this remains subject to the Directors determining financial projections are shown to be sustainable, and in accordance with the Companies Act 1993 requirements. This is in line with the company's dividend policy approved by Council on June 30th, 2023.

The Companies Act 1993 requires the company directors to be satisfied the company's financial position is sustainable following any dividend payment. In this regard it should be noted that the projected profit for the 2024/2025 year is insufficient to cover the proposed dividend and consequently part of the dividend would be paid from past profits. SML's ability to pay dividends

relies largely on customer's discretionary income levels, which are under pressure in this current economic climate. The budgeted dividend payment for the 2024/2025 financial year is on the margin as any *additional* income required to meet dividend payment parameters carries a higher degree of uncertainty at this time.

## 5. Corporate Goals

The principal goal of the Company is to operate as a successful business, achieving the objectives of its shareholder as specified in this Statement of Intent. The specific corporate goals of the Company are as follows:

### General

- 5.1 To ensure that the Statement of Intent and operating policies for the Company are consistent with the group operating policies of Hutt City Council.
- 5.2 To ensure that the Statement of Intent and operating strategies within, are adhered to.
- 5.3 To keep the Shareholder informed of matters of substance affecting the Company.
- 5.4 To perform continual reviews of the operating strategies, financial performance, and service delivery of the Company.
- 5.5 To develop the Company into one of New Zealand's premier marina businesses.
- 5.6 To further expand and diversify the Company's marina facilities.

### Economic

- 5.7 To maximise the financial returns achieved and the value added by the Company.
- 5.8 To return a minimum return on equity (ROE) per annum of 0.4%, 0.2% and 0.2% for each financial year commencing 1 July 2024/25.
- 5.9 To maintain the Company's financial strength through sound and innovative financial management.

### Social and Environmental

- 5.10 To support recreational boating activities in the Wellington Region.
- 5.11 To promote safe work practices.
- 5.12 To act as a socially responsible and environmentally aware corporate citizen and to contribute to, or assist where possible, with Hutt City Council's community outcomes (as listed in the Hutt City Council Annual or Long-Term Plan).
- 5.13 Reduce direct emissions by 50% by 2030 and achieve net zero emissions by 2050.

## 6. Specific Objectives for the Year Ending 30 June 2024

In pursuit of its corporate goals, the Company has the following objectives for the next 12 months:

### General

- 6.1 To review the Statement of Intent and Strategic Plans for consistency with the objectives of Hutt City Council.
- 6.2 To review the operating activities of the Company for compliance with the goals and objectives stated in the Statement of Intent and Strategic Plan.

### Economic

- 6.3 To achieve all financial projections.
- 6.4 To ensure that the reporting requirements of the Company and the Shareholder are met.

### Social and Environmental

- 6.5 To maintain good employer status by:
- (a) complying with all employment legislation; and,
  - (b) operating open and non-discriminatory employment practices.
- 6.6 To ensure no transgression of environmental and resource laws.
- 6.7 To review the activities undertaken by the Company for the purposes of being a good socially and environmentally responsible corporate citizen.

## 7. Shareholder Expectations

The Shareholder has provided the Company with its expectations for the business over the next three years. These expectations are laid out under the following four categories: Health, Safety and Wellbeing, Development Plans, Returns to Shareholder, and Strategic Priorities.

### 7.1 Health, Safety and Wellbeing

Health and safety, with the inclusion of staff wellbeing, will continue as top priority and be embedded within all activities of the marina.

### 7.2 Development Plans

#### *i. In water*

Council supports a process of design and consultation for in-water infrastructure and further development, which will cater to present and future demand. However, large-scale in-water construction contracts should be delayed until funding requirements for the complete refurbishment programme of SML's oldest piers is agreed by Council.

*ii. On-land*

Council understand the increased demand SML is seeing for leased commercial spaces. SML will engage with Council, stakeholders (and community partners) to continue the formation of an on-land 'masterplan.' To facilitate public benefit, site development, and to realise the SML vision and mission, Council expects SML to engage in the review of the District Plan process.

**7.3 Financial stewardship and sustainability**

The Council expects financial returns by way of dividends and breakwater lease payments. Breakwater leases payments are presently payable. The SML Board developed a Dividend Policy in April 2023 which was approved by Council on 30 June 2023. SML plans to pay a first dividend to Council in early 2024. Fixed dollar amount dividend payments are to continue to be included in each year of the SOI, in line with the Long-Term Plan 2021-2031., and in line with the SML Dividend Policy.

Noting the significant cost escalations, SML should investigate and implement cost reduction strategies where appropriate, including exploring discounts with suppliers and optimising procurement approaches that produce value for money whilst also enabling the achievement of broader outcomes.

**7.4 Strategic Priorities****I. Promote Māori Outcomes**

Council is committed to improving outcomes for Māori and to working with our mana whenua partners to shape Lower Hutt for the future. SML is expected to fully participate alongside Council in any formal relationship agreements with mana whenua as they relate to improving outcomes relevant for SML. It is expected that SML take an active and meaningful approach to engaging with mana whenua and Māori through all its work and explore partnership/joint venture opportunities within SML's future developments.

**II. Social and Environmental**

Support of charitable non-profit ventures connected with the organisation's business will continue to be a focus, including work with the disability sector. Council asks SML to continue to develop partnerships supporting the growth of local maritime businesses that are focused on utilising renewable energy sustainably and are aligned with the Council's 'carbon zero' initiatives. Council was pleased to see SML maintain the Clean Marina Programme accreditation in 2024/2025. Council expects SML to reinforce commitment to this programme and understands that continual improvement through work and investment is required to retain this accreditation.

**III. Living Wage**

The Council became Living Wage accredited in November 2021 which cemented the commitment to continue the programme of implementing the Living Wage as the minimum rate for people working on Council procured contracts for services. Council's expectation is that SML will support and promote the Living Wage. SML will ensure as and when services are procured that it is a mandatory requirement for suppliers to pay staff delivering the services under contract the Living

Wage as a minimum rate.

In addition, Council request that SML continue to promote the implementation of the Living Wage among the commercial tenants operating within SML. Council expect SML to encourage leaseholder commitment to paying the Living Wage, by actively engaging with leaseholders to emphasise the benefits to employee and business.

#### **IV. Climate Change**

Council has cited the need to prioritise reducing city-wide emissions to net zero carbon, including the need to halve our own operational emissions by 2030. Council expects that SML will participate in the delivery of this objective, in line with our city- wide Climate Action Pathway and implement, monitor, and measure any agreed actions signed up to by SML. There are three areas of action for SML to consider:

- a. to replace fuel powered vehicles, equipment, and plant with electric powered equivalents when due for replacement, provided equivalents are commercially viable.
- b. Additionally, SML should develop a factual understanding of sea-level change and the performance of the breakwaters in relation to this. This improved understanding is to inform the financial planning regarding sea-level change, as part of the asset management plan.

#### **V. Integration with Tupua Horo Nuku**

In line with the expectations to improve community engagement, SML will engage with Council to develop an understanding of Tupua Horo Nuku Eastern Bays shared path project, and how this will interact with all the activities in the Marina – not limited to commercial opportunities, public benefit, and health and safety implications.

#### **VI. Advance Knowledge of Transportation Vessels**

SML should continue to support and develop relationships with ferry operators both locally and nationally, with the goal to better understand the business of passenger carrying watercraft. A formation of understanding of opportunities and implications of ferry service to the area will better inform both the on land and in- water development plans.

#### **VII. Achieve Wider outcomes – Employment and Training**

Whilst SML is a small team, SML's work programme should create local training opportunities and support local employment, wherever possible. SML will use more specialised training programmes such as MTI (Marina Training Institute) to provide career pathways for staff.

## 7.5 Performance Measures

	Key Performance Indicator	2024/25	2025/26	2026/27	Reporting Frequency
<b>Financial</b>					
1	Deliver the <b>total</b> annual budgeted income	Achieve 100% of total budgeted income	Achieve 100% of total budgeted income	Achieve 100% of total budgeted income	Six monthly
2	Deliver the <b>total</b> annual budgeted net surplus	Net surplus within budget	Net surplus within budget	Net surplus within budget	Six monthly
3	Achieve prescribed rate of return on equity before tax and dividends (2)	0.4%	0.2%	0.2%	Annually
4	Manage Capital Expenditure (3)	Complete within capital budget	Complete within capital budget	Complete within capital budget	Annually
<b>Relationship &amp; Communication</b>					
5	Client Service & Customer Needs	80% satisfaction in the bi-annual survey		85% satisfaction in the bi-annual survey	Bi-Annually
6	Special interest messages	Complete four messages per annum	Complete four messages per annum	Complete four messages per annum	Four per annum
7	Meet all shareholder reporting deadlines	See Section 11	See Section 11	See Section 11	Schedule in Section 11
<b>Risk Management and Human Resources</b>					
8	Notifiable health and safety incidents	None	None	None	Monthly to board
9	Staff Satisfaction	Achieve 85% staff satisfaction	Achieve 85% staff satisfaction	Achieve 85% staff satisfaction	Annually
<b>Marketing</b>					
10	Implement strategy to improve occupancy rates (4)	Berth occupancy equal or greater than 80% (4)	Berth occupancy equal or greater than 83%	Berth occupancy equal or greater than 86%	Bi-Monthly
<b>Non- Financial</b>					
11	To provide financial or non- financial support to at least three charitable	Support to at least three organisations	Support to at least three organisations	Support to at least three organisations	Annually



	(non-profit) ventures with a marine focus during any given financial year.				
12	Public benefit		Perform survey of public opinion on marina facilities		Bi-Annually
<b>Environmental</b>					
13	Reduce direct emissions	Reduce direct emissions by 50% by 2030, and achieve net zero emissions by 2050	Reduce direct emissions by 50% by 2030, and achieve net zero emissions by 2050	Reduce direct emissions by 50% by 2030, and achieve net zero emissions by 2050	Annual footprint report provided by HCC
14	Fleet and equipment	Equipment or vehicles utilising fossil fuels to be phased out by equipment or vehicles that are electric or utilise other low carbon alternative.	Equipment or vehicles utilising fossil fuels to be phased out by equipment or vehicles that are electric or utilise other low carbon alternative.	Equipment or vehicles utilising fossil fuels to be phased out by equipment or vehicles that are electric or utilise other low carbon alternative.	Annually

#### Notes to Financial Measures

1. Operational expenses are defined as all expenses controllable by Seaview Management. Excludes depreciation and finance charges and losses arising from the revaluation of similar assets within an asset class.
2. Return on equity is defined as net Surplus / (Deficit) before tax and dividends and excluding losses or gains arising from the revaluation of similar assets within an asset class divided by the opening balance of equity at the start of the year.
3. Excludes carry forward of expenses on projects from prior years, unless specifically budgeted for (e.g., where project spans two or more fiscal periods). Refers to the total capital budget.
4. March 2022 saw an occupancy high of 89%. More recent wider pricing pressure has seen occupancy decline to 82% in February 2023, where it has hovered since. Occupancy strategies can be expected to return previous high occupancy levels at a gradual rate.

## 8. Financial Projections

The projections have been prepared using several assumptions about the future, as well as business trends over the previous five years. In determining these projections, the Board and Management have applied their judgement to the future commercial environment in which the Company operates.

<b>Financial Year Ended 30 June</b>	<b>Budget 2024/25</b>	<b>Plan 2025/26</b>	<b>Plan 2026/27</b>
Total revenue	3,818,168	4,053,608	4,251,721
Total expenses	3,745,423	4,019,460	4,216,301
<b>Net Surplus / (Deficit) before tax &amp; dividends</b>	<b>72,745</b>	<b>34,147</b>	<b>35,420</b>
Total assets	29,090,409	30,394,626	32,310,567
Total liabilities	8,867,620	10,347,252	12,437,691
<b>Total equity</b>	<b>20,222,788</b>	<b>20,047,374</b>	<b>19,872,876</b>
Return on equity	0.4%	0.2%	0.2%

**Note:** Return on Equity (ROE) is before tax.

**Capital Expenditure Projections**

<b>Financial Year Ended 30 June</b>	<b>Budget 2024/25</b>	<b>Plan 2025/26</b>	<b>Plan 2026/27</b>
Miscellaneous Capital	484,639	480,000	293,000
Pier Refurbishment Pile Sleeving	99,000	-	-
Piers A & C Refurbishment	727,800	727,800	-
Pier E Refurbishment	-	-	727,800
Breakwater	3,400,000	-	-
<b>Total Capital Expenditure</b>	<b>4,711,439</b>	<b>1,207,800</b>	<b>1,020,800</b>

Note 1: Ownership of infrastructural assets is retained by the Shareholder (or other clients).

Note 2: Seaview Marina has to date returned all financial benefits to its Shareholder through increasing the capital value of the marina with trading profits being retained and invested in the strategic development programme. Dividends are expected to be returned to the Shareholder from 2023/24 in line with the Long-Term Plan.

Year Ended 30 June	Total 2023- 2024 (Forecast)	Budget 2024/25	Plan 2025/26	Plan 2026/27
Rental revenue	2,941,792	3,275,694	3,489,142	3,686,216
Other user charges	147,131	159,833	162,601	165,515
Interest revenue	33,102	14,262	21,027	6,300
Product sales	343,365	355,039	367,110	379,592
Other revenue	12,902	13,341	13,728	14,098
<b>Total revenue</b>	<b>3,478,292</b>	<b>3,818,168</b>	<b>4,053,608</b>	<b>4,251,721</b>
Employee expenses	796,265	911,875	958,353	1,004,062
Operating expenses	1,569,872	1,570,985	1,655,061	1,700,963
Finance expenses	179,481	457,195	585,111	680,296
Product cost of sales	287,340	297,109	307,211	317,656
Depreciation	483,969	508,259	513,724	513,324
<b>Total expenses</b>	<b>3,316,927</b>	<b>3,745,423</b>	<b>4,019,460</b>	<b>4,216,301</b>
<b>Net Surplus / (Deficit) before tax</b>	<b>161,366</b>	<b>72,745</b>	<b>34,147</b>	<b>35,420</b>
Income tax expense	45,182	20,369	9,561	9,918
<b>Net Surplus / (Deficit) after tax</b>	<b>116,183</b>	<b>52,376</b>	<b>24,586</b>	<b>25,502</b>

## Prospective Statement of Movements in Equity

Year Ended 30 June	Total 2023- 2024 (Forecast)	Budget 2024/25	Plan 2025/26	Plan 2026/27
Balance at 1 July	20,454,228	20,370,411	20,222,788	20,047,374
Net (Surplus) / Deficit after Depreciation	161,366	72,745	34,147	35,420
Tax	(45,182)	(20,369)	(9,561)	(9,918)
Dividend Payment to HCC	(200,000)	(200,000)	(200,000)	(200,000)
<b>Balance at 30 June</b>	<b>20,370,411</b>	<b>20,222,788</b>	<b>20,047,374</b>	<b>19,872,876</b>

## Prospective Statement of Financial Position

As at 30 June	Total 2023- 2024 (Forecast)	Budget 2024/25	Plan 2025/26	Plan 2026/27
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	708,575	722,851	1,324,625	2,723,224
Debtors and other receivables	320,719	309,821	318,189	328,054
Inventory	12,733	13,370	13,370	13,370
<b>Total current assets</b>	<b>1,042,028</b>	<b>1,046,042</b>	<b>1,656,183</b>	<b>3,064,649</b>
<b>Non Current Assets</b>				
Property, plant and equipment at cost	26,502,135	29,902,135	29,902,135	29,902,135
Property, plant and equipment accumulated depreciation	(4,355,855)	(4,863,391)	(5,377,115)	(5,890,439)
Intangible assets	62,087	62,087	62,087	62,087
Intangible asset accumulated depreciation	(61,145)	(61,868)	(61,868)	(61,868)
Assets under construction	1,693,965	3,005,404	4,213,204	5,234,004
<b>Total non current assets</b>	<b>23,841,186</b>	<b>28,044,366</b>	<b>28,738,442</b>	<b>29,245,918</b>
<b>Total assets</b>	<b>24,883,214</b>	<b>29,090,409</b>	<b>30,394,626</b>	<b>32,310,567</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables and deferred revenue	219,358	194,544	183,736	184,093
Employee entitlements	117,783	97,414	87,853	77,935
<b>Total current liabilities</b>	<b>337,140</b>	<b>291,958</b>	<b>271,589</b>	<b>262,028</b>
<b>Non Current Liabilities</b>				
Deferred Tax Liability	475,662	475,662	475,662	475,662
Borrowings	3,700,000	8,100,000	9,600,000	11,700,000
<b>Total non current liabilities</b>	<b>4,175,662</b>	<b>8,575,662</b>	<b>10,075,662</b>	<b>12,175,662</b>
<b>Total Liabilities</b>	<b>4,512,803</b>	<b>8,867,620</b>	<b>10,347,252</b>	<b>12,437,691</b>
<b>Net Assets (Assets minus Liabilities)</b>	<b>20,370,412</b>	<b>20,222,788</b>	<b>20,047,374</b>	<b>19,872,876</b>
<b>EQUITY</b>				
Accumulated funds	(13,721,903)	(13,869,526)	(14,044,940)	(14,219,438)
Share capital	21,281,903	21,281,903	21,281,903	21,281,903
Revaluation reserve	12,810,411	12,810,411	12,810,411	12,810,411
<b>Total Equity</b>	<b>20,370,411</b>	<b>20,222,788</b>	<b>20,047,374</b>	<b>19,872,876</b>

## Equity Value of the Shareholders' Investment

The estimated net value of the shareholders' investment in the company on 30 June 2024 will be \$20.37M and \$20.22M on 30 June 25.

**Prospective Statement of Cash Flows**

<b>Year Ended 30 June</b>	<b>Total 2023-2024 (Forecast)</b>	<b>Budget 2024/25</b>	<b>Plan 2025/26</b>	<b>Plan 2026/27</b>
<b>Cashflows from Operating Activities</b>				
<b>Cash was provided from:</b>				
Receipts from rentals	2,761,217	3,292,267	3,506,532	3,704,476
Interest received	33,194	14,262	21,027	6,300
Other revenue	-	-	-	-
Receipts from user chrges and other revenue	642,569	511,640	526,037	540,934
		-	-	-
<b>Cash was applied to:</b>				
Payments to employees	(823,193)	(911,875)	(958,353)	(1,004,062)
Payments to suppliers	(1,833,177)	(1,878,201)	(1,980,190)	(2,038,390)
Dividend payments	(200,000)	(200,000)	(200,000)	(200,000)
Interest paid	(179,481)	(457,195)	(585,111)	(680,296)
Tax paid	(229,701)	(45,182)	(20,369)	(9,561)
<b>Net cash flows from operating activities</b>	<b>171,428</b>	<b>325,715</b>	<b>309,573</b>	<b>319,400</b>
<b>Cashflows from Investing Activities</b>				
<b>Cash was provided from:</b>				
Asset sales				
<b>Cash was applied to:</b>				
Purchase of property, plant and equipment	-	(3,400,000)	-	-
Purchase of assets under construction	(1,367,193)	(1,311,439)	(1,207,800)	(1,020,800)
<b>Net cash flows from investing activities</b>	<b>(1,367,193)</b>	<b>(4,711,439)</b>	<b>(1,207,800)</b>	<b>(1,020,800)</b>
<b>Cashflows from Financial Activities</b>				
<b>Cash was provided from:</b>				
Borrowings from Hutt City Council	1,049,542	4,400,000	1,500,000	2,100,000
<b>Cash was applied to:</b>				
Repayment of borrowings to Hutt City Council	-			
<b>Net cash flows from financing activities</b>	<b>1,049,542</b>	<b>4,400,000</b>	<b>1,500,000</b>	<b>2,100,000</b>
<b>Net Increase / (Decrease) in Cash</b>	<b>(146,223)</b>	<b>14,276</b>	<b>601,773</b>	<b>1,398,600</b>
<b>Cash at beginning of year</b>	<b>854,798</b>	<b>708,575</b>	<b>722,851</b>	<b>1,324,625</b>
<b>Cash at end of year</b>	<b>708,575</b>	<b>722,851</b>	<b>1,324,625</b>	<b>2,723,224</b>

**9. Accumulated Profits and Capital Reserves**

The intention is to pay a dividend to the Shareholder commencing in 2023/24.

**10. Share Acquisition**

There is no intention to subscribe for shares in any other company or invest in any other organisation during the period covered by this Statement of Intent. Notwithstanding this, the purchase of any shares requires shareholder approval.

## **11. Information to be provided to Shareholders**

In each year the Company shall comply with the reporting requirements under the Local Government Act 2002, the Companies Act 1993, and other relevant regulations.

The Company will provide:

### **11.1 Statement of Intent**

A draft Statement of Intent by 1 March of the year preceding the financial year to which it relates detailing all matters required under the Local Government Act 2002, including financial information for the next three years.

A final Statement of Intent before the commencement of the financial year to which it relates.

### **11.2 Half-Yearly Report**

Within two months after the end of the first half of each financial year, the Company shall provide a report on the operation of SML to enable an informed assessment of its performance, including financial statements, and progress on activities and projects (in accordance with section 66 of the LGA 2002).

### **11.3 Annual Report**

Within three months after the end of each financial year, the Company will provide an annual report which provides a comparison of its performance with the Statement of Intent, with an explanation of any material variances, audited consolidated Financial Statements for that financial year, and an Auditor's Report (in accordance with section 67, 68 and 69 of the LGA 2002).

## **12. Pricing Policy**

The Company operates in a competitive market competing with three other floating marinas within the Wellington Region and to a lesser extent with the Marlborough region marinas. All marina charges, apart from the Wellington Marine Centre Leases, are reviewed on an annual basis. The review is based on a number of criteria which are listed below:

### **12.1 Market Trends**

The Company positions its charges reasonably to provide excellent value in relation to the Wellington marina market and will adjust charges according to movements in other marinas of a similar standard.

### **12.2 Operating Costs**

Increases in operating costs related to the marina activities compared with the previous year.

### **12.3 Achievement of ROE**

Hutt City Council sets a minimum ROE which the Company is required to achieve each year, and to achieve these, rental charges are set accordingly.

### 13. Transactions with Related Parties

Transactions between the Company, HCC and other HCC controlled enterprises will be conducted on a wholly commercial basis. Charges from HCC and its other companies will be made for services provided as part of the normal trading activities of the Company.

Related Party	Transaction
HCC Finance Business Unit	Provision of accounting services and the consolidation of the Company's financial accounts into the HCC's accounts.
HCC People and Capability Business Unit	Provision of People and Capability support and services, including recruitment and other specialist support.
HCC IT Business Unit	Provision of technical support for the Company's computer hardware and systems.

### 14. Directory

#### Directors

Peter Steel (Chairman, appointed 1 July 2021)

Tui Lewis (from 9 December 2022 to 10 October 2025)

Pamela Bell (appointed 26 March 2021)

Rick Wells (appointed 26 March 2021)

#### Chief Executive

Tim Lidgard (Chief Executive Officer)

Registered Office

100 Port Road

Seaview

Lower Hutt

New Zealand

#### Postal Address

Private Bag 33 230

Petone 5012



**Telephone**

+64 (4) 568 3736

**Website**

[www.seaviewmarina.co.nz](http://www.seaviewmarina.co.nz)

**Auditor**

Audit New Zealand on behalf of the Auditor General

**Bankers**

Westpac Banking Corporation of New Zealand Limited

Lower Hutt

New Zealand

**Solicitors**

Thomas Dewar Sziranyi Letts

Level 2, Corner Queens Drive & Margaret Street

Lower Hutt

New Zealand

**Accounting Policies****REPORTING ENTITY**

Seaview Marina Limited (SML) is a Council Controlled Trading Organisation (CCTO), 100 per cent owned by Hutt City Council. The primary objective of SML is the operation of a marina which benefits the community of Hutt City. SML is designated a public benefit entity for financial reporting purposes.

**BASIS OF PREPARATION**

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

**Statement of compliance**

These financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). They comply with IPSAS and other applicable Financial Reporting Standards, as appropriate for public benefit entities (PBE) that apply Tier 2 PBE accounting standards. As SML's total expenses are under \$30,000,000, it has elected to apply Tier 2 PBE accounting standards.

**Measurement base**

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

The financial statements have been prepared on a historical cost basis.

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values have been rounded to the nearest dollar. The functional currency of SML is New Zealand dollars.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICES****Revenue**

SML derives revenue from its licensees and casual clients. The income is generated from a range of rentals for boat storage and building tenancies as well as services available through the facilities provided by SML.

Revenue is measured at the fair value of consideration received.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Sales of goods are recognised when a product is sold to the customer. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

Interest revenue is recognised using the effective interest method.

**Expenses**

Expenses are recognised when the goods or services have been received on an accrual basis.

**Cash and cash equivalents**

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

**Trade debtors and other receivables**

Trade debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

**Inventory**

Inventory is recorded at cost on a first in – first out basis.

**Property, plant, and equipment**

Land is measured at fair value, and buildings are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

**Additions**

Expenditure of a capital nature of \$500 or more is capitalised. Expenditure of less than \$500 is charged to operating expenditure. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to SML and the cost of the item can be measured reliably.

Labour costs relating to self-constructed assets are capitalised if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to SML and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

**Disposals**

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are recognised in the Statement of Comprehensive revenue and expense.

### Subsequent costs

Costs incurred after initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to SML and the cost of the item can be measured reliably.

### Revaluation

Land, site improvements and buildings are reviewed each year to ensure that their carrying amount does not differ materially from fair value and are revalued when there has been a material change. All other asset classes are carried at depreciated historical cost. Revaluation movements are accounted for on a class of asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expenses and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expenses but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expenses.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The straight-line depreciation rates are as follows:

Property, plant, and equipment consist of the following asset classes: land, buildings, leasehold improvements, furniture and office equipment and motor vehicles.

Estimated economic lives	Years	Rate
Buildings	5 - 33	3% - 20%
Service Centre, hardstand, travel lift	2 - 77	1.3% - 50%
Site improvements	3 - 60	1.7% - 33.3%
Piers and marina berths	4 - 30	3.3% - 25%
Plant and equipment	1.5 - 66	1.5% - 67%
Vehicles	5	20%

The residual value and useful life of an asset is reviewed and adjusted if applicable at each financial year end.

### Intangible assets

#### Software acquisition and development

Acquired computer software licenses are capitalised based on the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by SML, are recognised as an intangible asset.

### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the Statement of Comprehensive revenue and expense.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Estimated economic lives	Years	Rate
Computer software	2.5 - 33	3% - 40%

### Impairment of non-financial assets

Assets with a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. The total impairment loss is recognised in the Statement of Comprehensive revenue and expense.

### Goods and services Tax

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

### Employee entitlements

#### Short-term entitlements

Employee benefits that SML expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

SML recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that SML anticipates it will be used by staff to cover those future absences.

SML recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

### Payables

Short term creditors and other payables are recorded at their face value.

**Provisions**

SML recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) because of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

**Borrowings**

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless SML has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

**Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.

**Income tax**

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, and any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the way the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

## **Leases**

### **Operating leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

### **Finance leases**

SML has not entered any material finance leases.

## **Financial instruments**

The Company is party to financial instrument arrangements as part of its normal operation. Revenue and expenses in relation to all financial instruments are recognised in the Statement of Comprehensive Revenue and Expenses.

All financial instruments are recognised in the Statement of Financial Position based on the Company's accounting policies. All financial instruments disclosed on the Statement of Financial Position are recorded at fair value.

## **Budget figures**

The budget figures are those approved by the Board at the beginning of the year. The budget figures have been prepared in accordance with generally accepted accounting practice (GAAP), using accounting policies that are consistent with those adopted by the Board for the preparation of the financial statements.

## **Critical accounting estimates and assumptions**

In preparing these financial statements SML has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the reporting period in which the revision is made and in any future periods that will be affected by those provisions.

Assumptions have been made for the useful lives of property, plant and equipment and intangible assets as noted above.

**08 February 2024**
**Report no: PFSC2024/1/38**

## Urban Plus Limited Group Draft Statement of Intent 2024/25 to 2026/27

### Purpose of Report

1. The purpose of the report is to provide the draft 2024/25 - 2026/27 Statement of Intent for Urban Plus Limited Group for Council to review.

### Recommendations

That the Committee recommends that Council:

- (1) notes that the Urban Plus Group (UPL) board has submitted a draft Statement of Intent (SOI) for the three years 2024/25 - 2026/27, attached as Appendix 1 to the report, in accordance with the Local Government Act 2002;
- (2) notes that officers have reviewed the draft SOI for compliance with the Local Government Act 2002 and provided their analysis;
- (3) receives the draft SOI;
- (4) reviews the draft SOI and considers if any modifications should be made; and
- (5) provides comments for the UPL board to consider in finalising its SOI (including any modifications suggested by the Committee arising under recommendation (4) above).

### Background

2. The Local Government Act 2002 (LGA) requires the board of a Council Controlled Organisation (CCO) to deliver to its shareholders a draft SOI on or before 1 March of each year.

### Discussion

3. The Chair of UPL will attend to present the report and answer any questions.
4. The board of UPL has submitted a draft SOI to Council. This is attached as Appendix 1 to the report.
5. The board of a CCO must provide information prescribed by the LGA for the SOI, to the extent is appropriate given the organisation form of the CCO. They must do this for the 'the group' - which comprises the CCO and its subsidiaries. The information is required to be provided for the 2024/25 financial year and the two years following that (section 9, Schedule 8 of the LGA).



6. The compliance of the company with the legislative requirements for the SOI and a summary of the amendments proposed by the board for their 2024/25 - 2026/27 SOI are detailed below:

Required Content	UPL Draft SOI Content
(a) the objectives of the company	The objectives of the UPL are stated.
(b) a statement of the board's approach to governance of the group	A statement is included.
(c) the nature and scope of the activities undertaken by the group	The nature and scope of activities are outlined.
(d) the ratio of consolidated shareholders' funds to total assets, and the definition of those terms	Ratio provided.
(e) the accounting policies of the group	Accounting policies are outlined.
(f) the performance targets and other measures by which the performance of the group may be judged in relation to its objectives	Performance targets are included.
(g) an estimate of the amount or proportion of accumulated profits and capital reserves that are intended to be distributed to the shareholders	Information provided.
(h) the kind of information to be provided to the shareholders by the group during the course of those financial years, including the information to be included in each half yearly report (and, in particular, what prospective financial information is required and how it is to be presented)	The kind of information to be provided is outlined.
(i) the procedures to be followed before any member of the group subscribes for, purchases, or otherwise acquires shares in any company or other organisation	Information on procedures is not provided, but it is noted that there is no intention to subscribe or invest in any additional organisation that is not currently within the Group.
(j) any activities for which the board seeks compensation from any local authority (whether or not the local authority has agreed to provide the compensation)	No compensation requested.
(k) the board's estimate of the commercial value of the shareholder's investment in the group and the manner in which and the times at which that value is to be reassessed	A statement as to the net value of shareholder's investment is provided.

(l) any other matters that are agreed upon by the shareholders and the board	Some additional information is provided.
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7. The draft SOI has been prepared to address the priorities included in the Statement of Expectation UPL received from Council on 15 December 2023 (Council approved HCC2022/5/220). These further refined the priorities previously agreed upon by Council and include:
  - a) providing for housing need
  - b) building more housing partnerships
  - c) building pathways to permanency
  - d) application of agreed environmental standards
  - e) achieving wider outcomes
  - f) delivering on Amended Plan Change (PC56)
  - g) promote Māori outcomes
  - h) provision of accommodation for the low-income elderly
8. During the Long-Term Plan 2021-31 process, Council agreed an increase in the loan funding facility to UPL of \$43M for period until 30 June 2031.
9. A report was considered by Council at its meeting on 20 December 2022 proposing a \$20M increase to this loan funding facility (refer LTPAP2022/5/228). This is for a fixed term period of two years to progress a larger proposed UPL work programme, which was approved by Council. It is unlikely that this facility will be drawn down. The draft SOI presented here and the draft LTP for 2024-2034 proposes a loan funding facility of \$43M for UPL, which is in line with the UPL funding requirements.

### **Climate Change Impact and Considerations**

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

### **Legal Considerations**

11. Council may suggest changes which the board must consider in finalising its SOI. The board must consider within two months of 1 March any comments on the draft SOI that are made by the shareholders. The board must deliver a completed SOI to Council on or before 30 June 2024.
12. Outside of this current process, the Council may, by resolution, require the board to modify the SOI and the board must comply (section 5, Schedule 8 LGA), provided that Council first consults the board.

### Financial Considerations

13. The draft SOI contains the financial forecasts for UPL for the three-year period commencing 1 July 2024.
14. The Total Equity of UPL is forecast to be \$50.6M as at 30 June 2024.
15. The net operating budget revenue before tax for 2024-25 is expected to be \$4.8M compared to the previous SOI of \$1.9M. The difference mainly relates to \$0.7M (2023/24) and \$1.2M (2024/25) of interest on the additional \$20M loan draw down included in the 2023/24 SOI that has not eventuated.

Net Surplus / (Deficit) before Tax	2023/24	2024/25	2025/26
SOI 2023/24	(3,619,598)	1,923,453	(3,017,778)
SOI 2024/25	(2,638,986)	4,809,749	(3,216,731)
Difference	980,612	2,886,296	(198,953)

### Appendices

No.	Title	Page
<a href="#">1</a>	Appendix 1: Urban Plus draft Statement of Intent 2024-2027	40

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Chief Executive, Urban Plus Ltd

**Approved By:** Jon Kingsbury  
Director Economy and Development



**URBAN PLUS GROUP**

**STATEMENT OF INTENT  
2024/25 – 2026/27**

**DRAFT**

**15** YEARS PROVIDING  
**HOMES**  
FOR HUTT CITY

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## Purpose

The purpose of this Statement of Intent is to:

- a. State publicly the activities and intentions of this Council-Controlled Trading Organisation for the year and the objectives to which those activities will contribute;
- b. Provide an opportunity for the Shareholder to influence the direction of the Organisation; and
- c. Provide a basis for the accountability of the Directors to the Shareholder for the performance of the Organisation.

This Statement of Intent covers the year 1 July 2024 to 30 June 2025 and forecasts for the following two financial years. It has been prepared in accordance with Section 64 (1) of the Local Government Act 2002.

## Introduction

Urban Plus Limited (UPL) is wholly owned by Hutt City Council (HCC) and operates as a Council Controlled Trading Organisation (CCTO) under the Local Government Act 2002. UPL was established effective 1 May 2007 with principle objectives as stated below under 'Our Business Objectives'.

The Urban Plus Group comprises Urban Plus Limited (UPL), UPL Limited Partnership (UPLLP) and UPL Developments Limited (UPLDL).

UPL is a company registered under the Companies Act 1993, is governed by the requirements of that Act and Section 6 of the Local Government Act 2002 and is covered by law and best practice. It also has responsibilities under the general law including the Resource Management Act 1991.

## Shareholder's Expectations to Urban Plus Group

UPL is charged with providing housing outcomes for Te Awa Kairangi Ki Tai / Lower Hutt on behalf of its Shareholder, Hutt City Council. Recent years has seen a move to focusing on partnerships with Community Housing Providers and iwi. This will continue, and our aim is to continue to grow and strengthen our established relationships and look for more entities to work alongside to provide wider housing outcomes in targeted areas within the overall housing continuum.

In December 2023, UPL received the Shareholder's Letter of Expectation (LoE), which set out seven key priorities and areas for UPL to address and deliver for the upcoming year(s). There was no significant change of direction noted, but more emphasis in some areas for UPL to focus greater attention on. There are three broad but clear aspirations of UPL from the Shareholder:

1. **Promote Māori Outcomes:** to develop greater understanding of mana whenua aspirations, and for a deeper engagement with Māori communities in terms of housing outcomes and partnerships.
2. **Financial Accountability:** There is also expectation to continue financial prudence – seeking efficiencies where possible such as via optimising contracting and procurement processes, exploring alternative funding arrangements (outside of the Shareholder's Local Government Funding Agency channels), and:

3. **Climate Change & Environmental Standards:** as well as an advancement of considerations towards Climate Change and the environmental landscape such as adopting sustainable standards and incorporating products and materials into housing specifications, designs, and layouts.

In alignment with the Shareholder's wider expectations and deliverables, UPL cannot act as both developer and continue to hold property long term that is not specifically for its own portfolio. Cyclical project programming and delivery (by way of sales) are fundamental to successfully delivering the company's objectives and remaining commercially solvent. Future projects' success and deliverables are reliant on a continued cycle of development and release (and repeat).

The LoE sets out seven key priorities for UPL to address regarding housing – our strategic response to each of these are set out below:

## Strategic Priorities

### 1. Provide for a Wider Housing Need

UPL will collaboratively work with the Shareholder as required to identify and enable strategic utilisation of Council's resources and tools to better enable housing outcomes for the city. The Shareholder will empower UPL to align with and deliver its housing aspirations. UPL will work closely with the Shareholder throughout the 2024-25 financial year and outer lying years to assist in reviewing and identifying parcels of council-owned land to enable further growth and assist in achieving the Shareholder's Urban Growth targets to assist in addressing the housing shortage currently being experienced in Lower Hutt.

Regarding rental levels for the residential portfolio, it is recognised tenants in UPL housing already face housing hardship, and both the Shareholder and UPL are eager to see rents kept as low as possible – as such, there is to be careful balance between prudent management of both planned and reactive maintenance expenditure with keeping rents at manageable levels for tenants and meeting performance measures.

### 2. Build More Housing Partnerships

In order to deliver homes across targeted areas of the housing continuum, UPL is to develop and strengthen relationships and partnerships with a diverse array of stakeholders and key entities such as Community Housing Providers (CHPs), government agencies, tertiary institutions and private developers – examples being:

- A minimum of two Community Housing Providers (CHP) with at least one being a Māori CHP
- Mana whenua – Te Runanga o Te Āti Awa, Ngāti Toa Rangatira and Taranaki Whānui (Port Nicholson Block Settlement Trust)
- Non-governmental organisations (such as social service providers) & Community Housing Aotearoa (CHA)
- Central government organisations with responsibilities for delivering housing (Kāinga Ora, Ministry of Housing and Urban Development)
- Tertiary education providers such as WelTec and Whitireia (noting the new coalition Government proposed changes)
- Local, Hutt-city based developers.

Partnerships with key organisations within the housing and social sectors will enable UPL to achieve outcomes where it cannot achieve them solely on its own and will enable a broader and diverse range of housing solutions and options to meet broader needs of the community.

**Policy Advocacy and Inter-Governmental Synergy:** UPL is to play an active role in advocating for policies that support sustainable housing development in alignment with Community Housing Aotearoa (CHA).

### 3. Build Pathways to Permanency

**Securing Stable Housing Futures:** Via the nurturing of partnerships, UPL will (either directly or indirectly) deliver where appropriate, initiatives such as shared equity, rent to buy, reduced deposit schemes, and other means of assisting qualifying entities, cohorts and households into housing permanency. It is to explore and implement alternative funding options as appropriate to establish and support sustainable housing outcomes.

### 4. Achieve Broader Outcomes

UPL will embrace and include the Shareholder's commitment to the 'Four Wellbeings' within its delivery of housing outcomes within the community. Social, Economic, Environmental, and Cultural elements are to be at the forefront of the organisation's focus and how these enhance the wellbeing and prosperity of the wider community. There is to be a strategic alignment with the Shareholder's overarching goals to achieve these broader outcomes.

### 5. Delivery on Amended Plan Change (PC56)

UPL is to contribute to the Shareholder's strategic objectives (set out in the Long-Term Plan) such as placemaking – one of HCC's core objectives, to embrace and implement best practices aligned with standards and guidelines within the Operative District Plan. This is to be achieved via innovative and sustainable design that promotes wellbeing, community identity and belonging through each project undertaken.

### 6. Provision of Accommodation for the Low-Income Elderly (Aged 65 years plus)

UPL is charged with the ongoing priority to provide warm, dry and healthy housing accommodation to the predominantly low-income elderly of Lower Hutt, who may not be in a position to self-fund independent accommodation. The forecast is for steadily growing numbers of the over 65's entering this sector as the population ages. The changing Lower Hutt demographic will put increased pressure on housing providers, such as UPL, to provide an increased number of housing units in the future. UPL has a significant role to play in appropriately housing this growing and aging demographic.



In advancement of design refinement and improvement, UPL will incorporate age-friendly, mobility / accessibility and safety design considerations into its future projects as the company grows its rental portfolio. It will investigate alternative products which enables infill options to optimize urban spaces. As with prior years, UPL will continue to consider the overall amenity value of the community including proximity to public transport, retail, medical centres, land contour etc. so our residents can live safely and in an engaged manner within the community, whilst retaining mobility and independence.

UPL continues to undertake an annual review of its rental portfolio performance – considering a range and balance of aspects such as affordability, market rents, sustainability, reactive and long-term maintenance, tenants cost of living and access to Central Government subsidisation allowances.

## 7. Hutt City Council's Policy Framework Development

Optimal Land Use and Development Framework (OLU&DF): In collaboration with the Shareholder, UPL will develop a comprehensive OLU&DF which identifies land (and its use), tools and mechanisms to enable UPL to deliver housing outcomes that maximises efficiency and community benefits. In turn, the Shareholder is open to using an array of options and incentives for UPL to achieve its performance targets and outcomes.

The framework is to outline phased deliverables (housing, social and community related outcomes) over the next three years, and align with the Shareholder's strategic objectives. Within this collaborative approach, the outcomes should provide the best use of land, mechanisms and resources to achieve the broader goals and well-being of the community.

UPL's ongoing commitment to these priorities will contribute significantly to shaping a sustainable, inclusive, and vibrant city.

## Our Statutory Objectives

**Section 59 of the Local Government Act 2002 provides:**

### Principal objective of council-controlled organisation

- (1) The principal objective of a Council-Controlled Organisation is to:
  - (a) Achieve the objectives of its shareholders, both commercial and non-commercial, as specified in the Statement of Intent;
  - (b) Be a good employer;
  - (c) Exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates, and by endeavouring to accommodate or encourage these when able to do so; and
  - (d) If the Council-Controlled Organisation is a Council-Controlled Trading Organisation, conduct its affairs in accordance with sound business practice.
- (2) In subsection 1.b, good employer has the same meaning as in clause 36 of Schedule 7 of the Local Government Act 2002.

## Our Business Objectives

Urban Plus Group 2024-2027 Statement of Intent

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**In addition to the Statutory objectives, the Business objectives of UPL are to:**

- 1.1 operate as a successful and profitable undertaking;
- 1.2 provide for need in a variety of areas across the housing continuum by developing property for housing outcomes such as: affordable / 'for market', social, long-term market rentals and CHP partnership projects;
- 1.3 be a provider of housing into the local supply chain with various housing typologies;
- 1.4 build housing partnerships with local and nationwide community housing organisations, mana whenua and Crown agencies;
- 1.5 develop a framework to enable households to transition into housing permanency;
- 1.6 demonstrate environmental leadership by the implementation of HomeStar methodologies and other practices which lower carbon emissions;
- 1.7 support and advance training and employment opportunities within the construction and built environment sectors;
- 1.8 seek greater housing capacity outcomes afforded by Operative Plan Changes (e.g. PC56);
- 1.9 support Central Government initiatives where and when prudent, in alignment with the Shareholder;
- 1.10 provide for the long term a growing portfolio of rental housing for the predominately low-income elderly<sup>1</sup> consistent with, and to give effect to, the Shareholder's Housing Policy;
- 1.11 manage and develop the housing portfolio in a manner which increases its property values;
- 1.12 purchase, develop, lease or on-sell future development projects in a manner which maximises its value at a level of risk appropriate for the investment of funds and/or which aligns with the aspirations of the Shareholder;
- 1.13 comply with all legislative and regulatory provisions relating to its operations and performance;
- 1.14 ensure all assets owned by the company are maintained to the applicable standards;
- 1.15 maintain an effective business continuance plan;
- 1.16 maintain a register of, and comply with, current Shareholder policies relevant to its business and operations; and
- 1.17 assist the Shareholder's when asked to do so in its endeavours in regard to the Shareholder's Spatial Plan.

These objectives will be monitored and where in conflict will be pursued giving greater weight to the interests of maximising value to the Shareholder provided that in relation to the provision of social housing, value to the Shareholder will include the consideration of social value and prudent financial management of UPL.

<sup>1</sup> 'Aged 65-plus/Predominantly low-income elderly' in this context relates to an applicant for a residential tenancy, that at the time of application, is able to demonstrate:

- i. that they are eligible for National Super(aged over 65 years – this being subject to review periodically by Central Government);
- ii. that they have no other income;
- iii. that they do not have cash or assets of such a magnitude that would mean they could make independent accommodation choices.

## Nature and Scope of Activities to be undertaken by Urban Plus

## Group

The nature and scope of activities of the UPL are to:

1. Operate as a successful business, returning benefits to the Shareholder;
2. Own, operate and maintain, to an acceptable standard, a housing portfolio that provides rental accommodation for the predominately low-income elderly in accordance with normal commercial guidelines and the Housing Policy of the Shareholder;
3. Ensure that the housing portfolio for the predominately low-income elderly is appropriate for the changing needs of the community in terms of the objectives outlined in the Shareholder's Housing Policy;
4. Develop property in preparation for sale or lease, which is declared surplus to the needs of Hutt City Council and which provide an appropriate return for the costs and risks of development;
5. Actively participate in the market with intent to acquire / purchase property to develop for sale, lease, portfolio retention or public market rental which provides appropriate returns for the levels of cost, risk and funds invested;
6. Purchase, develop, lease or on-sell the development property portfolio in a manner which maximises its value at a level of cost and risk appropriate for the investment of funds and is in alignment with the aspirations of the Shareholder; and
7. Otherwise become involved in property-related transactions and property-technical advisory services on a commercial basis that support the Shareholder's vision for the future development of the city. This specifically includes assisting with progressing the objectives in the Spatial Plan.

Section 59 of the Local Government Act 2002 also provides that the principal objectives of a Council- Controlled Trading Organisation include the objectives of its Shareholders.

In order to meet our objectives we focus our work activity on asset planning and development, capital project management, operations management, risk management, staff development and corporate governance.

## Other

UPL will continue to be involved in property-related transactions on a commercial basis that support the Shareholders' vision for the future development of the city.

UPL will continue to provide a wide range of strategic property advice and property consultancy when required to the Shareholder. Work has included:

1. Advice and general direction for property projects that are in alignment with its standard business operations;
2. Commercial leasing management advice for HCC property and subsidiaries;
3. Specific property advice; and
4. Assist with strategic HCC property acquisition and divestment as directed by the Shareholder.
5. HCC property acquisition and divestment as directed by the Shareholder.

## Performance Measures

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

### Rental Housing

- 1.1 Capital expenditure within budget.
- 1.2 Operational expenditure within budget.
- 1.3 Net Surplus before Depreciation and tax and after Finance Expenses as a Proportion of the Net Book Value of Residential Land and Buildings at the Start of the Year – Greater than 2.25%.
- 1.4 Tenant satisfaction with the provision of the company's rental housing greater than or equal to 90%.
- 1.5 Percentage of total housing units occupied by predominately low-income elderly<sup>2</sup> greater than or equal to 90%.
- 1.6 Annual rental increases to be no greater than \$50 per week per unit.
- 1.7 Increasing the portfolio size to 220 units by December 2025.
- 1.8 Any rental housing units purchased and not already utilising electricity or renewable sources of energy for space heating, water heating, and cooking facilities, shall be converted to utilise only electricity or renewable sources of energy within five years of acquisition.
- 1.9 New rental housing units constructed by UPL to utilise only electricity or renewable sources of energy for space heating, water heating and cooking facilities.

<sup>2</sup> 'Aged 65-plus/Predominantly low-income elderly' in this context relates to an applicant for a residential tenancy, that at the time of application, is able to demonstrate:

- i. that they are eligible for National Super (aged over 65 years – this being subject to review periodically by Central Government);
- ii. that they have no other income;
- iii. that they do not have cash or assets of such a magnitude that would mean they could make independent accommodation choices.

### Property Development

- 1.10 Capital expenditure within budget.
- 1.11 Operational expenditure within budget.
- 1.12 All new developments shall only utilise electricity or renewable sources of energy for space heating, water heating and cooking facilities.
- 1.13 All new housing units (standalone house or townhouse) shall achieve a certified HomeStar design rating of at least six stars.<sup>3</sup>
- 1.14 A pre-tax return of not less than 15% on Development Costs including Margin and Contingency on housing released to market (except where the Board and Shareholder agree otherwise to achieve specified objectives).
- 1.15 Value of divestment to Community Housing Providers (or socially like-minded organisations) set at each project's Development Cost (includes contingency and GST) plus a margin of no greater than 12.5% (except where the UPL Board and Shareholder agree otherwise to achieve specified objectives).
- 1.16 Long term public rental accommodation pre-tax returns at no less than (or equal to) 3.0% after depreciation.<sup>4</sup>

<sup>3</sup> The assessment criteria being: **Either** - an independent review by a certified HCC Homestar Assessor to qualify the design would satisfy and meet the appropriate the Homestar 6 standards for each UPL project – **Or**, via a formal registration and certification process via NZGBC. The decision on which option to utilise is at the discretion of UPL officers in terms of financial impact to projects on a case-by-case basis.

<sup>4</sup> Returns are specific to each project's (Board Approved) business case where long-term market rentals are developed. Future rents are set having regard to an annual review.

### Professional Property Advice

1.17 Achieve a market return on additional services provided to the Shareholder.

### UPL Developments Limited

1.18 Undertake, negotiate and execute tender and procurement processes for and on behalf of the Partnership and 'parent' company as required.

1.19 Facilitate civil and construction contracts for and on behalf of the Partnership and 'parent' company as required.

1.20 Facilitate payment of contract progress claims for Board approved contracts as well as payments to other suppliers engaged to provide services or goods to defined development projects.

1.21 Should UPLDL be used for future developments, the same performance measures apply as for Property Development (refer above).

1.22 Act as General Partner when a Limited Partnership structure is utilised for development projects.

### UPL Limited Partnership

1.23 Develop land in a manner which maximises its value at a level of risk appropriate for the investment of funds.

1.24 To perform business undertakings in common with UPL with a view to profit from development projects for the purposes of funding future projects that align with the Strategic Priorities set out above.

1.25 Should UPLLP be used for future developments, the same performance measures apply as for Property Development (refer above).

## Risk Management

**Health and Safety in Employment**

UPL will maintain sound industry practice with ongoing reviews of its Health and Safety policies to ensure they remain current in terms of compliance.

**Business Continuity**

UPL will maintain a Business Continuity Plan for unforeseen circumstances so any event will have minimal impact on the day-to-day operation of the business.

**Insurances**

UPL will maintain appropriate insurances to mitigate risk of portfolio damage, business interruption and professional indemnity. This will include Directors and Office Bearers cover where appropriate.

**Emergency preparedness**

UPL will rehearse and maintain systems and procedures to best position itself to deal with emergency situations.

**Commercial Risk**

UPL will manage its affairs in a manner that minimises commercial risk recognising that some risk will need to be taken to achieve targets. In recognising the lessened profit margins and higher commercial risk when delivering projects to Community Housing Providers, the UPL Board of Directors and Chief Executive will consider the scale, funding constraints and timing of these projects within the wider development programme. The risk appetite of the Board may have bearing on the number of CHP-focused projects being undertaken at one time in consideration to other priorities of the SOI.

**Board of Directors**

The Board of Directors consists of up to six members, with the Shareholder appointing Council representation as Director(s) and Independent Directors. Directors generally serve three-year terms.

The Board is responsible for the proper direction, governance and control UPL.

**Unanimous approval of the Board is required for:**

- 1.1 Employment of the UPL Chief Executive and creation of new permanent positions outside of resolved budget limits;
- 1.2 Extraordinary transactions (entering into any contract or transaction except in the ordinary course of business);
- 1.3 Delegation of Directors' powers to any person;
- 1.4 Major transactions (entering into any major transaction);
- 1.5 Disputes (commencing or settling any litigation, arbitration or other proceedings which are significant or material to the Company's business);

- 1.6 Borrowings in a manner that materially alters the Company's banking arrangements, advancing

of credit (other than normal trade credit) exceeding \$5,000 to any person except for making deposits with bankers, or giving of guarantees or indemnities to secure any person's liabilities or obligations;

- 1.7 Sale of assets (sell or dispose of fixed assets for a total price per transaction exceeding \$100,000 or a series of transactions aggregated exceeds \$300,000); and
- 1.8 Capital expenditure (other than in the ordinary course of doing business) at a total cost to the Company, per transaction, exceeding \$300,000 or a series of transactions aggregated exceeds \$750,000. However, the UPL Chief Executive has delegated authority to approve individual, project- specific capital expenditure invoices up to \$750,000 + GST if the Board has unanimously approved the budget for that specific project.

**The Board will require the agreement of the Shareholder for:**

- 1.1 Any changes to the Constitution;
- 1.2 Any increases in capital and the issue of further securities, share buybacks and financial assistance;
- 1.3 Any alteration of rights attaching to shares;
- 1.4 Any arrangement, dissolution, re-organisation, liquidation, merger or amalgamation of the Company; and
- 1.5 Any 'major transactions' as that term is defined in the Companies Act 1993.

**Ratio of consolidated Shareholders' funds to total assets**

The target ratio for consolidated Shareholders' funds to total assets is at least 50%. Consolidated Shareholders' funds comprise share capital and accumulated reserves. Total assets comprise all tangible assets of the Company, the main component being housing and undeveloped land. The forecast consolidated Shareholders funds as at June 2024 is 53%. The share capital of \$15.3 million consists of 27,000,001 ordinary shares on issue, of which 12,000,001 are fully paid and 15,000,000 are issued but uncalled.

**Accumulated profits and capital reserves**

There is no intention to pay a dividend in the 2024/25 financial year or succeeding years.

**Information to be provided to Shareholders**

In each year UPL shall comply with the reporting requirements specified for CCO's under the Local Government Act 2002 and the Companies Act 1993 regulations.

In particular, it shall provide:

**Annually**

1. Annually report, within two months after the end of each financial year.
2. A Statement of Intent detailing all matters required under the Local Government Act 2002;
3. An annual budget for the coming financial year, broken out by the two major areas of operation; Rental Housing and Land Development, including the assets employed and debt

attributable to each area;

4. A written report on the financial operations of the Company to enable an informed assessment of its performance including a comparison against budget and the Statement of Intent, the Return on Equity and Return on Assets for the Period;
5. Financial statements comprising the Statement of Financial Position, Statement of Comprehensive Revenue and Expenses and Statement of Cash Flows;
6. A business plan indicating the nature of property development it proposes to undertake and the range of investment and estimated return it proposes to achieve;
7. An assessment of the current market for rental housings and the appropriateness of the current housing portfolio to meet the needs of the predominately low-income elderly.

#### Half Yearly

8. Six-monthly, within two-months of the end of the six-month reporting period.
9. A written report on the operations of the Company by the two major areas of operation to enable an informed assessment of its performance including a financial comparison against budget and the Statement of Intent, the Return on Equity and Return on Assets for the Period.
10. Financial statements comprising the Statement of Financial Position, Statement of Comprehensive Revenue and Expenses and Statement of Cash Flows.
11. Progress on activities outlined in the agreed business plan.

#### Share acquisition

There is no intention to subscribe for shares in any other company or invest in any other organisation. (NOTE: UPL has a subsidiary company UPL Developments Limited).

#### Compensation from Local Authority

It is not anticipated that the company will seek compensation from any local authority other than in the context of normal commercial contractual relationships.

NB: if UPL has undertaken to obtain or has obtained compensation from its Shareholder in respect of any activity, this undertaking or the amount of compensation obtained will be recorded in:

1. The annual report of UPL; and
2. The annual report of the Shareholder.

#### Equity value of the Shareholder's investment

For the year ended 30 June 2024, the estimated net value of the Shareholder's investment in Urban Plus Group will be \$50.64 million



## Financial Forecasts

Planning and programming for development projects will be based on exceeding the agreed minimum financial performance thresholds as set out in the Performance Measures section for each commercial, residential portfolio, affordable housing and long-term market rental development project. Each development project will require the approval of the Board to ensure strategic fit and achievement of the minimum rate of return.

The current downturn of the property market and volatility of interest rates have resulted in considerable uncertainty in terms of what projects will become available, and what sales might result from those projects. Details of potential development projects will be included in the regular reporting to the Board and Shareholder.

## Consolidated Statement of Financial Performance

For the Year Ended 30 June	2024	2025	2026	2027
	Forecast	Budget	Plan	Plan
<b>REVENUE</b>				
Rental Revenue	2,666,750	2,842,396	3,062,325	3,344,941
Other Management Fees	-	-	-	-
Finance Revenue	921,097	571,176	660,396	364,466
Commercial Development Sales	-	55,227,609	-	36,765,478
<b>Total Revenue</b>	<b>3,587,848</b>	<b>58,641,181</b>	<b>3,722,721</b>	<b>40,474,885</b>
<b>EXPENSES</b>				
Personnel Expenses	1,120,490	1,354,121	1,431,743	1,514,036
Rates	333,143	386,446	414,270	444,098
Repairs & Maintenance	697,730	678,250	668,357	977,579
Insurance	232,127	267,668	307,818	338,599
Specialist Services	126,632	145,678	127,734	131,906
Operational Contracts	174,676	172,788	177,960	183,300
HCC Support Costs	180,374	183,972	187,656	191,400
Other Operating Expenses	342,417	365,841	339,657	350,284
Asset Write-Offs	55,104	-	-	-
Agents Fees & Marketing	167,500	167,500	-	-
Cost of Commercial Development Sales	-	46,948,358	-	30,203,544
<b>Total Expenses</b>	<b>3,430,194</b>	<b>50,670,622</b>	<b>3,655,196</b>	<b>34,334,746</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>157,654</b>	<b>7,970,559</b>	<b>67,525</b>	<b>6,140,138</b>
Depreciation	686,155	736,800	787,657	982,940
Finance Expenses	2,110,486	2,424,010	2,496,599	2,655,393
<b>NET SURPLUS/(DEFICIT) before Tax</b>	<b>(2,638,986)</b>	<b>4,809,749</b>	<b>(3,216,731)</b>	<b>2,501,805</b>
Income Tax Expense/(Benefit)	-	607,814	-	-
<b>SURPLUS/DEFICIT after TAX</b>	<b>(2,638,986)</b>	<b>4,201,936</b>	<b>(3,216,731)</b>	<b>2,501,805</b>
<b>Other Comprehensive Revenue and Expenses</b>				
Gain on Property Revaluation	-	-	-	-
Less: Tax on Revaluation	-	-	-	-
<b>Total Other Comprehensive Revenue and Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE REVENUE and EXPENSES</b>	<b>(2,638,986)</b>	<b>4,201,936</b>	<b>(3,216,731)</b>	<b>2,501,805</b>

Urban Plus Group 2024-2027 Statement of Intent

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### Consolidated Statement of Changes in Equity

For the Year Ended 30 June	2024	2025	2026	2027
	Forecast	Budget	Plan	Plan
Balance at 1 July	53,275,470	50,636,484	54,838,419	51,621,689
Total Comprehensive Revenue and Expenses for the Year	(2,638,986)	4,201,936	(3,216,731)	2,501,805
Balance at 30 June	50,636,484	54,838,419	51,621,689	54,123,494

**Note re: Commercial Development Sales 2024/25 FY**

Proceeds from the multiple commercial development projects are timed to occur within the 2024/25 Financial Year resulting in the significant increase in revenue compared to previous and outer lying Financial Years.

## Consolidated Statement of Financial Position

As at 30 June	2024	2025	2026	2027
	Forecast	Budget	Plan	Plan
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash & Cash Equivalents	12,941,333	18,200,180	6,450,846	13,466,431
Debtors & Other Receivables	13,360	-	-	-
Inventories	28,781,545	6,813,768	11,080,162	3,247,269
<b>Total current assets</b>	<b>41,736,238</b>	<b>25,013,948</b>	<b>17,531,008</b>	<b>16,713,700</b>
<b>Non-Current Assets</b>				
Property, Plant & Equipment	44,705,860	47,743,540	56,815,600	55,846,551
Assets Under Construction	4,930,708	8,261,046	65,622	65,622
Assets Available for Sale	3,724,825	8,994,621	21,532,850	25,942,460
Loan to Related Party	-	-	-	-
<b>Total non-current assets</b>	<b>53,361,394</b>	<b>64,999,208</b>	<b>78,414,071</b>	<b>81,854,633</b>
<b>TOTAL ASSETS</b>	<b>95,097,632</b>	<b>90,013,156</b>	<b>95,945,080</b>	<b>98,568,333</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Creditors & Other Payables	410,512	516,286	272,754	394,204
Employee Entitlements	4,604	4,604	4,604	4,604
Tax payable	276,082	276,083	276,084	276,082
<b>Total Current Liabilities</b>	<b>691,198</b>	<b>796,973</b>	<b>553,442</b>	<b>674,890</b>
<b>Non-Current Liabilities</b>				
Employee Entitlements	92,655	92,656	92,655	92,655
Borrowings	43,000,000	33,000,000	43,000,000	43,000,000
Deferred Tax Liability	677,294	1,285,108	677,294	677,294
<b>Total Non-Current Liabilities</b>	<b>43,769,949</b>	<b>34,377,764</b>	<b>43,769,949</b>	<b>43,769,949</b>
<b>TOTAL LIABILITIES</b>	<b>44,461,147</b>	<b>35,174,737</b>	<b>44,323,391</b>	<b>44,444,839</b>
<b>NET ASSETS</b>	<b>50,636,484</b>	<b>54,838,419</b>	<b>51,621,689</b>	<b>54,123,494</b>
<b>EQUITY</b>				
Retained Earnings	5,095,881	9,097,816	5,881,086	8,382,891
LTMP Reserve	-	200,000	200,000	200,000
Share Capital	15,300,000	15,300,000	15,300,000	15,300,000
Revaluation Reserve	30,240,603	30,240,603	30,240,603	30,240,603
<b>TOTAL EQUITY</b>	<b>50,636,484</b>	<b>54,838,419</b>	<b>51,621,689</b>	<b>54,123,494</b>

## Consolidated Statement of Cash Flows

For the Year Ended 30 June	2024	2025	2026	2027
	Forecast	Budget	Plan	Plan
<b>CASH FLOWS from OPERATING ACTIVITIES</b>				
<i>Cash was provided from:</i>				
Receipts from Rent and Leases	2,666,750	2,842,396	3,062,325	3,344,941
Receipts from Management Fees	302,800	172,920	-	-
Receipts from Other Revenue	235,723	119,560	-	-
Interest Received	920,766	571,176	660,396	364,466
Receipts from Commercial Development Sales	-	55,227,609	-	36,765,478
	4,126,040	58,933,661	3,722,721	40,474,885
<i>Cash was applied to:</i>				
Payments to Employees	(1,130,242)	(1,354,121)	(1,431,743)	(1,514,036)
Payments to Suppliers	(2,388,450)	(2,368,568)	(2,466,985)	(2,495,720)
Interest Paid	(2,110,486)	(2,424,010)	(2,496,599)	(2,655,393)
Tax Paid	(304,710)	-	(607,814)	-
Costs of Commercial Development Sales	(17,626,062)	(31,506,344)	(17,237,730)	(27,015,065)
	(23,559,949)	(37,653,043)	(24,240,871)	(33,680,214)
<b>Net Cash Flows from Operating Activities</b>	<b>(19,433,909)</b>	<b>21,280,619</b>	<b>(20,518,150)</b>	<b>6,794,671</b>
<b>CASH FLOWS from INVESTING ACTIVITIES</b>				
<i>Cash was applied to:</i>				
Purchase and Construction of Property, Plant and Equipment	(4,264,018)	(7,104,819)	(1,664,292)	(13,892)
	(4,264,018)	(7,104,819)	(1,664,292)	(13,892)
<b>Net Cash Flows from Investing Activities</b>	<b>(4,264,018)</b>	<b>(7,104,819)</b>	<b>(1,664,292)</b>	<b>(13,892)</b>
<b>CASH FLOWS from FINANCING ACTIVITIES</b>				
<i>Cash was provided from:</i>				
Proceeds from Borrowings - HCC	10,000,000	5,000,000	10,000,000	10,000,000
	10,000,000	5,000,000	10,000,000	10,000,000
<i>Cash was applied to:</i>				
Repayment of Borrowings - HCC	-	(15,000,000)	-	(10,000,000)
Repayment of Advance from related parties	(32,456)	-	-	-
	(32,456)	(15,000,000)	-	(10,000,000)
<b>Net Cash Flows from Financing Activities</b>	<b>9,967,544</b>	<b>(10,000,000)</b>	<b>10,000,000</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) in CASH and CASH EQUIVALENTS</b>	<b>(12,909,054)</b>	<b>5,258,846</b>	<b>(11,749,333)</b>	<b>7,015,584</b>
Cash and Cash Equivalents at the Beginning of the Year	25,850,387	12,941,333	18,200,180	6,450,846
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>12,941,333</b>	<b>18,200,180</b>	<b>6,450,846</b>	<b>13,466,431</b>

## Statement of Accounting Policies

UPL will apply the following accounting policies consistently during the year and apply these policies to the Statement of Intent. In accordance with the New Zealand Institute of Chartered Accountants Financial Reporting Standard 42 (FRS 42), the following information is provided in respect of the Statement of Intent.

### Nature of prospective information

The financial information presented consists of forecasts that have been prepared on the basis of best estimates and assumptions on future events that UPL expects to take place.

### Statement of compliance with International Financial Reporting Standard

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable financial reporting standards, as appropriate for public benefit entities.

### Reporting entity

UPL is a company registered under the Companies Act 1993 and a Council-Controlled Trading Organisation as defined by Section 6 of the Local Government Act 2002. Hutt City Council is the only shareholder. The company was incorporated in New Zealand in 13 December 1996 as De Luie Developments Limited, changed its name to Centre City Plaza Limited on 27 June 1997, changed its name to Hutt Holdings Limited on 20 January 2003 and finally changed its name to Urban Plus Limited on 25 May 2007.

The financial statements have been prepared in accordance with the requirements of the Companies Act 1993, the Financial Reporting Act 1993 and the Local Government Act 2002.

For purposes of financial reporting, UPL is a public benefit entity.

### Reporting period

The reporting period covers the 12 months from 1 July 2023 to 30 June 2024. Comparative projected figures for the year ended 30 June 2024 and 30 June 2025 are provided.

### Specific accounting policies

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

The measurement basis applied is historical cost.

The accrual basis of accounting has been used unless otherwise stated. These financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless otherwise stated.

### Judgements and estimations

Preparing financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Where material, information on the major assumptions is provided in the relevant accounting policy or will be provided in the relevant note to the financial statements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the relevant notes.

### Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

### Debtors and other receivables

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

### Revenue

Revenue is measured at the fair value of consideration received.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Sales of goods are recognised when a product is sold to the customer. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

Property sales are recognised on settlement date, along with the related expenses. Interest income is recognised using the effective interest method.

### Property, plant and equipment

On transition to NZ IFRS assets were recorded at cost less accumulated depreciation and impairment losses.

#### Revaluation

Land and buildings are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost. The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis. The net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income.

#### Additions

Expenditure of a capital nature of \$1,000 or more has been capitalised. Expenditure of less than \$1,000 has been charged to operating expenditure. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to UPL and the cost of the item can be measured reliably.

#### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are recognised in the Statement of Comprehensive Income.

#### Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to UPL and the cost of the item can be measured reliably.

#### Depreciation



Depreciation is provided on a straight line basis on all property, plant and equipment at rates that will write off the cost (valuation) of the assets to their estimated residual values over their useful lives. The straight line depreciation rates are as follows:

Estimated economic lives	Years	Rate
Buildings	2 - 69	1.45% - 50.00%
Plant and equipment	8 - 13	7.69% - 12.00%
Vehicles	7	12.76%

The residual value and useful life of an asset is reviewed and adjusted if applicable at each financial year end.

### Intangible assets

#### Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by UPL, are recognised as an intangible asset.

#### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the Statement of Comprehensive Income.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Estimated economic lives	Years	Rate
Computer software	2.8	36%

### Impairment of non-financial assets

Assets with a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the Statement of Comprehensive Income.

### Goods and services tax

All items in the financial statements are stated exclusive of GST, except for receivables and payables. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

Commitments and contingencies are disclosed exclusive of GST.

### Employee entitlements

**Short-term entitlements**

Employee benefits that UPL expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

UPL recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that UPL anticipates it will be used by staff to cover those future absences.

UPL recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

**Borrowings**

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

**Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.

**Creditors and other payables**

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

**Income tax**

Income tax for the period is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

**Property intended for sale**

Property previously held but now being sold as it is no longer required is classified as a property held for sale.

This classification is used where the carrying amount of the property will be recovered through sale, the property is available for immediate sale in its present condition and sale is highly probable.

Property held for sale is recorded at the lower of the carrying amount and fair value less costs to sell. From the time a property is classified as held for sale, depreciation is no longer charged on the improvements.

Where property is held for sale or for development for sale, in the ordinary course of business, it is classified as inventory. Such property is recorded at the lower of cost and net realisable value (selling price less costs to complete and sale costs). Any write-downs to net realisable value are expensed in the net surplus/(deficit) for the year.

**Leased assets****Operating Leases**

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased items are classified as operating leases. Payments made under these leases are expensed in the Statement of Comprehensive Income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the Statement of Comprehensive Income as an integral part of the total lease payment.

**Finance Leases**

The Company has not entered into any material finance leases.

**Financial instruments**



The Company is party to financial instrument arrangements as part of its normal operation. Revenue and expenses in relation to all financial instruments are recognised in the Statement of Comprehensive Income.

All financial instruments are recognised in the Statement of Financial Position on the basis of the Company's accounting policies. All financial instruments disclosed on the Statement of Financial Position are recorded at fair value other than those specifically identified in the Notes to the financial statements.

*Our Reference*



**TO:** Chair and Members  
Komiti Ratonga Rangatōpū me te Rautaki | Policy, Finance  
and Strategy Committee

**FROM:** Kathryn Stannard, Head of Democratic Services

**DATE:** 25 February 2024

**SUBJECT:** ADOPTION OF HUTT CITY COUNCIL'S CONTROL OF  
ANIMALS BYLAW

### **Purpose of Memorandum**

1. The purpose of this memorandum is to provide information and present options to the Komiti Ratonga Rangatōpū me te Rautaki Policy, Finance and Strategy Committee (the Committee) so that it can make recommendations to Council on:
  - a. the proposed amendments to the Control of Animals Bylaw (the bylaw) attached as Attachment 1; and
  - b. present the bylaw for adoption.

### **Recommendations**

That the Committee:

- (1) adopts the minutes of the Hearings Subcommittee meeting held on 30 November 2023, with the exception of item 3 attached as Appendix 1 to the memorandum;
- (2) notes the Hearings Subcommittee recommendations to amend the Control of Animals Bylaw as recorded in the deliberation's minutes attached as Appendix 1 to the memorandum;
- (3) notes the Statement of Proposal attached as Appendix 2 to the memorandum; and
- (4) recommends that Council adopts the Control of Animals Bylaw attached as Appendix 3 to the memorandum noting that the bylaw will come into force on 28 March 2024.

### **Background**

2. On 8 May 2023, Council asked that officers prepare amendments to the bylaw. These amendments would mandate the microchipping and desexing of cats and require discussion with local cat rescue organisations.
3. On 12 September 2023, officers recommended the Control of Animals Bylaw be amended to include a section on The Keeping of Cats to include for cats of 12 weeks of age or older:
  - a. compulsory microchipping;

- b. registration of microchipped cats on the NZCAR; and
  - c. desexing of cats.
4. On 3 October 2023, Council approved public consultation from 6 October 2023 to 6 November 2023 on the proposed amendments to the Control of Animals Bylaw to include a section on the keeping of cats.

#### **Establishment of the Hearings Subcommittee**

5. Under delegated authority, the Chair of the Committee formed a subcommittee comprising Cr Mitchell (Chair), Cr Edwards, Cr Parkin and Cr Morgan to conduct the hearing on the bylaw on behalf of the Committee.

#### **Summary of submissions received**

6. There was a strong response to the public consultation with 552 responses received via the survey and 12 via email.
7. Results demonstrated overall support for the proposed amendments. Most public submissions came from individuals and nine from organisations.
8. Of the 552 survey responses
- a. 91.7% (506 responses) support the proposed amendments overall;
  - b. 91.3% (504 responses) support compulsory microchipping;
  - c. 87.3% (481 responses) support compulsory registration on the New Zealand Companion Animal Register (NZCAR); and
  - d. 92.6% (511 responses) support compulsory desexing.
9. All responses sent via email were in support of the proposed amendments.
10. Many respondents provided extra comments calling for more stringent measures, such as limiting the number of cats per household and keeping cats indoors.

#### **Hearings Subcommittee meeting 30 November 2023**

11. The Hearings Subcommittee considered the matters raised in submissions at a hearing on 30 November 2023, deliberated on those matters, sought further advice from officers, and made recommendations to the Committee and Council on the final form of the Control of Animals Bylaw.
12. The Hearings Subcommittee received submissions on the amendments with an open mind and gave them due consideration.
13. The Committee is now being asked to deliberate on the amendments to the bylaw and make the determinations required prior to Council adopting the bylaw.

## Summary of the recommendations from the Hearings Subcommittee

14. The recommendations because of the consultation and Hearings Subcommittee process are:

- (1) That the Committee recommends Council adopts the proposed amendments to the Control of Animals Bylaw as follows:

5.1 Every person who keeps cats must ensure that cats of 12 weeks of age or older (footnote: SPCA supports pre-pubertal desexing of Cats (ie between 8 weeks and 4 months of age) are:

- a. microchipped;
- b. registered on the New Zealand Companion Animal Register; and
- c. desexed (unless kept for breeding purposes and registered with a nationally recognised cat breeders body, including New Zealand Cat Fancy Ltd and Catz Inc; or deferred if a registered veterinarian has determined it would negatively impact the cat's health and welfare);

### Options

15. The following options have been considered regarding how the Committee could proceed after the Hearings Subcommittee has undertaken the public consultation process:

**Option 1** – recommend Council adopts the amended bylaw; or

**Option 2** – recommend Council does not adopt the amendments or propose a different way.

### Analysis of options

#### Option 1 – Adopt the amended bylaw

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Amendments are in line with other councils;</li> <li>Amendments are in line with the Environment Select Committee's recommendations to Government on the need for national cat management legislation for microchipping, registering and desexing of cats; and</li> <li>Addresses nuisance and health and safety issues associated with the keeping of cats.</li> </ul>	<ul style="list-style-type: none"> <li>Is not enforceable (i.e. the implementation relies on voluntary compliance);</li> <li>Not everyone will agree with the additional rules around the keeping of cats; and</li> <li>Incurs compliance costs on cat owners.</li> </ul>

**Option 2 – do not adopt the amended bylaw**

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>No compliance cost for cat owners.</li> </ul>	<ul style="list-style-type: none"> <li>Does not address nuisance and health and safety issues associated with the keeping of cats;</li> <li>Out of step with other councils that have cat bylaws; and</li> <li>Misalignment with the Environment Select Committee's recommendations to Government on the need for national cat management legislation for microchipping, registering and desexing of cats.</li> </ul>

**Legal considerations**

16. Council is bound by the Local Government Act 2002 (the Act) when making or reviewing bylaws. The base determination, notification and consultation procedures are set out under sections 155, 156 and 157 of the Act.
17. The draft bylaw and statement of proposal have been legally reviewed and meet the requirements of the Act.
18. Council has made determinations required under section 155 of the Local Government Act before commencing the process of reviewing the current bylaw.
19. Consultation on the draft bylaw follows the requirements of the special consultative procedure outlined in sections 83 and 85 of the Local Government Act.

**Next Steps**

20. If the Committee recommends that Council adopts the bylaw, it is proposed to be implemented on 28 March 2024.
21. There will be public notification of the outcome. Submitters will also be notified.
22. The bylaw will be available on Council's website, and copies can be obtained for free at the Council offices. Additionally, a FAQ sheet will be provided on the website.
23. A media release will be distributed after the Council meeting.

**Appendices**

No.	Title	Page
1 <a href="#">↓</a>	Appendix 1: Minutes Hearings Subcommittee 30 November 2023	67
2 <a href="#">↓</a>	Appendix 2: Statement of Proposal Control of Animals Bylaw	83
3 <a href="#">↓</a>	Appendix 3: Draft Amended Control of Animals Bylaw 2018	94

**Author:** Kathryn Stannard  
Head of Democratic Services

**Reviewed By:** Richard Hardie  
Head of Strategy and Policy

**Approved By:** Kathryn Stannard  
Acting Director Strategy and Engagement

**HUTT CITY COUNCIL**  
**HEARINGS SUBCOMMITTEE**

Minutes of a hearing held in the Council Chambers, 2nd Floor, 30 Laings Road,  
 Lower Hutt on

**Thursday, 30 November 2023, commencing at 9.30 am**

**PRESENT:** Cr Andy Mitchell (Chair)  
 Cr Karen Morgan  
 Cr Chris Parkin

**IN ATTENDANCE:** A Gordon, Senior Policy Advisor (part meeting)  
 R Hardie, Head of Strategy and Policy (part meeting)  
 S White, Policy Advisor (part meeting)  
 B Cato, Chief Legal Officer (part meeting)  
 H Clegg, Minute Taker

**1. OPENING FORMALITIES - KARAKIA TIMATANGA**

Whakataka te hau ki te uru	<i>Cease the winds from the west</i>
Whakataka te hau ki te tonga	<i>Cease the winds from the south</i>
Kia mākinakina ki uta	<i>Let the breeze blow over the land</i>
Kia mātaratara ki tai	<i>Let the breeze blow over the ocean</i>
E hī ake ana te atakura	<i>Let the red-tipped dawn come with a sharpened</i>
He tio, he huka, he hau hū	<i>air.</i>
Tihei mauri ora.	<i>A touch of frost, a promise of a glorious day.</i>

**2. APOLOGIES**

There were no apologies.

**3. CONFLICT OF INTEREST DECLARATIONS**

There were no conflict of interest declarations.

**4. HEARING OF SUBMISSIONS - PROPOSED AMENDMENTS TO THE CONTROL OF ANIMALS BYLAW**

Report No. HSC2023/5/384 by the Senior Policy Advisor

The Senior Policy Advisor stated that over 90% of the submissions supported the proposed amendments. She highlighted the two main issues: cat owners' responsibility and concern for the city's biodiversity.

**RESOLVED:** (Cr Mitchell/Cr Morgan)

**Minute No. HSC 23501**

*"That the Subcommittee:*

*(1) notes the high-level analysis of submission responses in Table 1 in the report;*

- (2) *notes the hearings schedule attached as Appendix 1 to the report;*
- (3) *notes the written submissions in the order of hearings schedule attached as Appendix 2 to the report;*
- (4) *notes the Summary of Proposal – Proposed Amendments to the Control of Animals Bylaw attached as Appendix 3 to the report;*
- (5) *notes the Statement of Proposal – Proposed Amendments to the Control of Animals Bylaw attached as Appendix 4 to the report; and*
- (6) *notes that Forest and Bird has withdrawn its submission."*

**Jessi Morgan, representing Predator Free NZ** (via audio-visual link), commended Council for addressing the issue and acknowledged that cats were popular and important companion animals. She advised cats were highly skilled hunters and often roamed great distances. She highlighted that Predator Free NZ supported the proposed amendments to the Control of Animals Bylaw as it provided a clear expectation of responsible cat ownership. She provided details of a recent survey that found that most cat owners agreed to microchip and desex their cats. She said that limiting the number of cats per household in the bylaw could help manage cat populations and protect biodiversity in Hutt Valley. She advised that around 30 local authorities had cat-related bylaws. She also suggested that communities were seeking guidance on cats from local authorities. She believed public education was crucial in controlling cat populations. She noted that discounted desexing and microchipping clinics may be organised.

In response to questions from members, Jessi Morgan advised that there was limited data on the effectiveness of desexing bylaws due to their recent implementation. She suggested that two or three cats per property would be suitable, supported by many organisations except the SPCA.

**Frank Vickers, representing the Eastbourne Community Board**, thanked Council for improving cat welfare and protecting native wildlife through the proposed Animals Control Bylaw amendment. He proposed a limit on the number of cats per household, as was common nationwide. He noted that if there was a limit on the number of cats per household, Council's Animal Control officers could remove excess cats to reduce nuisance, welfare and health hazards.

In response to questions from members, Frank Vickers advised two to three cats per property would be suitable, acknowledging up to five were permitted in some areas in New Zealand.

**Laurel Sutherland** shared her experience owning cats in Melbourne and the strict bylaw controls regarding desexing, microchipping, collaring, and curfews for cats. She highlighted that cats caught outside their properties could be euthanised, so she believed in training cats to be inside at night. She also asked the New Zealand Companion Animal Register (NZCAR) to be more widely advertised to educate cat owners.

**Emily Mossman**, who co-ordinates Predator Free Maungaraki, submitted as an individual via audio-visual link. Emily supported decreasing the number of cats in the Hutt Valley, especially feral cats. She suggested limiting the number of cats per property and placing curfews on cats to reduce health hazards posed by cat faeces. She agreed to the curfew changes, hoping for a change in people's behaviour. She stated that protecting native wildlife was out of the scope of the proposed amendments, which aimed to correct



cat behaviour.

In response to a question from a member, Emily Mossman believed two cats per property was sufficient.

**Kate Smith** (via audio-visual link) spoke of her passion for cat rescue and supported the proposed amendments to the Control of Animals Bylaw. She believed in compulsory desexing of cats to bring the overall cat population down, especially the feral and wandering cat populations. She also noted that cats could carry diseases. She advised that Pōneke Ngeru Rescue had rescued 500 cats over the past few years, which helped avoid the wandering of 8,000 cats based on known breeding rates. She suggested limiting the number of cats per property, depending on the property type. She recommended desexing and microchipping as positive first steps and using the NZCAR registration system rather than a council-based one.

In response to questions from members, Kate Smith advised that if cats were restricted to inside a house, their numbers should not be limited. She added that an upper limit should be in place if cats were free to roam.

**Christene Loweth** opposed the proposed legislation, believing it would confine cats to their houses, harming their well-being. She suggested focusing on controlling feral cats instead of restricting companion cats.

In response to questions from members, Christene Loweth supported microchipping but noted it was ineffective as most lost cats were found using social media.

**Joe McKenzie** (via audio-visual link) read from his notes (attached as page 6 to the minutes).

**Annie Cunningham** suggested that cats should be subject to the same regulations as dogs, including microchipping, desexing, and registration. She also recommended limiting the number of cats per household and implementing a cat curfew to help reduce their numbers and prevent behavioural issues. She believed these measures would make it easier for Council to intervene when needed and that "Catics" would become more popular over time.

In response to a question from a member, Annie Cunningham suggested allowing a maximum of two cats per property.

**Parker Jones, representing MIRO**, presented a sideshow attached as pages 7-13 to the minutes.

In response to questions from members, Parker Jones stated two or three cats per household seemed sensible. He advised that MIRO supported rehoming cats if desexed, microchipped, and registered. He noted that trapping cats had been halted as they tend to return.

**Marie McAnich, representing the SPCA**, presented a sideshow attached as pages 14-17 to the minutes. She advised that the SPCA supported changes to the Control of Animals Bylaw. She suggested desexing cats at 12 weeks. She also offered the SPCA's online resources to educate the public about keeping cats confined to their properties. She said she was open to liaising with Council for an education programme.

In response to questions from members, Marie McAnich suggested a limit of four cats per property to reduce cat hoarders. She noted that the Animal Welfare Act could be instigated if there was animal suffering.

In response to further questions from members, Marie McAnich suggested adding an exemption to the proposed amendment, allowing desexing at 12 weeks unless a registered veterinarian provided written advice against it.

The Chair advised that a recommended decision would be available by the end of next week and that it would be considered by the Policy, Finance and Strategy Committee and Council in early 2024.

**RESOLVED:** (Cr Mitchell/Cr Morgan).

**Minute No. HSC 23502**

*"That the Hearings Subcommittee moves into private deliberations."*

**RECOMMENDED:** (Cr Mitchell/Cr Parkin)

**Minute No. HSC 23503**

*"That the Hearings Subcommittee recommends that the Policy, Finance and Strategy Committee recommends that Council:*

- (1) *approves the proposed amendments to the Control of Animals Bylaw (attached as Appendix 1) as follows:*
  - 5.1 *Every person who keeps cats must ensure that cats of 12 weeks of age or older (footnote: SPCA supports pre-pubertal desexing of Cats (ie between 8 weeks and 4 months of age) are:*
    - a. *microchipped;*
    - b. *registered on the New Zealand Companion Animal Register; and*
    - c. *desexed (unless kept for breeding purposes and registered with a nationally recognised cat breeders body, including New Zealand Cat Fancy Ltd and Catz Inc; or deferred if a registered veterinarian has determined it would negatively impact the cat's health and welfare);*
- (2) *notes that the Hearings Subcommittee acknowledged and received legal advice that a requirement to limit cat numbers per property would be out of scope as it was not contained within the public consultation documentation;*
- (3) *asks officers that investigations into limiting cat numbers per property be undertaken at the next possible opportunity;*
- (4) *asks officers to develop an education programme for cat owners, including ways to ensure cats do not roam, especially during nighttime, and whether an amnesty period could offer reduced desexing and microchipping fees;*
- (5) *asks for information from officers regarding ways it could liaise with volunteer organisations in respect of reduced fees for microchipping and registering cats; and*
- (6) *notes the grounds for the decision as follows:*

- (a) *controlling the cat population will assist in reducing the negative impacts of cats on biodiversity, reducing the risk of disease transmission and reducing nuisance and offensive behaviour;*
- (b) *the amendments are in line with the cat control provisions of other local authorities in New Zealand;*
- (c) *the amendments are in line with the Environment Select Committee's recommendations to the government on the need for national cat management legislation for microchipping, registering and desexing cats;*
- (d) *desexing provides welfare benefits to the individual cat and is important for addressing problems with cat overpopulation;*
- (e) *microchipping aids in the management of cat populations and in reuniting lost pets with owners;*
- (f) *mandatory registration of microchipped cats on the New Zealand Companion Animal Register will aid with reuniting lost pets with owners; and*
- (g) *updating the Animal Control area map will include all subdivisions and development since the map was last updated in 2018."*

#### 5. 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.	

There being no further business the Chair declared the hearing closed at 11.45am.

A Mitchell  
**CHAIR**

**CONFIRMED as a true and correct record  
dated this 6th day of March 2024**

**Submission: Joe McKenzie**

Hello,

I wish to submit the following:

1. I fully support the proposed bylaw. They will be utterly pointless unless there is a compulsory annual fee, similar to that of dogs, to fund enforcement and education activities. Without both these nothing will be achieved, and the rules will be ignored. This is the argument often made for requiring annual fees for dogs, car, firearms etc so it cannot be rejected for cats.
2. Stray cats must be defined as any cat found outside of the boundary of the property to which it is registered. This provides clear and precise positions for enforcement activities.
3. Roaming/ uncontrolled/Stray cats must be subject to the exact same rules/sanctions as stray dogs if the microchipping and other rules are to have any chance of having any effect.
4. The population limits of cats must also be strictly and rigidly enforced for the same reasons.
5. Leeway must be considered to allow for non-affiliated breeders who can demonstrate they are fit and proper person to breed cats. There are many registered breeders who I would never buy from due to the woeful standards they adopt and there are many unregistered breeders who set animal care and health standard far in excess of those required by the formally registered societies. This would be better for cats generally and avoid creating a cost monopoly in the hands of a select few. Do not fall into the trap of thinking a registered body means faultless performance. It is almost the reverse in that cat breeder world where money is the primary driver and all else comes after. Further the registered societies do not have in practice any enforcement on animal care standards.
6. Any breeder recognised by the HCC must be registered as such with appropriate limits on animal numbers based on property and person assessments.
7. All registered breeders in the HCC catchment must be compulsorily audited at least annually to ensure the correct standards are maintained. The cost of this must be to the account of each breeder.
8. There must be worthwhile fines, powers of entry/seizure etc., for failing to meet requirements as with dogs.
9. I am happy to be contracted if that helps for any of my submissions.

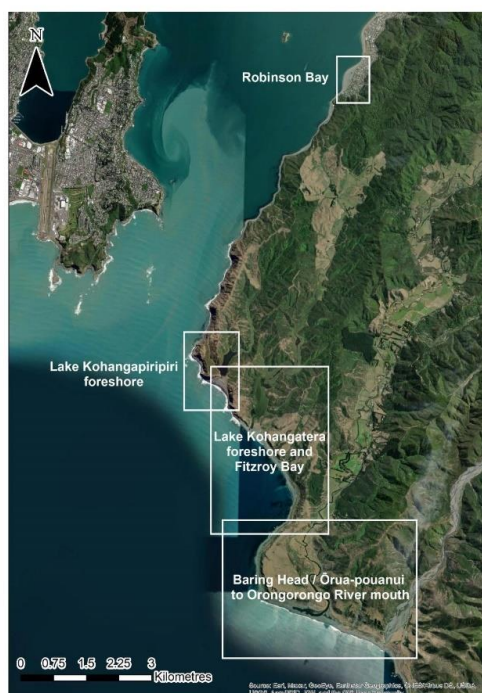
Thank you.

Joe McKenzie





Nationally Vulnerable, in decline







## 2022-2023 SEASON

- ▶ PARANGAHAU LAKES - 11 NESTS 6 FLEDGLINGS
- ▶ BARING HEAD - 11 NESTS 6 FELDGLINGS
- ▶ EASTBOURNE - 11 NESTS 1 FLEDGLING
- ▶ GOAL IS 1 FLEDGLING PER 2 NESTS
- ▶ DON'T TARGET CATS AT EASTBOURNE

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30 November 2023

## Eastbourne Foreshore



## Public Engagement




**LET'S KEEP OUR CATS SAFE**

It's a common misconception that cats need to roam outside to be happy. However, this just isn't the case. In fact, research shows that indoor cats are healthier and likely to live for longer.

Cats are also territorial. This can lead to them being injured while protecting their patch at night - keeping them inside between dusk and dawn helps to keep them safe too.

To keep our cats safe, it's also important to stay vigilant when driving around Eastbourne in the dark - cats can be difficult to see at night.

**9 TIPS FOR A HAPPY INDOOR CAT**

- Provide plenty of cat toys, places to hide and something to climb.
- Take a gradual approach to the transition - slowly increase the time your cat spends indoors.
- Consider leash-training to take your cat on walks.
- Leave windows slightly open to give your cat fresh air.
- Plant grass in indoor pots so your cat can graze.
- Hide your cat's favourite treats around the house to keep it stimulated.
- If you have one cat, get it a companion - there are plenty that need rehoming.
- Use catnip.
- Install a 'catio' (enclosed outdoor patio for cats) in your garden.



**HUTT CITY**  
TE Kaitiaki





Dog Walkers Eastbourne Fencing

## Little Blue and Falcon





- ▶ MANDATORY MICRO CHIPPING
- ▶ REGISTRATION - SO WE CAN NOTIFY
- ▶ DE SEXING - DUMPING AT BURDENS GATE
- ▶ VOLUNTARY KEEPING DOMESTIC CATS INSIDE AT NIGHT

Thank you Hutt City





## SPCA Recognises three types of cats

Type	Sociability with humans	Relationship with humans	Other considerations
Companion cat	Social	Directly Dependent	Have an owner/guardian
Stray cat	Range from social to unsocial	May be directly or indirectly dependent	Community cats, semi-owned, unowned, managed/unmanaged as single cat or in a colony
Feral cat	Unsocial	Independent	Wild animal, considered a pest in many regions in NZ

**SPCA**



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## Problems we see at our SPCA Centres

### Welfare problems

- Injured and sick kittens and cats
  - Between 2021 and today, SPCA Wellington has taken in 376 cats and 326 kittens
  - Approximately 30% of kittens that come into our Centres are not healthy
- Lost companion cats
  - Cats that are “stray” and not microchipped but turn out to be owned; cats DOA that are not microchipped
  - Recently reunited a family with a cat missing for 10 years thanks to a microchip



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## Problems we know about in our communities

### Problems with overpopulation

- Nuisance complaints
  - Wellington SPCA gets approx. 20 calls a day about cats
    - Issues with neighbour cats
    - Too many stray cats in the neighbourhood
    - Calls from veterinarians – roaming and injured cats dropped off to them
- Impacts on wildlife



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30 November 2023

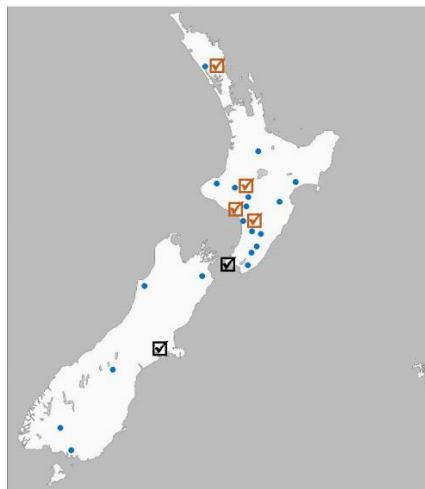
## Regulatory tools

- ☑ Bylaw requiring Desexing & Microchipping
  - Whangārei District 2022
  - Ruapehu District 2022
  - Whanganui District 2020
  - Palmerston North City 2018

- ☑ Bylaw requiring Microchipping
  - Selwyn District 2022
  - Wellington City 2016

- Bylaw requiring cat limits per household
- 19 councils throughout New Zealand

SPCA



## Non-regulatory tools

- ☑ Cat advisory group/Best Practices/Snip 'n' Chip
  - Gore District 2022
  - Dunedin City 2022
  - Nelson City 2022
  - Waitaki District 2022
  - Whangārei District 2021
  - Auckland 2020
  - Wellington City 2016

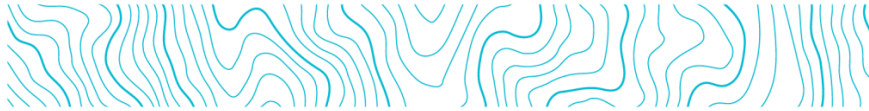
SPCA



SPCA

## Questions?





# Statement of Proposal – Control of Animals Bylaw

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**6 October 2023 to 6 November 2023**

Hutt City Council

## 1. Introduction

Hutt City Council is amending its Control of Animals Bylaw (the Bylaw). This Bylaw contains rules about keeping animals such as goats, poultry and bees and noise from animals. Rules about dogs are outlined in the Dog Control Bylaw.

To get information to help develop the amendments to the Bylaw, Council has sought feedback from the SPCA, local cat rescue organisations and with Hutt City Council's Animal Control Team. Feedback received supports the proposal to include a new section in the Bylaw on the Keeping of Cats.

## 2. What is proposed?

The draft Bylaw is included with this proposal at Appendix 1.

The current Bylaw contains some general rules that aim to prevent nuisance, health and safety issues and animal related noise. It also contains specific rules for the keeping of goats, poultry and bees and a map of the Animal Control area in Lower Hutt. The Bylaw also outlines the authority Council has in seizing and impounding animals.

The proposed amendments to the Bylaw to include a section on the Keeping of Cats are outlined in Table 1 along with explanations for each amendment.

Table 1: Proposed amendments to the Control of Animals Bylaw

<b>Proposed amendment</b>	<b>What is in the current bylaw</b>	<b>Reasons for the proposed amendment</b>
Mandatory microchipping of cats	No rules about the microchipping of cats	Key component in the management of cat populations and aids in reuniting lost pets with owners
Mandatory registration of microchipped cats on the New Zealand Companion Animal Register (NZCAR)	No rules about the registration of cats	Microchips that are not registered on the NZCAR will only be registered at the place of microchipping such as a vet clinic, making it much more difficult to locate the owner of a lost pet.
Mandatory desexing of cats	No rules about the desexing of cats	Desexing is an important component of population control and has welfare benefits for the desexed animal such as being less aggressive and less prone to nuisance behaviours such as urine and scent marking behaviour.
Updated Animal Control area map	Map was created in 2018	There have been new subdivisions created since 2018 that are not currently included in the Animal Control Area map.



### 3.Reasons for the proposed amendments

The key reasons for the proposed amendments are to:

- Contribute to the management of cat populations;
- Reduce the negative impacts of cats on biodiversity;
- Reduce the risk of disease transmission; and
- Reduce nuisance and offensive behaviour.

### 4.How to have your say

Council encourages any person or organisation with an interest in the proposed amendments to the Bylaw to provide feedback.

Submissions will be accepted from 8am 6 October 2023 and must be received no later than 5pm on 6 November 2023.

Submissions can be made online: (insert link here) Alternatively, you can drop off a written submission or receive help with submitting online at any Council hub or contact the Policy Team ([policy@huttcity.govt.nz](mailto:policy@huttcity.govt.nz)). Submissions may also be posted to Hutt City Council, Private Bag 31-912, Lower Hutt 5040.

All submissions must state the submitter's name and contact details. In written submissions, submitters should indicate whether they would like to be heard on this matter.

Oral submissions will be heard in a Sub-committee hearing which is open to the public. If you indicate in your submission that you would like to be heard, Council staff will get in touch with you to arrange a time at the hearing. If you have any special requirements when attending the hearing, please let us know.

If you indicate in your written submission that you do not want to be heard and then you change your mind, please get in touch with Council staff and we will try to accommodate you at the hearing.

## 5. Timetable for consultation

The dates below in Table 2 outline the timetable for the consultation process. Any changes to these dates will be publicly advised on the Hutt City Council website.

Table 2: Timetable for public consultation

3 October 2023	Council adopts the proposal for consultation
6 October 2023 (8am)	Public consultation begins
6 November 2023 (5pm)	Public consultation closes
7 to 10 November 2023	Analysis of submissions
Week of 27 November 2023	Sub-committee hears oral submissions (if required)
March 2024	Council deliberates on the proposed amendments and results of public consultation and adopts the amended Bylaw
March 2024	Amended Control of Animals Bylaw comes into force

## 6. Options

The following options have been considered regarding how Council could proceed after it has undertaken the public consultation process:

Option 1 – adopt the amended bylaw;

Option 2– do not adopt the amendments.

Analysis of options:

Option 1 – Adopt the amended bylaw

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Amendments are in line with other councils</li> <li>• Amendments are in line with the Environment Select Committee's recommendations to Government on the need for national cat management legislation for microchipping, registering and desexing of cats</li> <li>• Addresses nuisance and health and safety issues associated with the keeping of cats</li> </ul>	<ul style="list-style-type: none"> <li>• Is not enforceable ie the implementation relies on voluntary compliance</li> <li>• Not everyone will agree with the additional rules around the keeping of cats</li> <li>• Compliance costs to cat owners</li> </ul>

Option 2 – do not adopt the amended bylaw

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• No compliance cost for cat owners</li> </ul>	<ul style="list-style-type: none"> <li>• Does not address nuisance and health and safety issues associated with the keeping of cats</li> <li>• Out of step with other councils that have cat bylaws</li> <li>• Misalignment with the Environment Select Committee's recommendations to Government on the need for national cat management legislation for microchipping, registering and desexing of cats</li> </ul>

## 7. Determinations

Council has made the following determinations in relation to the amended Bylaw:

**Defining the perceived problem**

Under section 145 of the Local Government Act (LGA), Council may make bylaws for the purpose of:

- a. Protecting the public from nuisance;
- b. Protecting, promoting, and maintaining public health and safety; and
- c. Minimising the potential for offensive behaviour in public places.

Council may also make bylaws in order to regulate the keeping of animals, bees and poultry under section 146(1)(v) of the LGA. There is a high level of community interest in relation to the keeping of cats in Lower Hutt. There have been 49 formal complaints related to cats since 2017.

The perceived problems with cats are:

- a. Nuisance behaviours, such as fighting and aggressive behaviour;
- b. Public health concerns include urine and scent marking, and toileting in neighbour's gardens;
- c. Predation of wildlife by cats;
- d. Increasing numbers of unwanted kittens and cats that are overwhelming local cat rescue organisations; and
- e. Lack of ability to locate the owners of lost cats.

Some of the listed problems relate to nuisance and fall within Council's bylaw-making power under the LGA. However, pest control, protection of wildlife, and animal welfare concerns require separate analysis as to whether these are lawful purposes of bylaw-making powers of Council under the LGA.

Sections 145 and 146 of the LGA contain separate and stand-alone bylaw-making powers. However, all bylaw-making powers must be exercised for the relevant statutory purpose, and all bylaws must be reasonable. Section 145 provides relevant context in deciding what the proper limits of the Section 146

powers are. Therefore, the bylaw-making power in section 146(a)(v) is restricted to addressing matters which properly arise out of the keeping of cats, and not the mere existence or presence of cats in Lower Hutt.

When cats become stray or feral, they become pests and no longer fall under the scope of a Control of Animals Bylaw under the LGA. Pest control is primarily the responsibility of Regional Councils. However, Hutt City Council is responsible for managing pests on land it controls according to the Reserves Act 1977.

### **Most appropriate way of addressing the perceived problem**

Most local councils have bylaws covering the keeping of domestic animals. Hutt City Council adopted the current Control of Animals Bylaw in 2018. Council established that non-regulatory measures would be insufficient to address problems related to the keeping animals.

The intention of the Control of Animals Bylaw is to supplement existing legislation in relation to animals rather than to duplicate it. Specific legislation in relation to animals includes:

- a. *Animal Welfare Act 1999 and related codes of welfare* – Animal owners are required to provide for the physical, health and behavioural needs of their animals, such as food, water, shelter and appropriate exercise. The act is enforced by the Ministry for Primary Industries (MPI) and the Royal New Zealand Society for the Prevention of Cruelty to Animals (SPCA). Under Section 141, approved organisations may take animals into their custody, following which they must take reasonable steps to locate or contact the owner. One possibility, if the owner cannot be identified, is to destroy or otherwise dispose of the animal. Currently, the only “approved organisation” under the act is the SPCA. Councils have no role or functions under this act.
- b. *Health Act 1956* – The act gives powers for Council to address general health nuisances. The abatement of these nuisances can be done by Council Environment Health officers without creation of additional bylaws.

Officers have the ability, if necessary, to enter a premises without notice to the occupier and abate the nuisance.

- c. *Biosecurity Act 1993* – Administered by MPI, the act requires regional councils to adopt a pest management plan. If land is owned by Hutt City Council, Council is required to control pests. The Council has the statutory power and obligation to control stray and feral cats on land which it controls, but not pest control more widely.
- d. *Reserves Act 1977* – If a reserve is vested in Hutt City Council, Council has responsibilities for animal and pest control.
- e. *Wildlife Act* – The act provides for the protection and control of wild animals and birds and the management of game. The act is administered by the Department of Conservation and Fish and Game Councils. Schedule 5 lists Cats (*Felis*) as wildlife not protected in New Zealand. Territorial authorities have no role under the Wildlife Act.
- f. *The District Plan and the Resource Management Act* – The District Plan contains rules around noise and can set rules where kennels and catteries can be established.
- g. *The Dog Control Act 1996* – Matters relating to the control of dogs are addressed in Hutt City Council's Dog Control Bylaw.

Hutt City Council's bylaws may only address problems within Council's bylaw-making power. The bylaw-making power must be exercised for the relevant statutory purpose, and all bylaws must be reasonable. The bylaw-making power in Section 146(a)(v) is restricted to addressing matters which properly arise out of the "keeping of cats" and not the mere existence or presence of cats within Lower Hutt boundaries. A bylaw is not the most appropriate way for dealing with the problem if it is outside the bylaw-making power. Council's ability to use the bylaw-making powers in relation to cats is limited to Sections 145 and 146 of the LGA.

The language of the bylaw-making power in section 146 LGA indicates a restricted role for territorial authorities, limited to regulating matters that

properly arise out of the “keeping” of cats. Animals are “kept” when they are owned and living at a particular location, and not when they are stray or feral. Any perceived problems potentially requiring a bylaw response must arise in that context e.g. keeping cats in proximity to other households and properties.

Outside of the LGA, Council has no powers under any specific legislation applicable to cats. Problems arising from stray or feral cats, except on the Council’s own land, are not part of the Council’s responsibilities, but are dealt with by other organisations.

It is considered that the bylaw-making powers in Sections 145 and 146(a)(v) of the LGA cannot be used to:

- a. Assist other entities, such as the SPCA, in their activities relating to the management of cats;
- b. Assist with pest control which, by definition, does not relate to “kept” cats (which are not pests);
- c. Assist in dealing with the risk posed by cats to wildlife, such as native birds. That is a problem caused by cats generally, rather than the “keeping of cats”;
- d. Assisting cat owners, for example, to locate their lost pets – unless that assistance is connected to a problem associated with keeping the cat.

While non-regulatory measures have the potential to deliver more targeted results in shorter time frames compared to a bylaw, for example, through educational activities or community funding, the problems and concerns associated with keeping cats still persist.

The gap which the existing Bylaw addresses is around managing the keeping of domestic cats in Lower Hutt, and potential nuisance and health concerns it may create. These are still problems. There is nothing that would indicate an amendment to the Control of Animals Bylaw to include rules for the keeping of cats is not appropriate. It is recommended that the Control of Animals Bylaw is amended as the most appropriate way to address the perceived problems within Council’s bylaw-making purposes.

**Most appropriate form of the bylaw**

One aspect of the proposed bylaw amendments require discussion as to the most appropriate form of the bylaw:

- a. Whether the general provisions in clause 5 of the Bylaw are adequate to regulate the keeping of cats.

Cat management – In the absence of national level legislation on cats, Council must be careful to ensure the measures to regulate the keeping of cats are within the Council's bylaw-making powers and are not disproportionate to the extent of the perceived problems.

Council has assessed that this is the most appropriate form of the bylaw to regulate the keeping of cats given the constraints of the legislation.

**Does not give rise to any implications under the New Zealand Bill of Rights Act 1990**

Under Section 155(3) of the LGA, the Council is required to consider whether the proposed Bylaw gives rise to any implications under the New Zealand Bill of Rights Act 1990 (NZBORA).

The powers for seizure of property in the Bylaw arise out of Sections 164 and 165 of the LGA. Any such seizure requires a warrant under the Search and Surveillance Act 2012. Therefore, it is considered the potential seizure of animals and property materially involved in the commission of an offence would be a reasonable restriction of the right under the NZBORA.

The Bylaw provides other restrictions on the keeping of cats. It is considered these restrictions in the Bylaw are reasonable and proportionate to address public health and nuisance issues. The Bylaw enables most residents to keep animals if they wish, within the parameters set by the Bylaw which fairly balance the potential impacts on other people. NZBORA rights are not impacted.

**8. Legal rights and requirements**



Council is required to consult on the amended bylaw in accordance with sections 83 and 86 of the Local Government Act 2002 (LGA). Council will satisfy these legal requirements. Council will also abide by the principles of consultation outlined in section 82 of the LGA.

## **9. Making an effective submission**

Written submissions can take any form (eg online form, email, letter). An effective submission references the amendments of the Bylaw you wish to submit on, states why the clause or change is supported or not supported, and states what change to the amendments is sought.

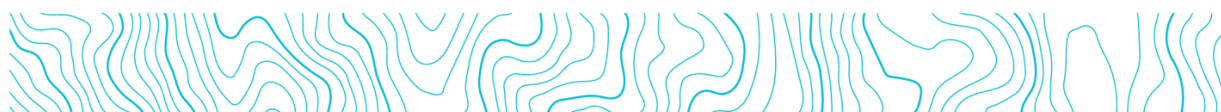
Submissions on matters outside the scope of the draft bylaw will not be considered by Council as part of this bylaw amendment process.



# HUTT CITY COUNCIL CONTROL OF ANIMALS BYLAW 2018

Division	Strategy and Engagement
Date created	December 2018
Amendment adoption	Month Year
Publication date	Month Year
Review period	December 2028
Owner	Strategy and Policy
Approved by	Jarred Griffiths

Version	Author	Date	Description
V 1.0	Name	Month Year	Insert brief description here
V 2.0	Name	Month Year	Insert brief description here



# 1. INTERPRETATION

## 1.1 In this Bylaw:

**“Animal”** has the meaning defined in the Animal Welfare Act 1999 and means any live member of the animal kingdom that is a mammal, bird, bee, or any other member of the animal kingdom that is declared from time to time by the Governor General, by Order in Council, to be an animal.

**“Authorised Officer”** means any person appointed or authorised by the Council on its behalf.

**“Commercial poultry shelter or run”** means any commercial poultry operation containing more than 8 head of poultry.

**“Council”** means the Hutt City Council.

**“Domestic animal”** means any animal (including a bird or reptile but excluding bees) kept as a domestic pet; any working dog; any other animal kept by any person for recreational purposes or for the purposes of that person’s occupation or employment.

**“Nuisance”** refers to the dictionary definition (a person, thing, or circumstance causing trouble or annoyance; anything harmful or offensive to the community or a member of it and for which a legal remedy exists) or to a statutory nuisance as defined in Section 29 of the Health Act 1956.

**“Owner’s property”** includes any property the owner of an animal has a legal right to use for the purposes of keeping the relevant animal.

**“Poultry”** includes geese, ducks, turkeys, domestic fowl, roosters, or any birds kept as show birds.

**“Trapping devise”** means any trap or other similar devise made of metal or other hard material having two jaws closing on each other and operated by a spring and includes without limitation a gin trap but does not include any trap designed for trapping mice or rats or

other predator free devices (as approved by the National Animal Welfare Advisory Committee).

**“Urban area”** means the area defined as urban area in the map in Schedule 1. Council may amend this map by resolution.

## **2. GENERAL CONDITIONS OF KEEPING ANIMALS**

- 2.1 All animals shall be kept in a manner that is not, or is not likely to become a nuisance, dangerous, offensive, or injurious to health.
- 2.2 All animals shall be kept in a manner that ensures they have adequate physical wellbeing through acceptable nutrition, environment, health, behavioural stimulus, and adequate mental wellbeing.
- 2.3 All domestic animals, other than domestic cats, found at large and not within their owner’s property may be seized and impounded by an authorised officer.
- 2.4 The Council may sell, rehome or otherwise dispose of any animal seized and impounded that has not been claimed or returned within 7 days after it was seized and impounded.

## **3. Keeping of goats**

- 3.1 No goats are to be kept in any Urban Area, unless written permission has been granted by Council.
- 3.2 The Council may grant permission to keep a goat on such conditions as the Council considers appropriate. If there is a breach of any condition, Council may revoke its permission.
- 3.3 All goats must be fitted with an ear tag or collar with sufficient details to allow the owner to be traced to contacted if the goat is seized.
- 3.4 All goats must be kept within private property, unless written permission has been granted by Council to do otherwise.

## 4. Keeping of poultry

- 4.1 Poultry must be adequately contained within the owner's property, so as not to cause (or be likely to cause) nuisance, offence or be injurious to health.
- 4.2 No roosters are to be kept in any Urban Area unless written permission has been granted by Council.
- 4.3 Any owner or occupier of any property in an urban area may keep no more than 8 chickens (or other poultry) without the Council's prior written permission. In assessing an application to allow more than 8 chickens (or other poultry), the Council will consider:
- a. The number of poultry at the premises; and
  - b. Provision for the welfare, hygiene, control, and confinement of the poultry; and
  - c. Provision for the protection of other persons or property from being affected in any way by the poultry; and
  - d. The size of the property and proximity to neighbours; and
  - e. Any other factors it considers relevant.
- 4.4 Council may grant permission to keep roosters or poultry on such conditions as Council considers appropriate if there is a breach of any condition, Council may revoke its permission.

## 5. Keeping of cats

5.1 Every person who keeps cats must ensure that cats of 12 weeks of age or older<sup>1</sup> are:

- a. Microchipped;
- b. Registered on the New Zealand Companion Animal Register; and
- c. Desexed (unless kept for breeding purposes and registered with a nationally recognised cat breeders body, including New Zealand Cat Fancy Ltd and Catz Inc; or deferred if a registered veterinarian

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<sup>1</sup> SPCA supports pre-pubertal desexing of cats (ie between 8 weeks and 4 months of age).

has determined it would negatively impact the cat's health and welfare).

## **6. Noise from animals**

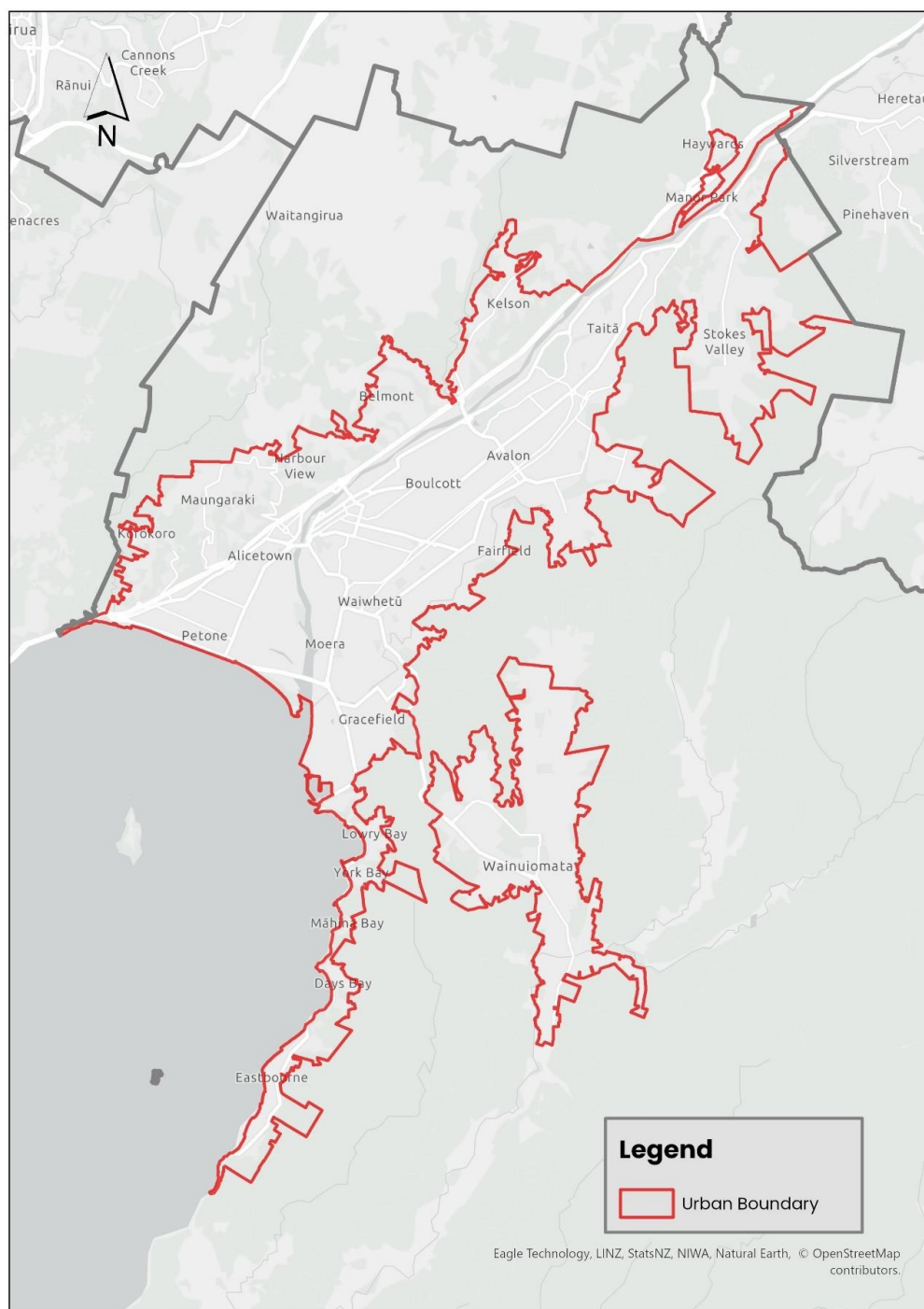
- 6.1 No person may keep an animal that by frequent or long continued noise creates a nuisance by disturbing the quiet enjoyment of people living in the vicinity.

## **7. Health and safety issues from beekeeping**

- 7.1 No person may keep bees in such a way as to cause (or likely to cause) nuisance, offence or be injurious to health.

## **8. Offences**

- 8.1 Every person commits an offence who breaches a clause of this bylaw.

**Schedule 1: Urban Boundary**

**08 February 2024**

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**Report no: PFSC2024/1/40**

## **Seaview Marina Limited Six Month Report to 31 December 2023**

### **Purpose of Report**

1. To provide the Committee with an update from Seaview Marina Limited (SML) for the six-month period to 31 December 2023.

### **Recommendations**

That the Committee receives the half year report from Seaview Marina Limited attached as Appendix 1 to the report.

### **Background**

2. The Local Government Act requires Council Controlled Organisations to deliver to shareholders a half year report on the organisation's operations within two months of the end of the first half of the financial year. The report should include information required to be reported as outlined in the organisation's 2023/24 – 2025/26 Statement of Intent.

### **Discussion**

3. The Chairperson and Chief Executive of SML will attend to present their report and answer any questions.
4. The report to the shareholder for the six months ended 31 December 2023 is attached as Appendix 1 to this report. The report details the results and achievements for the period.
5. Overall, for the six months ended 31 December 2023, SML achieved a surplus after finance and depreciation charges of \$82k, \$13k below planned. Despite revenue tracking slightly above budget, expenditure was 5% over budget due to unforeseeable events. More details are outlined in the attached Appendix 1 to this report.

### **Options**

6. It is a statutory requirement to present the half year report. There are no other options.



### Consultation

7. There is no requirement for consultation.

### Legal Considerations

8. The Local Government Act requires Council, as a shareholder in SML, to publish this report on its public website within one month of receiving it and to maintain the report on that site for a period of no less than seven years.

### Financial Considerations

9. The six-month report includes financial results and associated commentary, including progress against its performance measures to date. There are no financial issues to be considered.

### Appendices

No.	Title	Page
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**Author:** Thomas Kinsella  
Financial Accountant

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**Reviewed By:** Darrin Newth  
Financial Accounting Manager

**Reviewed By:** Jenny Livschitz  
Group Chief Financial Officer

**Approved By:** Tim Lidgard  
Chief Executive, Seaview Marina



## SEAVIEW MARINA: SIX MONTH REPORT For the Period to 31 December 2023

### 1. Overview

Despite Seaview Marina Limited (SML) being an affordably priced marina, pricing pressures in the wider economy have many SML customers considering the costs of boat ownership and reevaluating how and/or where their vessel is stored.

The first six months of 2023/24 has seen revenue tracking on budget, being 20k or 1% above budget. For perspective, year to date (YTD) total revenue is 1% lower than the same period last year. Overall, net surplus before finance expenses and depreciation is 40k (-8.9%) below budget. Net surplus *after* finance expense and depreciation is 12.7k below budget.

Tenancy revenue, the largest revenue stream, is tracking marginally below budget by \$14.5k (-1%). On 31<sup>st</sup> December 2023 there were fifty berths still available in the marina, with occupancy sitting at 86.5%. Encouragingly, this was an increase of eight long-term marina tenants over the prior month, the largest one-month increase in tenants over the last three years. The trailer parking occupancy has been steady at 95% year to date with a recent increase to 98%. Occupancy trends over the summer season have been positive.

Hardstand operations warrant special mention as increased demand for the use of Seaview Marina's boat lifting equipment resulted in revenue outperforming budget by over 20%. Boat owner's marine biosecurity responsibilities to have a clean hull are increasing which accounts for more haul and launch activity as boat owners prepare to sail between regions.

Diesel sales have outperformed budget by 23% budget. Live-aboard revenue is trending 6% above budget. The Wellington Marine Centre (WMC) is currently fully tenanted with one unit being utilized by SML management as a hardstand operations office. WMC revenue is tracking 6% ahead of budget however 2023/24 has seen some tenants experience business hardships which may affect ongoing revenue.

Total expenses are 60K (-5%) over YTD budget. For the first six months of 2023/24, cost of diesel sales (due to the higher quantity sold), a required up-scope in security, insurance costs, and unexpected repair costs have materially exceeded budget. All expenses are being closely monitored.

To date in 2023.2024 SML has incurred several unexpected and high-cost repair and maintenance expenses including:

- An outage to the power supply on E Pier due to a broken in-ground cable, resulting in a large-scale repair with civil works.
- Drainage sumps around site all required emptying.
- Outdoor Payment Terminal (OPT) for diesel sales requiring major circuit board repair.

- Extreme wind event in October caused major damage to the 'Tunnel House,' a critical indoor project space on the hardstand.
- Broken mains water meter requiring replacement.

These items represented unexpected and necessary maintenance spend to the tune of 35k. At date of this report issue there were further unexpected repairs underway on two heavy vehicles used for revenue earning operations on the hardstand.

The issue of theft in the trailer parking areas has continued in 2023/24. While incidents have been far less in frequency than the prior year, this has prompted necessary spending on the continuation of a more comprehensive security service. Changes have been made to the security service to reduce costs for the latter half of 2023/24.

Insurance costs for seaside business in the Wellington Region continue to rapidly escalate. With only one insurance market option, SML had to accept a higher than budgeted cost to insure, which resulted in the negative variance against budget.

*Other* expenses show a negative variance against budget. This is attributable to SML disposing of two vessels, an increase in audit fees and the prepayment of annual software licenses costs. SML expects this expense account to realign with budget going forward.

No health and safety incidents occurred over the six months. SML continue to make safety our top priority by providing the necessary resources to achieve our safety objectives.

## 2. Financial Results

Detailed financial statements can be found in Appendix 1.

### Overall result

SML achieved a surplus after finance and depreciation charges of \$82k for the six months to 31 December 2023, \$13K below planned. Despite revenue tracking slightly above budget, expenditure was 5% over budget due to unforeseeable events, resulting in the surplus not meeting expectations.

	Year to Date				Full Year
	Actual	Budget	Variance	% Variance	Budget
Revenue	1,699,007	1,678,769	20,239	1.2%	3,360,626
Expenses	1,286,377	1,226,019	(60,358)	-4.9%	2,475,072
<b>Net Surplus / (Deficit) before Finance and Depreciation Charges</b>	<b>412,630</b>	<b>452,750</b>	<b>(40,120)</b>	<b>-8.9%</b>	<b>885,554</b>
Finance expenses	86,157	90,466	4,309	4.8%	180,932
Depreciation	244,615	267,703	23,089	8.6%	531,057
<b>Net Surplus / (Deficit) after Finance and Depreciation Charges</b>	<b>81,858</b>	<b>94,580</b>	<b>(12,722)</b>	<b>-13.5%</b>	<b>173,565</b>

### Operating revenue

For the six months ended 31 December 2023, YTD revenue at \$1.699M is \$20k above budget.

	Year to Date				Full Year
	Actual	Budget	Variance	% Variance	Budget
Finance revenue	13,819	1,000	12,819	1281.9%	2,000
Gross diesel sales	160,757	130,022	30,735	23.6%	287,000
Ramp revenue	12,148	24,500	(12,352)	-50.4%	49,000
Travel Lift & Waterblaster	43,410	36,000	7,410	20.6%	72,000
Tenancy revenue	1,420,922	1,435,515	(14,593)	-1.0%	2,847,624
Live aboard revenue	41,500	39,231	2,269	5.8%	78,002
Other revenue	6,452	12,500	(6,048)	-48.4%	25,000
<b>Total revenue</b>	<b>1,699,007</b>	<b>1,678,769</b>	<b>20,239</b>	<b>1.2%</b>	<b>3,360,626</b>

Finance revenue was over budget by \$13k due to funding for pier refurbishment earning interest while invested in on-call deposits over the 6 months.

Diesel sales were above budget by 23.6%, despite the diesel pump being out for two weeks between July and August. Sales have picked up significantly since Oct. 2023, with approximately \$40K sales each month.

Ramp revenue is down on the same period in the prior year by 36%, this is due to the windy spring season making trailer boating less desirable. Additionally, the 2023/24 budget now seems optimistic as boaties look for alternative free launching sites, such as the nearby Lowry Bay Boat Ramp.

Travel lift & water blaster revenue are above budget as the efficient service reputation and premium facilities have made the SML hardstand the preferred marine service facility for boat owners and contractors.

Live aboard revenue is above budget by 5.8%, and SML expects liveaboard revenue to remain above budget for 2023 – 2024.

TENANCY REVENUE BY CATEGORY	YTD Actual	YTD Budget	Variance	FY Budget
Wellington Marine Centre	183,846	173,151	10,695	343,480
Hardstand	143,708	142,729	980	283,132
Marina berths	872,422	886,321	(13,899)	1,758,192
Trailer parks	220,947	233,314	(12,367)	462,840
<b>Total Tenancy Revenue</b>	<b>1,420,922</b>	<b>1,435,515</b>	<b>(14,592)</b>	<b>2,847,644</b>

Tenancy revenue was below budget due to marina berth revenue and trailer park revenue underperforming year to date. Pricing pressures in the wider economy mean SML is seeing fewer new customers overall, and a small number of existing customers are making more affordable alternative storage arrangements. This is a trend that the marina industry is seeing with many commercial marinas reporting a reduction in occupancy.

### Operating expenses

YTD expenses were \$1.286M which is 4.9% above budget YTD.

	Year to Date				Full Year
	Actual	Budget	Variance	% Variance	Budget
Business cases and research	-	7,500	7,500	100.0%	15,000
Travel	5,583	4,055	(1,528)	-37.7%	8,109
Promotion and publicity	8,457	7,500	(957)	-12.8%	15,000
Maintenance	54,502	20,000	(34,502)	-172.5%	40,000
Operational contracts	6,956	7,250	294	4.1%	14,500
Environmental services	70,304	81,000	10,696	13.2%	162,000
Electricity	23,988	27,500	3,512	12.8%	55,000
Personnel expenses	385,341	417,576	32,235	7.7%	820,580
Breakwater rental and other property expenses	61,800	61,800	-	0.0%	123,600
Rates and water charges	84,017	72,781	(11,235)	-15.4%	149,396
Security	99,546	82,563	(16,983)	-20.6%	165,126
Insurance	146,989	141,800	(5,189)	-3.7%	283,600
Other expenses	185,930	172,591	(13,339)	-7.7%	345,181
Cost of diesel	152,966	122,103	(30,863)	-25.3%	277,980
<b>Total expenses</b>	<b>1,286,377</b>	<b>1,226,019</b>	<b>(60,358)</b>	<b>-4.9%</b>	<b>2,475,072</b>

Material unfavourable YTD variances comprise the following:

- Cost of diesel sales are 25% more than planned due to the demand for diesel requiring more product to be purchased.
- Maintenance expenses had a \$35K variance mainly due to aforementioned unexpected costs.
- Insurance and security costs as explained in the 'Overview'.
- Other expenses are above budget YTD by \$13K due unexpected vessel disposal, increased audit fees, software license prepayment.
- Water rates charges were higher than budgeted by \$5K and rates charges were higher than budgeted by \$10K.

### Finance and depreciation charges

	Year to Date				Full Year
	Actual	Budget	Variance	% Variance	Budget
Finance expenses	86,157	90,466	4,309	4.8%	180,932
Depreciation	244,615	267,703	23,089	8.6%	531,057
<b>Total finance and depreciation</b>	<b>330,772</b>	<b>358,169</b>	<b>27,397</b>	<b>7.6%</b>	<b>711,989</b>

Finance and depreciation charges are broadly in line with budget YTD.

### Capital expenditure

	YTD Act	YTD Bud	Var	FY Bud	CF fm Prior Year	Spend Life to Date	Capitalised Assets	Work in Progress
Miscellaneous Items	129,019	150,050	21,031	300,100	13,645	142,664	-	142,664
Pier Upgrade	-	-	-	-	313,127	313,127	-	313,127
Floating Marina Office	-	167,500	167,500	335,000	-	-	-	-
Pier B refurbishment	-	303,250	303,250	606,500				
Total capital expenditure	129,019	620,800	491,781	1,241,600	326,772	455,790	-	455,790

YTD capital spend is \$455K, with \$327K of expenditure carried forward from last financial year.

Miscellaneous capex items are in line with budget. Plans for the floating marina office are now on hold as SML are utilising an existing space within the WMC as a hardstand office and the funds would be better re-prioritised for use on upgraded lighting in Trailer Park A.

### Cash position

Available cash on 31 December 2023 is \$702K. Offsetting this is \$51k owed to HCC being the December current account charges, which will be cleared on the first working day of next month.

### Financial Performance Measures

The table below provides an indication of the status to date against the financial measures outlined in the 2023/24 Statement of Intent:

#### FINANCIAL PERFORMANCE MEASURES

##### *Deliver annual budgeted revenues for each of the four business entities:*

	Target	YTD Actual	Status
Boat storage	100%	97.7%	Not achieved (3)
Hardstand	100%	100.7%	Achieved
Marine Centre	100%	106.2%	Achieved
Launching ramp	100%	49.6%	Not achieved (4)
<b>Total revenue</b>	<b>100%</b>	<b>101.2%</b>	<b>Achieved</b>

##### *Control operational expenses*

	YTD Target/Budget	YTD Actual	Status
Operational expenses within budget (1)	1,226,019	1,286,377	Not achieved

##### *Manage capital expenditure*

	YTD Target/Budget	YTD Actual	Status
Complete within budget (2)	620,800	129,019	Achieved

(1) Operational expenses are defined as all expenses controllable by Seaview Management. Excludes depreciation and finance charges

(2) Excludes carry forward of expenses on projects from prior years

(3) Boat storage revenue is not achieved due to lower occupancy levels as customers look for more affordable boat storage options

(4) Launching ramp revenue is not achieved due to a clerical error resulting in ramp revenue being overstated in the budget. The negative variance created is not material amounting to less than 1% of budgeted revenue.

## Appendix 1: Detailed Financial Statements

## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE MONTH ENDED 31 DECEMBER 2023

	Current Month			Year to date			Full Year	Full Year
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget
<b>Revenue</b>								
Gross diesel sales	41,116	32,200	8,916	160,757	130,022	30,735	270,577	287,000
Tenancy revenue	237,138	241,853	(4,715)	1,420,922	1,435,515	(14,593)	2,881,212	2,847,624
Electricity recharges	-	-	-	-	-	-	-	-
Finance revenue	2,336	167	2,169	13,819	1,000	12,819	27,911	2,000
Ramp revenue	3,252	4,083	(832)	12,148	24,500	(12,352)	48,306	49,000
Boat storage revenue	-	-	-	-	-	-	-	-
Travel Lift & Waterblaster	8,935	6,000	2,935	43,410	36,000	7,410	92,568	72,000
Live aboard revenue	6,715	6,590	125	41,500	39,231	2,269	58,805	78,002
Other revenue / Wellington Providedoring rental revenue	578	2,083	(1,505)	6,452	12,500	(6,048)	7,205	25,000
Gain on sale of assets	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>300,069</b>	<b>292,976</b>	<b>7,094</b>	<b>1,699,007</b>	<b>1,678,769</b>	<b>20,239</b>	<b>3,386,584</b>	<b>3,360,626</b>
<b>Expenses</b>								
Personnel expenses	47,151	68,996	21,845	385,341	417,576	32,235	786,652	820,580
Maintenance	11,906	3,333	(8,572)	54,502	20,000	(34,502)	95,676	40,000
Electricity	4,095	4,583	489	23,988	27,500	3,512	45,261	55,000
Maintenance	-	-	-	-	-	-	-	-
Insurance	24,547	23,633	(914)	146,989	141,800	(5,189)	293,942	283,600
Cost of diesel	37,348	30,650	(6,699)	152,966	122,103	(30,863)	263,213	277,980
Security	25,431	13,761	(11,670)	99,546	82,563	(16,983)	94,167	165,126
Operational contracts	320	1,208	888	6,956	7,250	294	14,500	14,500
Environmental services	20,049	13,500	(6,549)	70,304	81,000	10,696	149,068	162,000
Rates and water charges	12,492	11,491	(1,001)	84,017	72,781	(11,235)	168,320	149,396
Promotion and publicity	950	1,250	300	8,457	7,500	(957)	28,694	15,000
Travel	-	676	676	5,583	4,055	(1,528)	7,524	8,109
Business cases and research	-	1,250	1,250	-	7,500	7,500	15,000	15,000
Breakwater rental and other property expenses	10,300	10,300	-	61,800	61,800	-	123,600	123,600
Loss on sale of assets	-	-	-	-	-	-	-	-
Other expenses	35,642	28,765	(6,877)	185,930	172,591	(13,339)	442,827	345,181
<b>Total expenses</b>	<b>230,231</b>	<b>213,397</b>	<b>(16,834)</b>	<b>1,286,377</b>	<b>1,226,019</b>	<b>(60,358)</b>	<b>2,528,444</b>	<b>2,475,072</b>
<b>Net surplus / (deficit) before finance &amp; depreciation</b>	<b>69,838</b>	<b>79,579</b>	<b>(9,741)</b>	<b>412,630</b>	<b>452,750</b>	<b>(40,120)</b>	<b>858,140</b>	<b>885,554</b>
Finance expenses	14,516	15,078	562	86,157	90,466	4,309	183,147	180,932
Depreciation	40,996	45,101	4,104	244,615	267,703	23,089	483,375	531,057
<b>Total finance and depreciation</b>	<b>55,512</b>	<b>60,178</b>	<b>4,666</b>	<b>330,772</b>	<b>358,169</b>	<b>27,397</b>	<b>666,522</b>	<b>711,989</b>
<b>Net surplus / (deficit) after finance &amp; depreciation</b>	<b>14,326</b>	<b>19,401</b>	<b>(5,074)</b>	<b>81,858</b>	<b>94,580</b>	<b>(12,722)</b>	<b>191,618</b>	<b>173,565</b>
Tax expense							53,653	146,466
<b>Net surplus / (deficit) after tax</b>	<b>14,326</b>	<b>19,401</b>	<b>(5,074)</b>	<b>81,858</b>	<b>94,580</b>	<b>(12,722)</b>	<b>137,965</b>	<b>27,099</b>



## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Actual as at: 31 DECEMBER 2023	Budget as at: 30 June 2024	Actual as at: 30 June 2023
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	702,628	912,349	854,798
Debtors and other receivables	491,556	293,905	193,026
Inventory (Diesel)	17,756	31,893	12,733
Prepayments	146,766	-	-
Advances to related parties	-	-	-
<b>Total current assets</b>	<b>1,358,706</b>	<b>1,238,147</b>	<b>1,060,557</b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	22,384,317	23,396,920	22,627,484
Intangible assets	2,259	828	3,707
Assets under construction	455,790	321,744	326,772
<b>Total non current assets</b>	<b>22,842,367</b>	<b>23,719,492</b>	<b>22,957,963</b>
<b>Total assets</b>	<b>24,201,073</b>	<b>24,957,639</b>	<b>24,018,520</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Payables and deferred revenue	354,120	187,698	179,208
Current tax liability	(9,104)	-	104,444
Employee entitlements	93,273	99,474	85,946
Borrowings	-	-	-
Advances from related parties	51,035	-	19,031
<b>Total current liabilities</b>	<b>489,324</b>	<b>287,172</b>	<b>388,629</b>
<b>NON CURRENT LIABILITIES</b>			
Deferred tax liability	475,662	450,248	475,662
Borrowings	2,700,000	3,700,000	2,700,000
<b>Total non current liabilities</b>	<b>3,175,662</b>	<b>4,150,248</b>	<b>3,175,662</b>
<b>Total liabilities</b>	<b>3,664,986</b>	<b>4,437,420</b>	<b>3,564,292</b>
<b>Net assets (assets minus liabilities)</b>	<b>20,536,087</b>	<b>20,520,219</b>	<b>20,454,228</b>
<b>EQUITY</b>			
Accumulated funds	(13,556,227)	(13,572,095)	(13,638,086)
Revaluation reserve	12,810,411	12,810,411	12,810,411
Share capital	21,281,903	21,281,903	21,281,903
<b>Total equity</b>	<b>20,536,086</b>	<b>20,520,219</b>	<b>20,454,228</b>

## STATEMENT OF CASH FLOWS FOR THE MONTH ENDED 31 DECEMBER 2023

	Actual 31 DECEMBER 2023	Budget 30 June 2024	Actual 30 June 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Cash was provided from:</i>			
Receipts from rentals	1,165,932	2,919,644	2,807,741
Interest received	13,819	2,000	4,927
Receipts from user charges and other income	379,692	418,939	502,550
	<b>1,559,442</b>	<b>3,340,583</b>	<b>3,315,218</b>
<i>Cash was applied to:</i>			
Payments to employees	(361,463)	(810,581)	(650,425)
Payments to suppliers	(1,053,300)	(1,687,215)	(1,697,621)
Dividend payments	-	(200,000)	-
Provisional tax	(113,548)	(146,466)	(104,082)
Interest paid	(86,288)	(138,947)	(71,461)
	<b>(1,614,599)</b>	<b>(2,983,209)</b>	<b>(2,523,589)</b>
<b>Net cash flows from operating activities</b>	<b>(55,156)</b>	<b>357,374</b>	<b>791,629</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Cash was applied to:</i>			
Purchase of property, plant and equipment	-	(1,241,600)	(104,674)
Purchase of assets under construction	(129,018)	-	(214,924)
	<b>(129,018)</b>	<b>(1,241,600)</b>	<b>(319,598)</b>
<b>Net cash flows from investing activities</b>	<b>(129,018)</b>	<b>(1,241,600)</b>	<b>(319,598)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i>Cash was provided from:</i>			
Proceeds from borrowings - Hutt City Council	32,004	500,000	-
	<b>32,004</b>	<b>500,000</b>	<b>-</b>
<i>Cash was applied to:</i>			
Repayment of borrowings - Hutt City Council	-	-	(7,289)
	<b>-</b>	<b>-</b>	<b>(7,289)</b>
<b>Net cash flows from financing activities</b>	<b>32,004</b>	<b>500,000</b>	<b>(7,289)</b>
<b>Net increase / (decrease) in cash, and cash equivalents</b>	<b>(152,170)</b>	<b>(384,226)</b>	<b>464,742</b>
Cash, cash equivalents and bank overdrafts at beginning of the year	854,798	1,296,575	390,056
<b>Cash, and cash equivalents at the period/year</b>	<b>702,628</b>	<b>912,349</b>	<b>854,798</b>

**08 February 2024**
**Report no: PFSC2024/1/41**

## Urban Plus Limited Group Six Month Report to 31 December 2023

### Purpose of Report

1. To provide the Committee with an update from Urban Plus Limited Group (UPL), for the six-month period to 31 December 2023.

### Recommendation

That the Committee receives the half year report from Urban Plus Limited Group attached as Appendix 1 to the report.

### Background

2. The Local Government Act requires Council Controlled Organisations to deliver to shareholders a half yearly report on the organisation's operations within two months of the end of the first half of each financial year. The report should include information required to be reported as outlined in the organisation's 2023/24 - 2025/26 Statement of Intent.

### Discussion

3. The Chair of UPL will attend to present the report and answer any questions.
4. The report to the shareholder for the six months ended 31 December 2023 is attached as Appendix 1 to the report. The report details the results and achievements for the period.
5. UPL Group achieved a Deficit before Tax of \$1.1M compared to a budgeted Deficit before Tax of \$1.8M, resulting in a favourable variance of \$0.7M. The favourable variance is largely due to the timing of project completion (sales of Brook Street have not eventuated yet), and two staff positions were unfilled from July-December 2023. An additional \$10M of borrowings planned to take place in October 2023 remains undrawn.
6. Residential housing achieved a deficit before Tax of \$0.3M compared to a budgeted deficit of \$0.4M, resulting in a favourable variance of \$0.1M. Expenses are slightly below budget.

7. Property development achieved a deficit before tax of \$0.8M compared to a budgeted deficit of \$1.4M, resulting in a favourable variance of \$0.6M. This is mainly due to the timing of the completion of Brook Street and delays in the drawdown of the additional \$10M of borrowings.
8. A Net Deficit before Tax of \$2.9M is forecast for the full year for the Group, against the budgeted deficit of \$3.7M. This is mainly due to the delay in the drawdown on the \$20M.
9. Borrowing levels remain at \$33M as at 31 December 2023 and are expected to increase over the coming months as new developments commence but will remain within Council's approved facility.
10. The detailed performance report is attached as Appendix 1 to the report.
11. The priorities agreed by Council in the 2025-2027 UPL Statement of Intent are summarised below. The detailed performance report provides commentary on the progress achieved for these priorities.
  - a. provide for wider housing needs,
  - b. build more housing partnerships,
  - c. build pathways to housing permanency,
  - d. implement HomeStar 6 Rating and Environmental Standards
  - e. achieve wider housing outcomes,
  - f. deliver on Plan Change 43 (where Plan Change 43 applies to a development site),
  - g. promote Māori outcomes,
  - h. support Central Government initiatives,
  - i. provision of accommodation for the low-income elderly.
12. There are no significant events after the reporting period requiring additional disclosure.

### **Climate Change Impact and Considerations**

13. The Implementation of the HomeStar 6 Rating and new environmental standards for new housing developments will support Council in its objective to address the impacts of climate change.

### **Consultation**

14. There is no requirement for consultation.

### **Legal Considerations**

15. The Local Government Act requires Council, as a shareholder in UPL, to publish this report on its public website within one month of receiving it and to maintain the report on that site for a period of no less than seven years.

### Financial Considerations

16. The six-month report includes financial results and associated commentary, including progress against its performance measures to date. There are no financial issues to be considered.

### Appendices

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**Author:** Yaolang Chung  
Senior Financial Accountant

**Reviewed By:** Darrin Newth  
Financial Accounting Manager

**Reviewed By:** Jenny Livschitz  
Group Chief Financial Officer

**Approved By:** Daniel Moriarty  
Chief Executive, Urban Plus



## Report to Shareholder

### For the six-month period ended 31 December 2023



Above Image: Twenty townhouse development at 15 – 19 Brook Street, Waiwhetu

Urban Plus Limited (UPL) is owned by Hutt City Council (HCC) and operates as a Council Controlled Organisation (CCO) under the Local Government Act 2002. The Urban Plus Group comprises UPL (the Parent entity), UPL Developments Limited (UPLDL) and UPL Limited Partnership (UPLLP).

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## HOW WE PERFORMED

### STRATEGIC PLAN AND PROGRESS

Urban Plus Limited (UPL) is a multi-faceted residential development entity, wholly owned by Hutt City Council (the Shareholder) as a Council Controlled Organisation (CCO) who provides housing solutions in Te Awa Kairangi/Lower Hutt.

Our strategy is to address the Key Priorities and Key Performance Indicators (KPIs) set out in the Shareholder's annual Statement of Expectations which includes partnering with iwi and Community Housing Providers (CHPS), and deliver housing solutions across targeted areas of the housing continuum.

Our services include:

- a UPL owned and managed residential housing portfolio aimed at tenanted Lower Hutt low-income elderly.
- the acquisition and development of land and property, to provide a variety of housing typologies for the market, specifically targeting first home buyers and owner occupiers.
- partnering with both CHPs and iwi to provide social housing outcomes for long term rentals.
- partnering with CHPs on projects that provide housing ownership options via shared equity / rent-to-buy schemes for the 'missing middle'.

We are very pleased to report that UPL received three clean audits from Audit NZ regarding all three entities within the Group. This is the first time this has occurred in the years of UPL operating.

#### UPL's response and delivery to achieve the Shareholder's Letter of Expectations

The Shareholder's Letter of Expectations 2023/24 are set out as follows, with UPL's progress over the first six months summarised below each section:

##### 1. Provide for Wider Housing Need

*UPL is to provide for need across the housing continuum. UPL will develop a framework to enable the development of a range of housing outcomes. The primary focus of this priority is to bring more homes into the supply chain.*

##### Status:

Our strategy for this period was to secure consents for multiple projects and position the company to commence as much on-site works for our three tranches of operations – Portfolio, CHPs and 'For-Market' – to bring a significant amount of homes into the local supply chain.

Our proposed six townhouse 'for-market' project in Alicetown received both Resource Consent (RC) and Building Consent (BC), as well as Homestar 6 Design rating (Version 5). The project also received Board approval to award the civils and construction contracts, which are planned to commence in the New Year. We also received both RC and BC for a nineteen-home development in Stokes Valley (CHP project). This project is earmarked to start in 2024. Our portfolio growth focussed project in Petone of five accessible units achieved its Homestar 6 design rating. All civils works are complete. Construction of these units is well underway and will be completed within this Financial Year.

Construction of twelve townhouses in Britannia Street (Petone) commenced via one of our main contractors. These will be completed halfway through next Financial Year.



RC was submitted for a three-level walk-up in Avalon. The intent is to be fully consented and be able to start on-site mid-way through 2024 on this project.

Our 'for market' project in Brook Street (Waterloo) is progressing well. All civils works were completed and construction of all seven blocks is now underway. This project will release twenty townhouses to the market – aimed at first home buyers and owner occupiers.

Our CHP-focussed projects in Stokes Valley (Tawhai Street – x19 homes) and Wainuiomata (Stanley Street – x17 homes) are all consented and ready to move into the next project phase of civils / construction.

In total, the current pipeline of Board approved development projects is bringing approx. eighty (80) homes into the supply chain in the upcoming months. UPL is positioned well to deliver these on time and to budget.

## 2. Build More Housing Partnerships

*In order to deliver homes across the housing continuum, UPL is to develop relationships with key organisations such as Community Housing Providers (CHPs), mana whenua, non-governmental organisations, developers, as well as Crown agencies with responsibilities for delivering housing. Partnering with key organisations where they cannot achieve these outcomes on their own.*

**Status:** Continuing on from our successful Molesworth Street Takai Here Tangata partnership with Kahungunu Whānau Services – whose CHP entity is now called He Herenga Kura (HHK), UPL officers have advanced formal negotiations for HHK to purchase seventeen homes (within one development) in Wainuiomata. The development provides a variety of housing typologies. Earthworks and civils works are planned to commence on-site early 2024 calendar year.

Additionally, our nineteen-home development in Tawhai Street (Stokes Valley) has been earmarked for our Te Āti Awa partner. These homes provide a variety of typologies, and some have universal designed ground floor units with a bedroom suited for kaumātua / aged persons needs.

Our partnership with a CHP for the 55 Britannia Street project was discontinued due to that CHP confirming it was not in a financial position to confirm funding for the project from Ministry of Housing & Urban Development (MHUD). Construction continues, as does the search for a partner / purchaser for this project.

Our Takai Here partnership with Te Āti Awa and Hutt City Council, has been extended out to Kāinga Ora as we collectively look for opportunities within the city to create more housing outcomes together.

UPL on-boarded three new construction companies to our Early Contractor Involvement (ECI) / Professional Services Panel within this period also. This panel enables UPL to work with main contractors on specific projects, with early engagement, to achieve efficiencies and streamline project lifecycles where possible. Our strategy is to build relationships and trust with partners for the long term, and in line with procurement best practice.

## 3. Build Pathways to Permanency

*UPL to deliver opportunities for individuals, families / whanau, and assisting them to transition into housing permanency. Partnering with entities that provide initiatives such as shared equity, long term rentals, rent to buy and reduced deposit schemes.*

**Status:** UPL has a strategic long-term approach to partnering with CHPs. Our expertise is property development and our aim is to partner with, and deliver for, CHP partners on a cyclical basis. Our

strategy is to partner with CHPs and socially like-minded entities who offer initiatives such as shared equity, long term rental and rent-to-buy options for its cohorts to achieve housing outcomes and add to the local housing supply. Currently, funding opportunities for CHPs is limited and many identified CHPs are not able to secure project finance. We continue to work collaboratively with CHPs and MHUD on funding channels and opportunities.

#### 4. Implement Homestar 6 Rating & Environmental Standards

*UPL is to incorporate design and environmental considerations into future projects and align these with the Homestar rating assessment to achieve no less than six (6) stars in future housing development projects.*

**Status:** All current UPL projects' scope and specification include a requirement to achieve a minimum of Homestar 6-star certification for both design and construction. We have thus far achieved this requirement. Most recently, Tama Street (Alicetown) received our first Version 5 Homestar 6 rating. 17 Britannia Street (five accessible units) received confirmation of its Homestar 6 Design rating accreditation from New Zealand Green Building Council (NZGBC) at the end of the calendar year.

UPL also provides continual upskilling opportunities for officers regarding Homestar 6 (versions and assessment tools), and other appropriate professional development opportunities.

#### 5. Achieve Wider Outcomes

*UPL to create and support local employment and training and to work with a tertiary education provider(s) to support capacity uplift in the building, construction and built environment sectors, and partner with the construction industry to offer employment and career development.*

**Status:** At the award / engagement stages of contracts, UPL communicates our social imperative to local upskilling and requests that all on-boarded contractors and sub-contractors seek to employ apprentices for UPL projects – focussing on local supply channels such as WelTec / Whitireia faculties (e.g. Plumbers, carpenters etc), which UPL has established direct links for up-taking promising students / apprentices. UPL acts as enabler of local relationships and connections to achieve these wider outcomes.

Currently, there are three (builder) apprentices at our Brook Street site, and eleven apprentices at our Petone site (x3 plumbers, x5 builders, x1 slab foundations team and x2 electricians).

#### 6. Deliver On Plan Change 43

*UPL is mandated to seek housing opportunities around suburban shopping centres and transport hubs afforded by Plan Change 43 and to be an exemplar of the well-designed developments Council envisaged in the Medium Density Design Guide that accompanied the plan change.*

**Status:** UPL continues to source opportunities and is looking at higher density options in the appropriate areas in the future. With the market downturn there has been limited options and little movement around these target locations. We remain confident and vigilant in attaining key sites for the development of these intended outcomes.

We note that with greater density design, construction costs and risk increase with structures over three storeys. Careful consideration about design and who we partner with for scale commercial density housing projects is critical.

The Shareholder also expects UPL to align with the following aspirations:

#### **7. Promote Māori Outcomes**

*UPL to fully participate alongside Council in any formal relationship agreements with mana whenua as they relate to improving housing outcomes.*

**Status:** UPL is working with Te Rūnanganui o Te Āti Awa on several opportunities currently; providing specialist property advice, feasibilities, and scheme plan options for housing outcomes on iwi-owned land. We are supportive of the Rūnanga's strategy and focus on securing land within its '100-acre block' in Waiwhetu and have recently tabled several options for its consideration to acquire and develop. We will continue to support and promote the Rūnanga in its housing endeavours.

#### **8. Support Central Government Initiatives**

*When sought by the Shareholder, UPL will support Central Government initiatives where it is financially, socially and environmentally prudent, and is to the overall betterment to Lower Hutt City.*

**Status:** UPL supported the Shareholder in its funding applications to Central Government for the Infrastructure Acceleration Fund (IAF) and is seeking housing development locations within the nominated IAF area for projects to enable utilisation of this funding. UPL is also working with Kāinga Ora on a potential housing project on the valley floor which is planned to provide approximately thirty homes to the 'affordable' housing market.

Additionally, to the above, UPL also maintains its focus on its own residential portfolio:

#### **9. Provision of Accommodation for the Low-Income Elderly**

*UPL is charged with the ongoing provision of housing to the low-income elderly of Lower Hutt.*

**Status:** The various actions and outcomes within the housing portfolio are outlined below.

#### **Healthy Homes Standards**

Our programme to upgrade areas of our residential rental portfolio upgrade carried on through this period. The installation works of heat pumps, bathroom ventilation fans and kitchen extraction range hoods were completed. The draught stopping and curtain install has commenced and is well underway this will be completed by the July 2024 cut-off period. To date, we have received extremely positive feedback from tenants who have enjoyed using the heat pumps in colder months.

#### **Vegetable gardens**

We have continued our efforts to provide vegetable gardens and planter box options for our tenants within the portfolio. Tenants have really appreciated this and their gardening and vegetable growing proficiencies have soundly been demonstrated. The gardens and planter boxes also provide a location for social connectivity, with some tenants sharing the produce they grew at a combined Christmas luncheon at one of our properties. Our Housing Manager continues to identify areas within our properties

to locate these garden areas. Planter boxes are built at a comfortable appropriate height for our tenants to utilise.



**Images:** Vegetable gardens at our Mudie street / Alice Street properties

### **Fruit Trees**

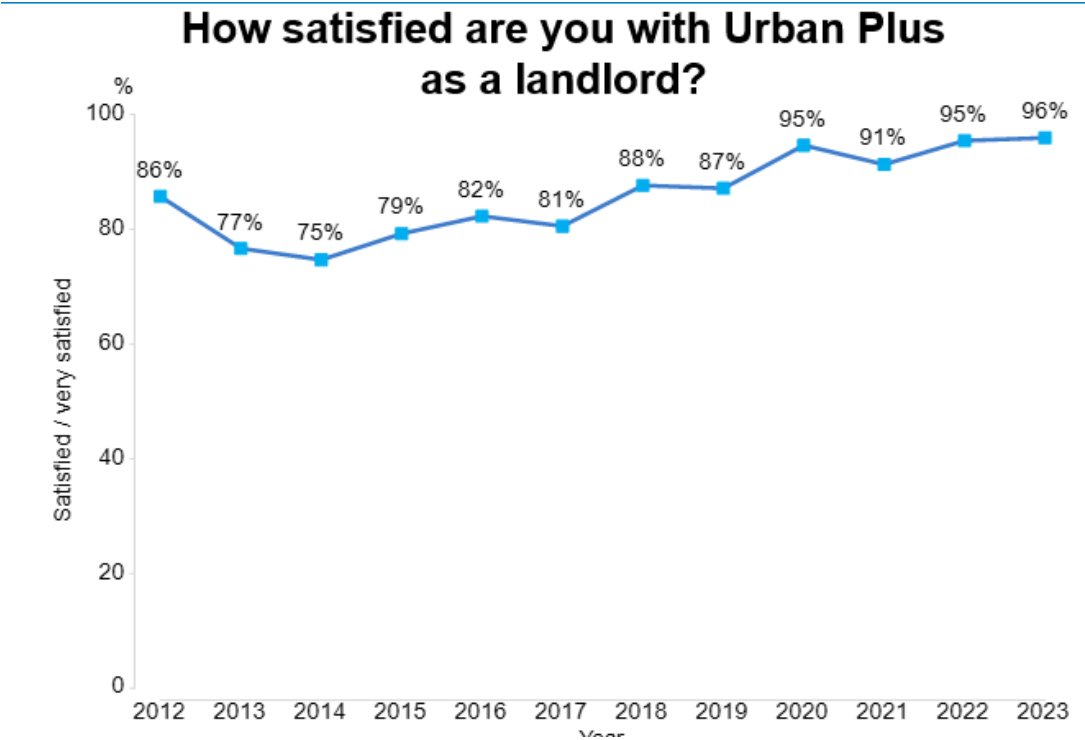
Fruits bearing trees have been planted within our housing portfolio properties for all tenants to enjoy in future years. Our plan is to continue to introduce these trees on a regular basis to all properties.

### **Key Capital Works Items**

UPL undertook two roof replacements (Mudie Street & Boothby Grove) works within this period. These works had been deferred for several years and it is pleasing to see these now completed. Other works completed were replacement / upgrade of windows in Avalon, replacement of weatherboards, re-painting at multiple properties and unit upgrades (interior, portfolio-wide) when they become available between tenancies. Upgrades usually entail kitchen and bathroom upgrades – especially removing step-over baths and the installation of new shower boxes to remove trip hazards for tenants.

Tenants Survey results

The annual Tenant Satisfaction Survey provided a pleasing response from tenants. UPL achieved its highest rating of 96%.



Above image: Tenancy Survey results regarding tenant satisfaction over ten-year period.

## CONSOLIDATED FINANCIAL PERFORMANCE

For the six months to 31 December 2023, UPL Group achieved a Deficit before Tax of \$1.128M compared to a budgeted Deficit Surplus of \$1.818M resulting in a favourable variance of \$0.690M.

Revenue is above budget YTD by \$0.018M attributed to

- Rental revenues are in line with the budget
- Finance revenue being above budget by \$16k due to increase level of cash holdings from unutilised borrowings being placed on call deposit.

Expenditure, excluding Depreciation and Finance cost is below budget YTD by \$0.313M primarily due to

Personnel expenses are tracking below budget YTD by \$162k due to two vacant positions.

Repairs and maintenance are tracking above budget YTD by \$21k due to some of costs have been expensed instead of capitalised.

- Specialist services is under budget YTD by \$33k due to structural investigation work allowed for have not happened.
- Agents' fees and marketing is below budget YTD by \$157k due to timing of project completions and sales of Brook St have not eventuated yet.
- Asset write-offs the old roofs for Mudie Street and Boothby St are below budget YTD by \$12k due to the timing of completion for the new roofs are later than what have budgeted for.

Therefore, allowing for the additional depreciation to be charged for 4 months.

Borrowing (from HCC) at \$33.0m. Available cash on 31 December 2023 was \$19.322M.

## PROPERTY MANAGEMENT

As of 31 December 2023, UPL owned and managed 192 residential units including Council owned properties (does not include the 18 bedsit rooms at 38 Britannia Street which is leased out to Wellington City Mission). Occupancy levels have been between to 97-99% over the period. UPL continues to have minimal vacancies, with the waiting list and enquiries increasing steadily. Our Housing Manager continues to receive increasing volumes of applications from the general public – not just the elderly.

The 'weighted-average-age' of the residential portfolio is 44.5 years. This is considered an 'aged' portfolio and parts of the portfolio are showing this in terms of their basic design (namely showers over the bath, the ability to refurbish to the elevated Healthy Homes standards), site placement and maintenance demand.

### Rent

The UPL Board unanimously approved a 2% rent increase (per unit, per week) to be effective as at 1<sup>st</sup> July 2023. This equates to approximately a \$5 increase per unit per week for tenants. The previous year a Board decision was made to freeze rents due to cost-of-living crisis. The current Statement of Intent performance measure is an increase of no greater than \$50 per unit per week.

The Board also noted the Government Super increased 6% over the same period.

### Maintenance

Our maintenance spend is above the budget YTD of \$21k for the first six months. Whilst resourcing for our main contractors is an ever-present issue to manage, we remained focussed on keeping our units and properties well maintained in both planned and active maintenance matters. As with previous years, our maintenance strategy is to implement the “lowest-long-run-cost” for our portfolio in alignment with the Long-Term Maintenance Plan.

### New Developments for the Residential Rental Portfolio

No new units have been completed in this six-month period, however on-site civils and construction works of five accessible units commenced at 17 Britannia Street, Petone. The programme is well underway with the civils component already completed, and the unit construction is forty-five percent (45%) completed as at calendar year-end. The project is to be completed this Financial Year.

The units at 17 Britannia Street, Petone will be the first accessible (already achieved a four-star design rating certification from LifeMark) units within UPL’s residential portfolio. Our team will continue its endeavours to provide more accessible units in future projects. The project has also received confirmation of its Homestar 6 Design accreditation from NZGBC as mentioned earlier.

Plans to increase portfolio numbers have also been progressed, targeting other potential properties within the portfolio for infill and / or re-development to enable greater density.

### UPL Christmas Gift to Tenant

UPL provides a Christmas koha / gift every year to tenants. This year it was a \$20 grocery voucher to assist with the festive season. The vouchers were well received, and a great success and our Housing Manager received multiple appreciative comments from tenants.

## PROPERTY MANAGEMENT KEY PERFORMANCE INDICATORS

Indicator	Target	Performance to 31 December 2023
Capital expenditure within budget	Capital: \$3,722,282	Capital: \$1,290,786 Achieved
Operational expenditure within budget	Operating: \$1,054,306	Operating: \$1,040.927 Achieved
Net Surplus before Depreciation and tax and after Finance Expenses as a Proportion of the Net Book Value of Residential Land and Buildings at the Start of the Year – Greater than 2.25%	2.25%	Reported annually within Annual Report (Pro-rated for 6 months: 0.02% Not Achieved)
Tenant satisfaction with the provision of the company’s rental housing greater than or equal to 90%	90%	Reported annually within Annual Report
Percentage of total housing units occupied by low-income elderly greater than or equal to 90%	90%	Reported annually within Annual Report



Annual rental increases to be no greater than \$50 per week per unit	No greater than \$50 per week per unit	Reported annually within Annual Report
Increasing the portfolio size to 220 units by December 2024	220 units by 2024	Number of units decreased to 183 (figure does not include the HCC properties UPL manages on its behalf)
All rental housing units in the portfolio to have a HomeFit certificate by 30 June 2024	100% by 30 June 2024	In progress
Any rental housing units purchased and not already utilising electricity or renewable sources of energy for space heating, water heating, and cooking facilities, shall be converted to utilise only electricity or renewable sources of energy within five years of acquisition	100% within five years	All purchases since 30 June already utilise renewable energy sources
New rental housing units constructed by UPL to utilise only electricity or renewable sources of energy for space heating, water heating and cooking facilities	100%	No units completed during period

## PROPERTY MANAGEMENT FINANCIAL PERFORMANCE

Residential housing achieved a deficit for the first six months to 31 December 2023 of \$327k compared to a budgeted deficit of \$435k resulting in a favourable variance of \$108k. Revenues are on track with the budget for the first six months. The expenses are slight below budget.

	Year to Date			Budget 2024
	Actual 2024	Budget 2024	Variance 2024	
<b>Revenue</b>				
Rental revenue	1,337,222	1,334,892	2,331	2,656,047
<b>Total revenue</b>	<b>1,337,222</b>	<b>1,334,892</b>	<b>2,331</b>	<b>2,656,047</b>
<b>Expenses</b>				
Personnel expenses	58,369	56,824	(1,544)	111,075
Rates	331,081	345,462	14,381	345,462
Repairs and maintenance	356,184	340,246	(15,938)	680,491
Insurance	105,592	107,032	1,440	222,009
Specialist services	5,332	1,546	(3,787)	2,389
Operating contracts	78,930	84,882	5,952	173,144
HCC support costs	18,037	18,038	-	36,075
Other operating expenses	32,298	32,723	425	65,206
Asset write-offs	55,104	67,554	12,451	67,554
Agents fees and marketing	-	-	-	-
Cost of commercial development sales	-	-	-	-
<b>Total expenses</b>	<b>1,040,927</b>	<b>1,054,306</b>	<b>13,379</b>	<b>1,703,405</b>
<b>Operating surplus/(deficit)</b>	<b>296,295</b>	<b>280,586</b>	<b>15,709</b>	<b>952,642</b>
Depreciation	336,209	428,537	92,327	859,084
Finance expenses	287,191	287,191	-	569,700
<b>Net surplus/(deficit) before tax</b>	<b>(327,106)</b>	<b>(435,142)</b>	<b>108,036</b>	<b>(476,142)</b>

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## PROPERTY DEVELOPMENT

The focus this period has been on progressing the new development projects – with great attention to receiving both RC & BC for each project. We are finding the construction industry as a whole returning to somewhat more of normal state compared to the COVID-19 impacted state of the past few years. Resourcing and material supplies appear to be less constrained and slightly more accessible – however construction material costs continue to rise steadily which increases project risk and makes estimation and variance difficult to predict. The end result is more constrained profit margins.

## CURRENT PROJECTS

UPL has multiple projects in its development programme, some at relatively the same stages within the development lifecycle. All UPL projects are designed to achieve the Homestar 6 Design rating – with several already in receipt of this accreditation from NZGBC. Upon completion of each project, UPL will make a submission to NZGBC to achieve its Built rating accreditation.

Our Current projects are detailed below:



**55 Britannia Street, Petone – Project aimed for a Community Housing Provider**

A main contractor was engaged to undertake this project in October 2023. Construction is well underway on-site with all pile foundations work completed and framing in place on one of the four blocks. UPL remains active in its search to find a CHP to on-sell this development. The project is programmed for completion in October 2024. This project is currently being marketed to local / regional CHPs to purchase. This project has received its Homestar 6 Design accreditation from NZGBC. The fallback option is to release to market as affordable housing.





### Brook Street, Waterloo – ‘For-Market’ Commercial Development

Brook Street offers a mix of two- and three- bedroom townhouse options to first home buyers and owner occupiers. There are twenty townhouses within this development. The project has Homestar 6 Design accreditation confirmation.

Progress on-site at our “For-Market” development in Brook Street, Waterloo has been extremely pleasing. All the Civils works components have been completed, all concrete foundation slabs are down, and construction is well underway on multiple blocks. Several of the blocks are now ‘closed-in’.

Marketing of these townhouses will commence in the New Year. Construction is planned to be completed by December 2024.



**BROOK STREET**

20 NEW HOMES SELLING NOW  
15 - 19 Brook Street, Waiwhetu, Lower Hutt

URBAN PLUS

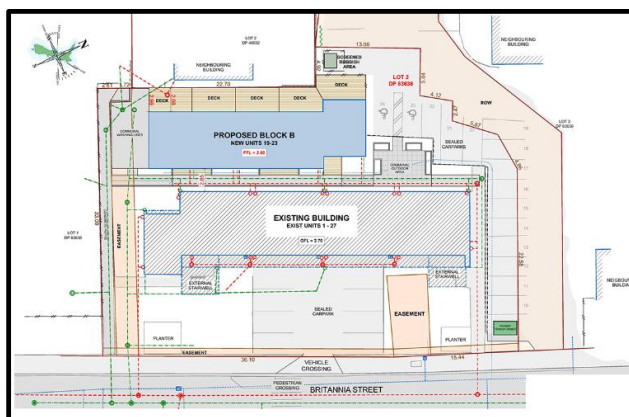
CK.CO REALTY  
HANNA KILGARIFF  
021 345 095  
hanna@ck.co.nz

- HIGH AMENITY VALUE
- LOW MAINTENANCE LIVING
- MIX OF 2 + 3 BEDROOMS



### 17 Britannia Street, Petone – UPL Residential Portfolio

Construction is well underway at 17 Britannia Street – with all civils components completed and construction being almost halfway completed. UPL received confirmation of its Homestar 6 Design accreditation recently from NZGBC. The design also includes Lifemark 4-star (accreditation also received) regarding universal / accessible design inputs. These units will be the first accessible units within the UPL portfolio. The project will be completed in May / June 2024.





### 6 Tama Street, Alicetown – ‘For-Market’ Commercial Development

Resource Consent was submitted / received for a development comprising six 3-bedroom townhouses for the first home buyer / owner occupier market. There will be a provision for some off-street parking. This project also received UPL's first Version 5 Homestar 6 Design rating accreditation from NZGBC. Officers have entered into the final stage of procurement and contracts will be awarded for the civils and construction works in the Q3 of the FY. Completion is due by the end of 2024 calendar year.



### Tawhai Street, Stokes Valley - Partnership with Community Housing Provider

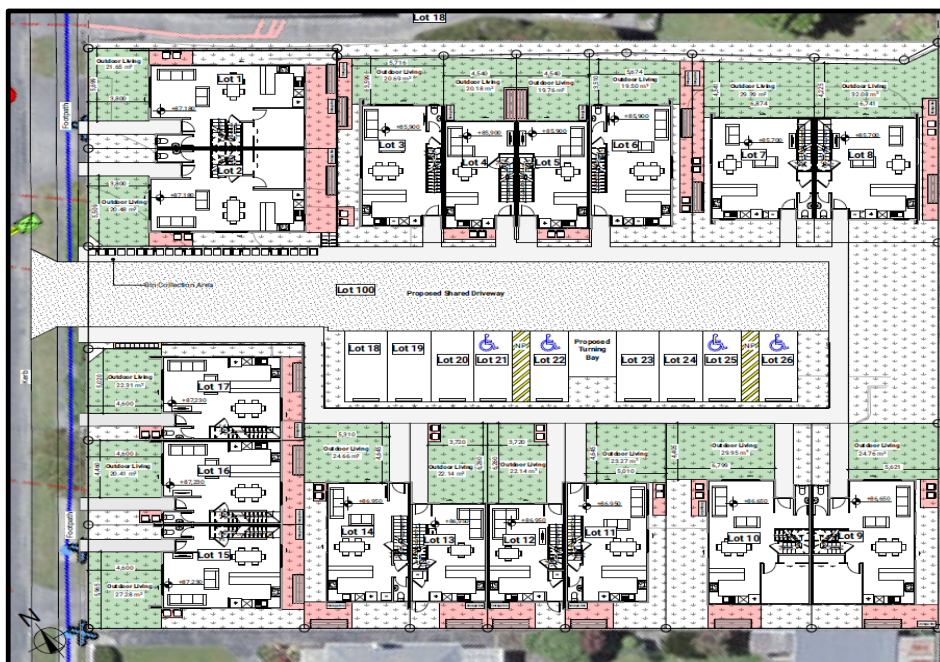
Nineteen homes of mixed typologies (two, three and four-bedroom layouts) are to be developed over three adjacent sites in Stokes Valley. UPL is looking to partner with Te Rūnanganui o Te Āti Awa (Te Āti Awa) for this project. Off-street parking will also be provided. Rc and BC were all granted within this six-month period, and officers are working through the process to secure contractors for this project. Construction is planned to commence in Q3 this Financial Year, with an eighteen-month construction period planned.





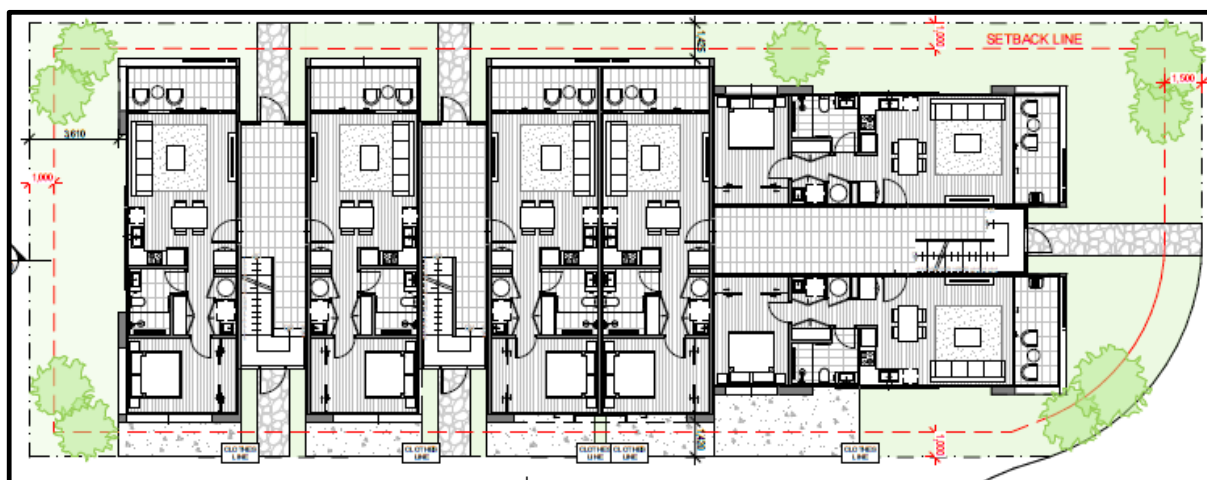
### Stanley Street, Wainuiomata - Partnership with Community Housing Provider

Two adjacent properties were purchased last financial year in Wainuiomata. Our plan is to develop seventeen homes for He Herenga Kura (which is the new CHP entity for Kahungunu Whānau Services) of mixed typologies to better suit their residents' needs. A communal outdoor space has been planned to provide an area where everyone can socialise. RC and BC have been granted / issued, and on-site works commence early 2024, with an eighteen-month construction period planned.



### 12 Hollard Grove, Avalon – UPL Residential Portfolio

This property was acquired in late 2022. Our plan is to undertake a three-level 'walk-up' development which enables greater density. The property is adjacent to multiple UPL properties, as well as a reserve behind it. This design is new to UPL, so we are working with experienced partners to undertake this innovative project. Upon completion, eighteen units will be added to the portfolio.





**Going Above & Beyond: A focus on Relocation / Deconstruction before Demolition**

Where UPL acquires properties (for future redevelopment) with existing dwellings or structures on them, UPL aims to repurpose these by either relocating dwellings (by others to alternative offsite locations) or engage contractors to deconstruct dwellings to repurpose materials elsewhere for other projects / alternatives. Demolition is our last preference, so we aim to find more sustainable / repurposing outcomes before proceeding to demolish them.

Our Tama Street project enabled third parties to remove recyclable materials (see images below) for repurposing elsewhere. It is pleasing to know that beautiful native Matai timber floorboards and weatherboards are being given a rebirth for others to enjoy.



**Above images:** deconstruction works in progress at Tama Street project. Floorboards and external weatherboards are being removed (by others) to be repurposed elsewhere.

**Final thoughts from the UPL Chair and Chief Executive:**

Yet again, the efforts of our efficient and dedicated delivery team have been excellent over these last six months.

The team's dedication and attention to our strategy of positioning all projects to be able to be executed in the upcoming months and next few years has been immense. Their efforts have ensured a smooth pathway for on-site delivery for our tenants, our partners and the market.

The remainder of this Financial Year and next few years will require careful cashflow planning, attention to growing new / strengthening existing relationships and greater focus on the construction aspects of multiple projects as we seek to carefully monitor and control costs.

We remain committed to delivering to the best of our ability for our partners and the Shareholder across our operational tranches.

Our sincere thanks to the entire UPL team.

To our Board members: Keri Brown, Peter Glensor, Cameron Madgwick, Peter Fa'afiu and new Director Phillip Jacques - thank you all for your valued contribution.

A handwritten signature in black ink, appearing to read 'Pamela Bell'.

**Pamela Bell**  
**Chair**  
**30 January 2024**

A handwritten signature in black ink, appearing to read 'Daniel Moriarty'.

**Daniel Moriarty**  
**Chief Executive**  
**30 January 2024**

## PROPERTY DEVELOPMENT KEY PERFORMANCE INDICATORS

Indicator	Target	Performance to 31 December 2023
Capital expenditure within budget	Capital: \$11,858,328	Capital: \$4,134,876 Achieved
Operational expenditure within budget	Operating: \$968,574	Operating: \$668,923 Achieved
All new developments shall only utilise electricity or renewable sources of energy for space heating, water heating and cooking facilities	100%	Reported annually within Annual Report
All new housing units (standalone house or townhouse) shall achieve a certified HomeStar design rating of at least six stars	100%	Reported annually within Annual Report
A pre-tax return of not less than 20% on Development Costs including Margin and Contingency on each commercial development project (except where the Board and Shareholder agree otherwise to achieve specified objectives)	20%	Reported annually within Annual Report
A pre-tax return of not less than 15% on Development Costs including Margin and Contingency on housing released to market as 'Affordable' (except where the Board and Shareholder agree otherwise to achieve specified objectives)	15%	Reported annually within Annual Report
Value of divestment to Community Housing Providers (or socially-likeminded organisations) set at each project's Development Cost (includes contingency & GST) plus a margin of no greater than 12.5% (except where the Board and Shareholder agree otherwise to achieve specified objectives)	12.5%	Reported annually within Annual Report
Long term public rental accommodation pre-tax returns at no less than (or equal to) 3.5% after depreciation	3.5%	Reported annually within Annual Report

## PROPERTY DEVELOPMENT FINANCIAL PERFORMANCE

Property Development achieved a deficit for the six months ended 31 December 2023 of \$0.801M compared to a budgeted deficit of \$1.383M resulting in a favourable variance of \$0.582M.

	Year to Date			Full Year
	Actual	Budget	Variance	Budget
<b>Revenue</b>				
Finance revenue	633,572	617,482	16,090	1,095,126
<b>Total revenue</b>	<b>633,572</b>	<b>617,482</b>	<b>16,090</b>	<b>1,095,126</b>
<b>Expenses</b>				
Personnel expenses	425,257	589,182	163,924	1,174,247
Rates	80	-	(80)	-
Repairs & maintenance	1,943	-	(1,943)	-
Insurance	10,774	17,223	6,448	26,500
Specialist services	20,711	57,680	36,969	120,813
Operational contracts	-	930	930	1,860
HCC support costs	72,150	72,150	-	144,300
Other operating expenses	138,008	73,910	(64,098)	120,489
Agents fees & marketing	-	157,500	157,500	157,500
<b>Total expenses</b>	<b>668,923</b>	<b>968,574</b>	<b>299,651</b>	<b>1,745,709</b>
<b>Operating surplus/(deficit)</b>	<b>(35,351)</b>	<b>(351,094)</b>	<b>315,742</b>	<b>(650,584)</b>
Depreciation	4,450	7,299	2,849	16,937
Finance expenses	760,802	1,024,530	263,728	2,475,936
<b>Net surplus/(deficit) before tax</b>	<b>(800,603)</b>	<b>(1,382,923)</b>	<b>582,319</b>	<b>(3,143,458)</b>
Income tax expense/(benefit)	-	-	-	43,267
<b>Surplus/(Deficit) after tax</b>	<b>(800,603)</b>	<b>(1,382,923)</b>	<b>582,319</b>	<b>(3,186,724)</b>

**CONSOLIDATED FINANCIAL STATEMENTS**  
**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES FOR THE PERIOD ENDED 31 DECEMBER 2023**

	Current Month			Year to Date			Full Year		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Revenue</b>									
Rental revenue	224,933	224,760	173	1,337,222	1,334,891	2,331	2,668,691	2,656,047	12,644
Other management fees	-	-	-	-	-	-	-	-	-
Finance revenue	96,254	109,474	(13,220)	633,572	617,482	16,090	870,719	1,095,126	(224,407)
<b>Total revenue</b>	<b>321,187</b>	<b>334,235</b>	<b>(13,048)</b>	<b>1,970,794</b>	<b>1,952,373</b>	<b>18,421</b>	<b>3,539,410</b>	<b>3,751,173</b>	<b>(211,763)</b>
<b>Expenses</b>									
Personnel expenses	70,154	108,783	38,629	483,626	646,006	162,380	1,235,615	1,285,322	49,707
Rates	-	-	-	331,161	345,462	14,301	334,174	345,461	11,287
Repairs and maintenance	77,419	56,708	(20,711)	361,693	340,245	(21,448)	680,492	680,492	-
Insurance	19,527	20,709	1,182	116,366	124,254	7,888	232,632	248,509	15,877
Specialist services	(3,773)	9,871	13,644	26,043	59,226	33,183	146,906	123,202	(23,704)
Operating contracts	14,056	14,302	246	78,930	85,812	6,882	155,302	175,004	19,702
HCC support costs	15,031	15,031	-	90,187	90,187	-	180,374	180,375	-
Other operating expenses	25,286	17,866	(7,420)	166,740	106,633	(60,107)	347,280	185,695	(161,585)
Asset write-offs	-	-	-	55,104	67,554	12,451	67,554	67,554	-
Agents fees and marketing	-	-	-	-	157,500	157,500	167,500	157,500	(10,000)
<b>Total expenses</b>	<b>217,700</b>	<b>243,270</b>	<b>25,570</b>	<b>1,709,850</b>	<b>2,022,880</b>	<b>313,030</b>	<b>3,547,830</b>	<b>3,449,114</b>	<b>(98,716)</b>
<b>Operating surplus/(deficit)</b>	<b>103,487</b>	<b>90,965</b>	<b>12,522</b>	<b>260,944</b>	<b>(70,508)</b>	<b>331,451</b>	<b>(8,420)</b>	<b>302,059</b>	<b>(310,479)</b>
Depreciation	57,126	72,947	15,820	340,659	435,836	95,177	696,756	876,021	179,265
Finance expenses	176,564	256,631	80,067	1,047,993	1,311,722	263,728	2,241,664	3,045,636	803,972
<b>Net surplus/(deficit) before tax</b>	<b>(130,204)</b>	<b>(238,613)</b>	<b>108,410</b>	<b>(1,127,709)</b>	<b>(1,818,065)</b>	<b>690,355</b>	<b>(2,946,839)</b>	<b>(3,619,598)</b>	<b>672,759</b>
Income tax expense/(benefit)	-	-	-	-	-	-	-	43,267	43,267
<b>Surplus/(Deficit) after tax</b>	<b>(130,204)</b>	<b>(238,613)</b>	<b>108,410</b>	<b>(1,127,709)</b>	<b>(1,818,065)</b>	<b>690,355</b>	<b>(2,946,839)</b>	<b>(3,662,865)</b>	<b>716,026</b>

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## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Actual	Budget	Actual
	31-Dec-23	30-Jun-24	30-Jun-23
<b>Current assets</b>			
Cash and cash equivalents	19,321,829	15,807,011	25,850,387
Debtors and other receivables	25,022	218,241	9,247
Prepayments	115,762	67,584	-
Inventories	16,418,811	33,539,510	12,283,935
Related party receivables	-	-	737,851
<b>Total current assets</b>	<b>35,881,425</b>	<b>49,632,346</b>	<b>38,881,420</b>
<b>Non current assets</b>			
Property, plant and equipment	44,115,790	51,099,569	44,206,766
Assets under construction	2,893,041	4,526,359	1,907,042
Investment properties	3,720,504	3,720,504	3,720,504
<b>Total non current assets</b>	<b>50,729,335</b>	<b>59,346,432</b>	<b>49,834,312</b>
<b>Total assets</b>	<b>86,610,761</b>	<b>108,978,777</b>	<b>88,715,732</b>
<b>Current liabilities</b>			
Creditors and other payables	309,956	1,134,954	304,856
Employee entitlements	46,589	24,101	4,557
Other liabilities	102,410	1,412,012	770,308
Tax payable	276,082	-	276,082
<b>Total current liabilities</b>	<b>735,037</b>	<b>2,571,067</b>	<b>1,355,803</b>
<b>Non current liabilities</b>			
Employee entitlements	50,669	86,172	102,455
Borrowings	33,000,000	53,000,000	33,000,000
Deferred tax liability	677,294	734,383	982,004
<b>Total non current liabilities</b>	<b>33,727,964</b>	<b>53,820,555</b>	<b>34,084,459</b>
<b>Total liabilities</b>	<b>34,463,001</b>	<b>56,391,622</b>	<b>35,440,262</b>
<b>Net Assets</b>	<b>52,147,760</b>	<b>52,587,155</b>	<b>53,275,469</b>
<b>Equity</b>			
Accumulated funds	6,607,157	4,300,599	7,734,866
Share capital	15,300,000	15,300,000	15,300,000
Revaluation reserve	30,240,603	32,986,556	30,240,603
<b>Total equity</b>	<b>52,147,760</b>	<b>52,587,155</b>	<b>53,275,469</b>



## STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2023

	Actual 31-Dec-23	Budget 30-Jun-24	Actual 30-Jun-23
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Cash was provided from:</i>			
Receipts from rent and leases	1,337,222	2,898,927	2,586,934
Receipts from other revenue	-	259,616	-
Interest received	633,572	1,095,126	488,979
Receipts from sales of commercial developments	-	-	9,304,348
	<b>1,970,794</b>	<b>4,253,670</b>	<b>12,380,261</b>
<i>Cash was applied to:</i>			
Payments to employees	(493,380)	(1,285,322)	(952,848)
Payments to suppliers	(1,297,558)	(14,249,861)	(1,909,763)
Interest paid	(1,047,993)	(2,707,174)	(769,979)
Tax paid	(304,710)	(122,231)	(1,487,200)
Costs of commercial developments	(4,134,876)	(11,858,328)	(2,592,708)
	<b>(7,278,517)</b>	<b>(30,222,916)</b>	<b>(7,712,498)</b>
<b>Net cash flows from operating activities</b>	<b>(5,307,722)</b>	<b>(25,969,246)</b>	<b>4,667,763</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Cash was applied to:</i>			
Purchase and construction of property, plant and equipment	(1,290,786)	(3,722,282)	(628,898)
Purchase of intangible assets	-	-	-
	<b>(1,290,786)</b>	<b>(3,722,282)</b>	<b>(628,898)</b>
<b>Net cash flows from investing activities</b>	<b>(1,290,786)</b>	<b>(3,722,282)</b>	<b>(628,898)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i>Cash was provided from:</i>			
Proceeds from borrowings	-	20,000,000	20,000,000
	<b>-</b>	<b>20,000,000</b>	<b>20,000,000</b>
<i>Cash was applied to:</i>			
Repayment of borrowings	-	-	-
Repayment of advance from Hutt City Council	69,953	-	(53,704)
	<b>69,953</b>	<b>-</b>	<b>(53,704)</b>
<b>Net cash flows from financing activities</b>	<b>69,954</b>	<b>20,000,000</b>	<b>19,946,296</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(6,528,558)</b>	<b>(9,691,527)</b>	<b>23,985,160</b>
Cash and cash equivalents at the beginning of the year	25,850,387	25,498,538	1,865,227
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>19,321,829</b>	<b>15,807,011</b>	<b>25,850,387</b>

**19 February 2024**

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**Report no: PFSC2024/1/42**

## **Hutt Valley Chamber of Commerce - six monthly report to 31 December 2023**

### **Purpose of Report**

1. The report summarises the Hutt Valley Chamber of Commerce (HVCC) performance against agreed performance measures for the six months to 31 December 2023.
2. The report has been prepared based on information provided by HVCC and officer input.
3. Representatives of HVCC will be in attendance to speak to the report.

### **Recommendation**

That the Committee receives and notes the Hutt Valley Chamber of Commerce report for the six months to December 2023 attached as Appendix 1 to the report.

For the reason that the Hutt Valley Chamber of Commerce is required to regularly report to the Committee on performance against agreed performance measures

### **Background**

4. Council contracts HVCC and allocates funding for specific direct services to complement and support Council's work programmes and strategies.
5. In the financial year (FY) 2023/2024, funding for services is \$125,000 in total and is allocated in the 2021/31 Long Term Plan for economic development activities.
6. A strong constructive relationship with HVCC has beneficial outcomes for both working with businesses and encouraging business activity in Lower Hutt.



**Discussion**

7. HVCC reporting for the six months to 31 December 2023 is attached as Appendix 1 to the report.
8. Highlights during this time include:
  - a. continued leadership in career pathways and employment placement through the Chamber's contracts with government agencies.
  - b. establishment of a Hutt Valley L2 Infrastructure Academy and Hutt Valley Engineering Academy and a proposal with the new Minister of Manufacturing for a wider manufacturing academy to strengthen the pipeline of skills into the sector.
  - c. increasing advocacy for local businesses and profiling of local businesses – especially participation in the STEMM sector.
  - d. the largest Wellington Regional Business Excellence Awards held in November 2023 at the Lower Hutt Events Centre, celebrating business success.
  - e. engagement on the 'Future of Hutt Valley business' project building towards a blueprint for the growth and development of the Hutt Valley business community.
  - f. increasing value of frank advice and constructive early engagement across Council teams to improve business outcomes for Lower Hutt – including new engagement with the finance and connected communities' teams.
9. Council agreed to contract HVCoC for specific direct services in FY2021/22 in support of Council's work programmes and strategies, which has continued in FY2023/24. A contract services delivery schedule forms the basis of the contracted services and is the basis for the attached progress report to this Committee.
10. A further \$25,000 was added to the contract for FY23/24 to support manufacturing & technology industry activities and the Wellington Regional Business Excellence Awards managed by HVCoC.

**Climate Change Impact and Considerations**

11. The matters addressed in this report have been considered in accordance with the process set out in Council's Climate Change Considerations Guide.
12. There are no climate change considerations.

**Consultation**

13. HVCoC has submitted its report for the six months to 31 December 2023 for the Committee's consideration, which is attached as Appendix 1 to the report.
14. HVCoC representatives will attend to speak to their report.

**Legal Considerations**

15. There are no legal considerations.

**Financial Considerations**

16. HVCoC is contracted to provide services to Council until 30 June 2024 with the Contract Services Delivery Schedule reviewed and agreed upon every 12 months.

**Appendices**

No.	Title	Page
1↓	Hutt Valley Chamber of Commerce - 6 month report to 31 December 2023	143

**Author:** James Lamb  
Head of Business and Economy

**Approved By:** Jon Kingsbury  
Director Economy and Development



## 6 MONTH REPORT

### Contract Services Delivery

Hutt City Council - Policy, Finance and Strategy Committee  
For the Period 1 July 2023 to 31 December 2023

18 February 2024

*Presented by:*

Patrick McKibbin  
Chief Executive



The Hutt Valley Chamber of Commerce is pleased to provide this report detailing our progress against the Council Objectives and Key performance Indicators between 1 July 2023 and 31 December 2023 (6 months).

## **Executive Summary**

The July 2023 to December 2023 contract period has been extremely positive. There have been many highlights including:


- The successful Wellington Regional Business Excellence Awards 2023. This event was the largest ever for entries and attendees at the Awards. The awards night is a real highlight for the business community of our region and a celebration of their work. It was great to have the support of the Hutt City Council again.
- The growing success of the Hutt Valley Food and Beverage Manufacturing Group. This important sector for the Hutt Valley has welcomed the opportunity to learn and grow together.
- The Chambers increasingly active events calendar and communications with the business community is growing in our reach and engagement.
- Support for the 'Future of the Hutt Valley' Report from the Hutt City Council was very useful in getting this important work underway. The report will provide a platform for work and growth over the next 10 years.
- Continued support and engagement from the Business and Economy team. A huge thanks to James Lamb, and his teams for their support.

The Hutt Valley Chamber of Commerce would like to thank the Hutt City Council, Mayor, Councillors, CEO, Business and Economy team, and wider Council officers for their support and engagement during these 6 months. We continue to see our relationship evolve in support of the Hutt Valley business community and we will continue to advocate on their behalf. We look forward to continuing to support the Hutt Valley business community with you over the next 6 months.

We are excited about the following areas of our business community during the next 6 months:

- Completion of the 'Future of the Hutt Valley' Report – we are confident this important document will be a blueprint for the growth and development of the Hutt Valley business community.
- A bigger than ever events and training programme – our regular monthly training sessions with various partners will provide even greater opportunities for the Hutt Valley business community to learn and grow.
- The Hutt Valley Chamber of Commerce's new partnership with ACC – ACC is partnering with the Chamber for 2024 and will be a category sponsor of the Wellington Regional Business Excellence Awards 2024.
- Our continued work with schools and rangatahi across the region includes:
  - Supporting the Innovative Young Minds programme through our TechStep funding
  - Our new Education to Employment Advisor, Hera Whaanga – Hera comes from a background in infrastructure and construction and having worked for Ngati Toa brings a unique Māori perspective to this work.
  - Our new skills programme for Hutt Valley Year 11 Māori and Pacific students through the support from JP Morgan Foundation.
- The CEO's participation in the Advanced Manufacturing Association Board will help continue to put the Hutt Valley Manufacturing community at the front and centre of national thinking. We are hopefully the Prime Minister may visit a Hutt Valley manufacturer in the near future as well.

## Business connectedness

Service	Content	Half year performance
<p>Events, both online and offline, which bring businesses and the broader business community together to support recovery.</p> <p>Introductions and support to set up local relationships.</p> <p>Leverage community passion, the willingness to help each other and commitment within the local business community.</p>	<p>Business visits and meetups to connect businesses across the Hutt Valley. (Target: 30 events per annum)</p> <p>Specific industry sector events e.g., construction, retail, manufacturing.</p> <p>Monitor economic forecasts and business sentiment. 2023 Wellington Region</p> <p>Business Excellence Awards. (Target 450+attendees)</p> <p>Promoting and profiling local businesses.</p> <p>Collaboration on Hutt Valley Maker Story project as part of the Wellington Regional Economic Development Plan</p>	 <p>Tracking ahead of target.</p>
<ul style="list-style-type: none"> <li>Completed 32 events in the Hutt Valley between July 1<sup>st</sup> and December 31<sup>st</sup>. They included: <ul style="list-style-type: none"> <li>26 events in Hutt City (6 events in Upper Hutt city)</li> <li>1,796 participants from the business community</li> <li>A range of different purposes, including Business Awards, Technology, and Innovation, BA5's, General Election activity, Training, and other business support activities.</li> </ul> </li> <li>Hutt Valley CEO met with 91 new contacts from across the business community to understand their work and understand how the Chamber of Commerce could help their business and involve them in the business community.</li> <li>With the support of Hutt City Council, we have begun the 'Future of Hutt Valley Business' report. This report will provide the Hutt City Council and business community with a plan for the future and actions that become a focus for the growth in the region in the next 10 years. This has included around 20 interviews with business leaders from across the Hutt Valley to gain their insight and views in to the current and future state of business and business sentiment in the Hutt Valley and New Zealand.</li> <li>Specific Industry sector activity included: <ul style="list-style-type: none"> <li>Maintained the momentum on the Hutt Valley Food and Beverage Manufacturers with two successful meetings during period including. <ul style="list-style-type: none"> <li>20<sup>th</sup> July – presenters included, CentrePort and GS1 NZ, on international trade and CentrePort, and supply chain optimisation using smart barcoding.</li> <li>11<sup>th</sup> October – two speakers as well as networking time. The speakers included James Ardern, CEO Of J H Whittaker's (talking about their work and their growth journey), and experts from the Pollination Group who talked to climate related risks and opportunities to the food and beverage</li> </ul> </li> </ul> </li> </ul>		

- sector, what businesses could do to tackle this topic head on, and what does best-in-class look like.
- Construction and Infrastructure Sector events including:
    - Support Greater Wellington to run their Te Wai Takamoro o Te Awa Kairangi – Walk around.
    - Construction & Infrastructure Sector Workforce Group
    - Te Wai Takamori o Te Awa Kairangi (Riverlink) | Update x 2
  - Manufacturing sector
    - Connecting Hutt Valley Manufacturers to their Future Talent
  - The Hutt Valley Chamber of Commerce ran a successful Wellington Regional Business Excellence Awards. The results included:
    - 492 attendees from across the regions business community
    - Great Feedback – Feedback from one organisation was worth sharing – *Your team and organisation are truly amazing. They are an inspiring and incredible group of people. We are deeply grateful for the opportunity to participate in this prestigious award. It was a dream come true for our staff at AROTEC. They were thrilled to be recognised for their skills, hard work, and dedication on such a grand scale. This win has given them a sense of purpose and achievement that they have not experienced before. It has elevated AROTEC's profile, and we now find ourselves in an empowered position, able to select from the best talent in New Zealand, many of whom choose Lower Hutt as their residence. This has further ignited the local economy. New Zealand is a better place as a result of the efforts of the Hutt Valley Chamber of Commerce. Thank you.* – **Sean Westbrook – Arotec Diagnostics**
    - 100% of attendees rated their experience as Really Awesome or Awesome
    - 100% of attendees rated the venue and set up as very high and high quality.
    - 100% of attendees rated the food and beverage as very high and high quality.
  - The Hutt Valley Chamber of Commerce has been active in promoting local business and initiatives through the following channels:
    - Hutt Valley Business Weekly
    - Hutt Valley Chamber of Commerce social media – LinkedIn, Facebook, and Instagram
    - Social media updates via relevant third-party channels
    - Some examples are:

**Patrick McKibbin** • You  
Chief Executive  
2mo • ④

Shhh, don't tell anyone YET.

The next generation of tiny houses is coming, and it's coming from a factory in the Hutt Valley.

The **Hutt Valley Chamber of Commerce** got a sneak peak at the next generation of tiny houses coming soon. These new houses from iPamp will encourage environmental living practices and support the shift to sustainable living practices. **David Crout** and his tiny team are doing very special things.

These new cool looking tiny houses use a manufacturing process is thoughtfully crafted to minimise environmental impact. They have kept their R&D and manufacturing in-house, and have strict controls over the recycling practices and material selection. Waste is managed efficiently and reduced to only half a wheely bin for biodegradable wood dust, compared to a standard house with 1-2 skip bins. Most of the material comprises recyclable aluminium, biodegradable woods, and foam sourced from the Porirua landfill. The unique design of the tiny house, the iPamp Tiny Home, is a testament to the innovative spirit and perseverance that is alive and well in the Hutt Valley.

#HuttValley #Manufacturing #Sustainability #environemnt



**Patrick McKibbin** • You  
Chief Executive  
3mo • ④


There is always lot of talk about productivity in Aotearoa, and the focus is often on the lack of it.

This is not the case at many of the Hutt Valley's manufacturers with many kitting their factories out with some of the best and most efficient technology there is available.

This is absolutely true at **Metco Engineering Ltd** where **Paul Jessup** and his team have a focus on very high quality production using some of the latest and best technology available. Paul's highly skilled team set themselves up to operate lights out 24x 7, and are making their operation as efficient as they can. This means not only having great people and the best and most productive machines, but also designing and building their own storage units to ensure their team can get what they need quickly when they need it. All of this helps them make the best products to be shipped all over the world.

Highly productive and efficient manufacturing is alive and well in the Hutt Valley. Well done **Metco Engineering Ltd**

#HuttValley #manufacturing #productivity




- We have been active in support the work on the Hutt Valley Makerspace project as part of the Wellington Regional Economic Development Plan. This includes:
  - Setting up Mayoral visits for Sam Kumar Sundarraj to meet and discuss the projects.
  - Supporting Sam Kumar Sundarraj to connect to Bridgewest Ventures to discuss the project.
  - Discussing the project with Dr Jun Chen from the Next Federation as potential future investors.

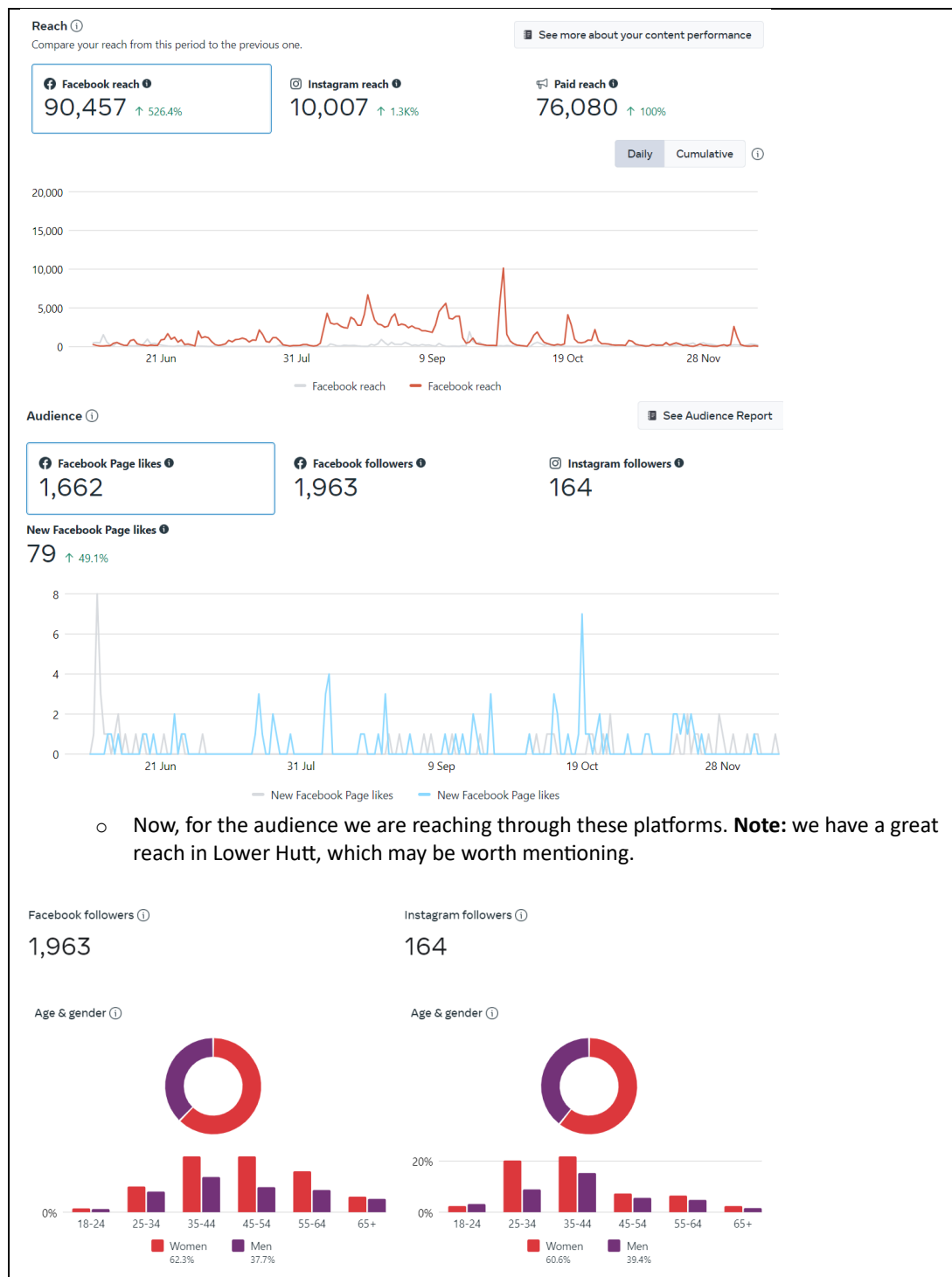
**HCC officer comment:**

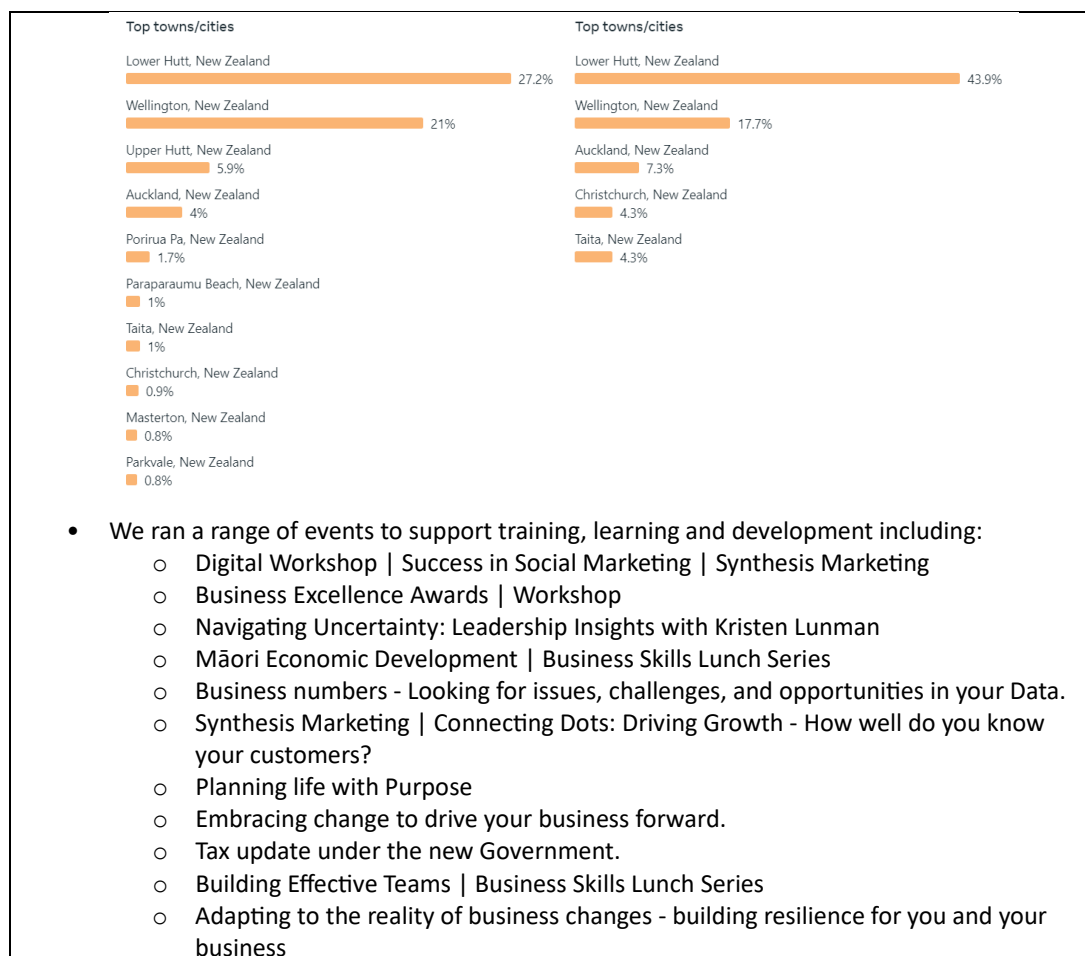
*On top of the CEO's new business meets, regular engagement continues with both members and non-member businesses across Lower Hutt and beyond. The Chamber is an active and positive cheerleader for the Hutt Valley and its local businesses – evidenced in just one example: through its CEO's significant LinkedIn following and network and regular shared stories / profiles.*

### Business capability training, support, and liaison

Service	Content	Half year performance
<p>Connecting local businesses to all the support programmes available for local businesses – including connection with government and agency support programme and resources.</p> <p>Lead business response with HCC &amp; UHCC (and as required under any Covid-19 Protection Framework or similar future scenario)</p> <p>Helping existing businesses with resilience.</p> <p>Providing support to migrant business owners and employees.</p>	<p>Maintain a state of preparedness to roll out a collective business response programme if required. Share relevant / latest information to the wider business community. Monitor announcements for new assistance programmes and initiatives.</p> <p>General and sector specific programmes and initiatives on topics that may include, though not limited to: sales + customers, wellbeing, business continuity planning and resilience, employment matters, productivity, logistics, supply chains, immigration.</p>	 <p>On target.</p>
<ul style="list-style-type: none"> <li>The Hutt Valley Chamber of Commerce maintains regular communications to businesses to update them on local and national news, Hutt City Council news and engagement opportunities, Te Wai Takamori o Te Awa Kairangi updates and news, events, and offers to help them save money. These are shared through: <ul style="list-style-type: none"> <li>Hutt Valley Business Weekly</li> <li>Hutt Valley Chamber of Commerce social media – LinkedIn, Facebook, and Instagram</li> <li>Social media updates via relevant third-party channels</li> </ul> </li> <li>From 1<sup>st</sup> July 2023 to 15<sup>th</sup> December 2023, we have sent 49 email campaigns, equating to 123,642 individual emails sent out during this period. The delivery rate of these emails was 99.1%, with an open rate of 26.9%, an increase of 2% compared to previous periods (Industry standard for open rates ranges between 22%-25%). The click-through rate was 1.7%, and a low unsubscribe rate of 0.2% (a decrease of 0.1% from the last period). <ul style="list-style-type: none"> <li><b>Some LinkedIn Metrics:</b> From 1<sup>st</sup> July 2023 to 15<sup>th</sup> December 2023, we had an overall organic reach on LinkedIn of 51,837. We had 7,851 organic clicks through this period. Our engagement rate is 16.5 (generally anything higher than 2% is good, with LinkedIn having their average at 3.71.)</li> <li><b>Meta/Instagram Metrics:</b> From 1<sup>st</sup> July 2023 to 15<sup>th</sup> December 2023 period:</li> </ul> </li> </ul>		








**HCC officer comment:**

*The Chamber runs a large variety of learning opportunities, workshops, and training initiatives – responding to industry challenges or shifts.*

*The Chamber has contributed early feedback in development of upcoming water resilience communications and has actively shared business community workshops offered by Greater Wellington Regional Council.*

*A business advisory group has been hosted for Te Wai Takamori o Te Awa Kairangi Riverlink project.*


### Business retention and new business attraction - encouragement of new business establishment and retention.

Service	Content	Half year performance
Promote and support initiatives to enable business start-up; attraction and retention in Lower Hutt.	<p>Engagement with (but not limited to) start-up programmes and organisations like: Callaghan Innovation, UniVentures and WellingtonNZ</p> <p>Retention of existing business through support services.</p> <p>Collaboration on development of Makerspace project in Wellington Regional Economic Development Plan</p>	 <p>More work to be realised over the final 6 months of the contract.</p>
<ul style="list-style-type: none"> <li>• We have been working with the Council to assess viable space for a new business, Liquium. They are seeking space for their next growth as they move from Victoria University.</li> <li>• We have worked with McDiarmid Institute to support their engagement from the start ups across the university network Including working with Hutt City Council on Liquium who were looking for space for the next stage of their business as they exit the university system.</li> </ul>		

#### **HCC officer comment:**

*The Chamber receives enquiries about finding suitable locations for businesses, opportunities for businesses expansion and will connect businesses to insight, landlords or relevant services alongside our business and economy team. They have supported the business case development of the Makerspace / product development and innovation headquarters (PDIHQ) proposal by Sam Kumar of Pro Dev that is now part of the Wellington Regional Economic Development Plan – including introductions to potential funding partners.*

## Advocacy, connection, and engagement with central government agencies

Service	Content	Half year performance
Engaging with central Govt and WellingtonNZ on case-by-case basis to advocate for specific businesses, industries etc and for support for local businesses	<p>With stakeholders such as MBIE, MSD, MoE, Ministry of Small Business, Callaghan Innovation; NZTE, Waka Kotahi NZTA, WellingtonNZ, and other agencies as required.</p> <p>Topics may include transport, education, employment, STEMM, and infrastructure.</p>	 <p>On target.</p>
<ul style="list-style-type: none"> <li>We have entered into discussion with the <b>Wellington NZ</b> team who support the WellingtonNZ Food Innovation Network to co-design the first 2024 session of the Hutt Valley Food and Beverage Manufacturers. They will bring some interesting speakers to the meeting which I consider to be useful to our regions businesses in this sector.</li> <li><b>Electrify Aotearoa 2024</b> – we have been contacted by Ministry of Awesome (Christchurch) who are working with Creative HQ regarding this event in June 2024. They are considering how they provide an insight into the innovation work happening in the Hutt Valley and are considering making site visits part of the programme of activities for delegates. We will support them in any way we can to provide an insight into the amazing businesses we have here.</li> <li>Hutt Valley Chamber of Commerce CEO spoke at the <b>Waihanga Ara Rau / Construction Sector Accord - Thriving People Thriving Industry Conference – 6<sup>th</sup> September</b> – The CEO will be speaking as part of a panel at this event. The main thrust of the panel is to look at the future skilled workforce so our work around RiverLink and the Infrastructure Academy in our active E2E work are the reasons for being invited. Jeremy Mikoz from MJH Engineering who we have been working with is also speaking at the event.</li> <li><b>Engagement with Andrew Bayly – Minister for Small Business and Manufacturing</b> - As a result of meetings through this year with Andrew Bayly with our manufacturing community (and Whittaker's) we have submitted a proposal to establish the Hutt Valley / Porirua Manufacturing Academy to help raise the profile and strengthen the pipeline of talent into manufacturing. The proposal will connect and support manufacturing employers and their future talent from selected secondary schools across Hutt Valley and Porirua. The proposal will be led by the Hutt Valley Chamber of Commerce. The proposal will include and involve manufacturing (and engineering) employers, schools, teachers, rangatahi, whanau, Te Pūkenga, Hanga Ara Rau Workforce Development Council, and Victoria University of Wellington. This inclusive approach is designed due to their interest and their role in supporting the future talent pipeline for the important manufacturing community in Porirua and the Hutt Valley.</li> <li><b>MBIE Domestic Tech Story</b> – we have been working with the Auckland Chamber on TechStep. There have been a range of occasions to include local Hutt Valley businesses in this work, including running an event in the Hutt Valley for 441 Year 10 Hutt Valley rangatahi and 80 people from 24 regional technology businesses.</li> <li>Supporting <b>WellingtonNZ / CreativeHQ</b> to communicate their Careers in Tech Series for Hutt Valley Careers Teachers and Tech teachers.</li> <li>We supported <b>WellingtonNZ</b> on their work with Summer of Tech and Summer of Engineering.</li> <li><b>ACC</b> – we have developed conversations with ACC on a partnership with the Hutt Valley Chamber of Commerce. The work with them would revolve around injuries and health and</li> </ul>		


- safety in the Hutt Valley. They have provided some data on the current injury statistics in our region which show some interesting statistics and opportunities for our region.
- We have continued regular meetings with to discuss the Te Wai Takamoro o Te Awa Kairangi (RiverLink) project with the project Director and main contact at Waka Kotahi NZTA in 2023. These are occurring monthly. Multiple engagements with **Waka Kotahi NZTA**.
  - We have begun planning for the Gibson Sheat Political series 2024 to bring politicians to the Hutt Valley to keep our business community engaged in the political conversations.

**HCC officer comment:**

*The Chamber actively seek out government connections with both agencies and ministers exploring collaboration potential and synergies for projects – including a new partnership with ACC.*

*Early engagement with Andrew Bayly and local business to create a proposal for a Manufacturing Academy has energised and strengthened connections between local manufacturers.*

**Facilitate engagement between the business community and Council.**

Service	Content	Half year performance
Events, programmes, communications, speaking, showcasing of council facilities and initiatives to the business community	<p>Topics may include:</p> <ul style="list-style-type: none"> <li>• commercial rating and property</li> <li>• urban development planning</li> <li>• climate change &amp; sustainability</li> <li>• transport &amp; infrastructure.</li> <li>workforce development</li> </ul>	 <p>On target.</p>
<ul style="list-style-type: none"> <li>• The CEO and Hutt City Council Head of Business and Economy visited some businesses in Stokes Valley to see how they were feeling about the traffic issues because of the work to fix the land slips in the area.</li> <li>• We have been supporting ongoing business engagement between business and the Hutt City Council. Examples include: <ul style="list-style-type: none"> <li>○ Fantail Services – we met with the Hutt City Council Assets &amp; Facilities Management to discuss the contract for the Hutt City Library</li> <li>○ EmbroidMe Hutt Valley – we have made an introduction to the Hutt City Council to see if there is an opportunity to do some work for them.</li> <li>○ Love Wainuiomata – we introduced them to a number of café owners across the region to discuss the possibility of them supporting a new café in the Wainuiomata centre. Unfortunately, at this stage none were able to offer an option to do this due to their existing commitments.</li> <li>○ The Hutt City Council Head of Transport visited Vanguard Group during the month. The visit was a success and an opportunity for the Vanguard Group to present their work on designing and creating a sustainable option for cycle way dividers for roads.</li> </ul> </li> </ul>		

- The Hutt Valley Chamber presented on the proposed rates increase at the Hutt City Council meeting on 27th November.
- The Hutt Valley Chamber of Commerce CEO attended the Hutt City Regional Public Transport Plan Workshop on 9th November organised between Hutt City Council and Greater Wellington.
- Te Ara Whakamua meeting – the CEO has continued to support this work and has been to a number of meetings with them in recent weeks as they look to ramp up this environment and sustainability activity into 2024.
- We have supported the Council to share the work on the Wellington Region Waste Management and Minimisation Plan (WMMP). This is a piece of work being undertaken jointly by the 8 regional councils. This included a meeting between the Council and employers from the region.
- We supported the Hutt City Council to have a meeting with Dudley Street businesses to discuss the demolition of buildings on Daly Street commencing in early July.
- The Chamber CEO introduced the Hutt City Council to a Mountain Biking event for around 500 people that Craig Murray from Intrinsic Events is holding in Wainuiomata in February 2024.
- The Hutt Valley Chamber of Commerce has continued to support the 'Business Advisory' Group meeting with the Te Awa Kairangi team so they can be updated on the latest aspects of the project and advise their thoughts into the project.
- The Chamber hosted a successful event with The Dowse Foundation on October 10th. The event was an opportunity for business leaders to network and see the Dowse. The event was attended by Deputy Mayor.
- At the request of the Hutt City Council the Chamber CEO met with Paul Swain who is undertaking a Hutt City Council independent panel review the city's current representation arrangements.
- We included the Hutt City Council in the Food and Beverage Manufacturers meetings during the period.


**HCC officer comment:**

*As a result of gaining fresh insight, practical feedback, and positive engagement a wide range of Council officers are increasingly seeking support from the Chamber to connect with the business community.*

*We value the Chamber's ability to give frank advice and work constructively with us to improve business outcomes for Lower Hutt.*

*Teams interacting with the Chamber include Parks and Gardens, Climate and Solid Waste, Transport, Strategy and Planning, Finance and Business and Economy as well as the Te Wai Takamori of Te Awakairangi Riverlink project teams.*

### Connecting with Māori business

Service	Content	Half year performance
Connecting with Māori businesses and Mana Whenua	Grow engagement alongside local Mana Whenua with Māori business networks, business	 <p>More potential to be realised in final 6 months of the contract.</p>
<ul style="list-style-type: none"> <li>We presented a proposal to the head of Business and Economy to provide support for small Māori and Pacific businesses to engage and thrive alongside the RiverLink project.</li> <li>The Hutt Valley Chamber of Commerce hosted an event on Māori Economic Development on 4 October. This event was focused on 'Explore the dynamics of the Māori economy and gain valuable insights into effective engagement practices. The event was well attended and valuable.</li> <li>We supported the Hutt City Council to share the opportunity for people to have their say on the draft Indigenous Biodiversity Strategy</li> <li>The CEO of the Hutt Valley Chamber of Commerce met with Anania Randall from the Wai-Worx Māori business network to discuss the opportunity to work together. One suggestion put forward was to offer the business network membership of the Hutt Valley Chamber of Commerce so we could provide support and engagement for them, particularly around the Te Wai Takamori o Te Awa Kairangi project and the infrastructure employees.</li> <li>The Hutt Valley Chamber of Commerce supported a meeting between the Jobs and Skills Hub and Employment Broker Equip Recruitment to discuss how they could work together.</li> <li>The Chamber CEO has been an active participant in the Te Matarau a Māui Māori business network attending functions and engaging with Māori business and government agencies.</li> </ul>		

**HCC officer comment:**

*Like Council's business and economy team, the Chamber has sought out engagement with Māori business and agencies to grow it's understanding of its partnership role in this kaupapa.*

## Inclusion and diversity

Service	Content	Half year performance
Showcase and advocate for a diverse workforce and opportunities for employers	Showcase employers and businesses who are demonstrating best practice in their diversity and inclusion.	 <p>More potential to be realised.</p>
<ul style="list-style-type: none"> <li>We have been introduced to Batool Arif, Welcoming Communities Coordinator at Hutt City Council and will endeavour to support this work in any way we can.</li> <li>The Diversity and Inclusion category at the 2degrees Wellington regional Business Excellence Awards was a success. The finalists and winner were as follows: <ul style="list-style-type: none"> <li>Capital Training Ltd</li> <li>New Zealand Campus of Innovation and Sport (Winner)</li> <li>Rāranga</li> <li>Tū Ora Compass Health</li> <li>Wellington City Mission</li> </ul> </li> <li>All Finalists and winners were present at the Gala Dinner</li> <li>The Hutt Valley Chamber of Commerce included multiple cultural elements at the 2degrees Wellington regional Business Excellence Awards 2023 included: <ul style="list-style-type: none"> <li>Sacred Heart Kapa Kaka Group</li> <li>Māori cultural welcome</li> <li>Sacred Heart Pacific Group</li> </ul> </li> </ul>		

### **HCC officer comment:**


*This is a new area of focus added to the FY23/24 contract.*

*A new diversity and inclusion category was added to the business excellence awards for 2023 and local initiatives of the business nominee were shared as in the business award profiles.*

*New engagement with our neighbourhood and communities' teams to support their workstreams have been positive.*



## Manufacturing & Technology (STEMM) Sector Development (added focus for 2023/24)

Service	Content	Half year performance
Support the manufacturing and technology sector with networking, activities, and events to drive collaboration, showcase and enhance the capability of businesses in Lower Hutt.	Content to include: <ul style="list-style-type: none"> <li>improving awareness of STEMM sector and businesses</li> <li>increase investment in industry 4.0.</li> <li>develop skilled workforce.</li> <li>circular economy and emissions reductions</li> </ul>	 <p>Ahead of target.</p>
<ul style="list-style-type: none"> <li>The Hutt Valley Chamber of Commerce has been active in sharing information about the Manufacturing and STEMM businesses through its channels including:               <ul style="list-style-type: none"> <li>Hutt Valley Business Weekly – weekly email communication. Further details on this can be found in the Business capability training, support, and liaison section.</li> <li>Hutt Valley Chamber of Commerce social media, including Facebook, Instagram, and LinkedIn.</li> <li>The Hutt Valley Chamber of Commerce CEO LinkedIn</li> </ul> </li> <li>The Hutt Valley Chamber of Commerce has run two successful events focused on Technology and Innovation. These successful events were held on the 27 July and 12 October and were attended by close to 100 business leaders. The businesses we showcased were:               <ul style="list-style-type: none"> <li>T&amp;R Interiors</li> <li>Arotec Diagnostics Ltd</li> <li>Pik Pok</li> <li>ZX Security</li> <li>Paihau Robinson Research Institute</li> <li>Mexted Sports Turf</li> </ul> </li> <li>The Hutt Valley Chamber of Commerce included two relevant categories in the 2Degrees Wellington Regional Business Excellence Awards. These showcased the dynamic manufacturing, technology and innovation sector and were well represented by businesses across the Hutt Valley as follows:               <p><b>Excellence in Manufacturing</b></p> <ol style="list-style-type: none"> <li>AROTEC Diagnostics Limited (Winner)</li> <li>Contemporary Korowai Designs Ltd</li> <li>Dulux NZ</li> <li>iPamp</li> <li>Times-7</li> </ol> <p><b>Excellence in Technology and Innovation</b></p> <ol style="list-style-type: none"> <li>Arlo Software</li> <li>ASPEQ</li> <li>Dulux NZ</li> <li>JNCTN</li> <li>PaySauce</li> <li>Times-7 (Winner)</li> </ol> </li> <li>Two manufacturing businesses, METCO Engineering and NME were inducted into the Hall of Fame at the 2degrees Wellington Regional Business Excellence Awards. The Hall of Fame reflects the contribution and commitment of these businesses to the Hutt Valley business community.</li> </ul>		


- The CEO has been supporting the Advanced Manufacturing Aotearoa and the EMA (Auckland) to share their information about the industry 4.0 in the Hutt Valley. This has included organisation like Myriad Engineering and Petone Engineering who have commenced this process. The CEO attended the showcase for the Myriad Engineering work to other businesses.
- The Hutt Valley Chamber of Commerce has been active in supporting the manufacturing community to work on the significant issue of talent. This has included multiple meetings with Andrew Bayly who is now the Minister of Small Business and Manufacturing. As a result of meetings through this year with Andrew Bayly with our manufacturing community (and Whittaker's) we submitted our proposal to establish the Hutt Valley / Porirua Manufacturing Academy to help raise the profile and strengthen the pipeline of talent into manufacturing. The proposal was submitted to Andrew following his win in the Port Waikato By-Election, and his appointment as Minister for Small Business and Manufacturing. The proposal will connect and support manufacturing employers and their future talent from selected secondary schools across Hutt Valley and Porirua.
- **Advanced Manufacturing Aotearoa (AMA) Board** – as part of the establishment of the AMA the CEO put his name forward to be considered for the Board of this new organisation. This was to ensure there was a representative on this group for the Hutt Valley manufacturing businesses. The CEO of the AMA advised that they were delighted to report that the nomination had been accepted by the AMA Board to join the AMA Council as an Industry Body representative. This appointment was endorsed by the Board of the Hutt Valley Chamber of Commerce at their December 2023 meeting.
- The Hutt Valley Chamber has been working with the Auckland Chamber on the **TechStep** programme. This programme is supporting the STEMM sector by inspiring and informing people who might not otherwise consider that a Tech career is possible for them. The programme has been part of the MBIE Digital Industry Transformation Plan.

**HCC officer comment:**

*The Chamber continues to hold a range of activities to engage business leaders and teams in the STEMM sector and is an active storyteller locally and through social networks, sharing the Hutt Valley's competitive advantage.*

*By being an advocate for the sector on a national level, now at the AMA and helping to deliver the national TechStep programme alongside the Auckland Chamber, the Hutt Chamber has increased its connections and reach, Lower Hutt's profile and has gained learnings and insight from other organisation's STEMM sector initiatives.*

### Support for rangatahi with Education to Employment pathways and services.


Service	Content	Half year performance
Develop and deliver and support Education to Employment Programmes.  Support the Regional Jobs and Skills Hub	Delivery of services under contracts to MSD supporting education to employment, with particular focus on trades.  Advocacy for the MSD's Regional Jobs and Skills Hub in Lower Hutt.	 Ahead of target.
<ul style="list-style-type: none"> <li>The Hutt Valley Chamber of Commerce CEO has been part of the Jobs and Skills Hub Governance Group. This group has met quarterly (twice) during the last 6 months.</li> <li>The Hutt Valley Chamber of Commerce has participated in some meetings with MSD and key partners in the Te Wai Takamori o Te Awa Kairangi project to work on the Workforce Planning activity. We have invited additional key stakeholders to this meeting including the Waihangā Ara Rau Workforce Development Council.</li> <li>The Hutt Valley Chamber of Commerce was instrumental in the establishment of the Hutt Valley Infrastructure Academy. The L2 Infrastructure Trades Academy 41 Credit course has now started with 24 learners from 6 schools across the Hutt Valley. Over 50% of the Learners are Māori and Pacific, and one young woman. <ul style="list-style-type: none"> <li>This course taught learners how to work safely on sites and within a team environment. It forms a great starting point for a career in road construction.</li> <li>The course ran from 17th July to the end of November 2023. It was held each week, on Monday and Tuesday. The course was based at Fulton Hogan's purpose-built training facility in Featherston, with students transported from both Lower Hutt and Upper Hutt, via minivan.</li> <li>Rangatahi will participate in the New Zealand Certificate in Infrastructure Works (Level 2). There are a range of ākonga from Wainuiomata High School, St Patrick's College Silverstream, Kuranui College, Heretaunga College, Upper Hutt College and Taita College, with the majority of them being Year 11.</li> <li>The course completed in November with a graduation ceremony for 17 of the 24 learners graduating.</li> </ul> </li> <li>Teachers representing 8 colleges and the Lyric Activity Centre from across the Hutt Valley, met with the Jobs and Skills Hub Youth coordinators, at a hui organised by the Hutt Valley Chamber. The purpose of this event, was to introduce the Jobs and Skills Hub to the teaching staff, explaining the purpose of their work, the Hub itself and how they can provide assistance and support with training and employment opportunities. It was a successful and productive meeting, with Teachers and the Jobs and Skills Hub staff, engaging in a discussion regarding concerns the Teachers have with their students not being "work ready" and what the Hub can deliver within a college setting, to help prepare our rangatahi with the knowledge, skills, and training to be employable, at the conclusion of their studies. This included the opportunity for work experience, licence training and CV development. Further dates for collaboration with schools are to be arranged in term 3.</li> <li>The Chamber participated in both the Opening Blessing and the office Ministerial opening of the Te Awa Kairangi Jobs and Skills Hub on 9th October. Minister Sepuloni officiated at the opening.</li> <li>The Education to Employment work has actively engaged with the following students and employers to support rangatahi over the 6 months: Students – 1,491    Employers – 194</li> </ul>		

**HCC officer comment:**

*The Chamber continues to be a leader in the Hutt Valley and the region for this activity and are actively driving collaboration to answer industry need.*

*The new level 2 Infrastructure Trades Academy 41 Credit course is a great example of collaboration built by the Chamber – engineering a solution for an industry need, by partnering with local employers, schools, and government agencies.*

### **Meetings with Mayors and council officers on matters affecting the Hutt Valley Business community.**

Service	Content	Half year performance
Providing business perspectives on issues relevant to council	Bi-monthly meeting with Mayor and CE Other as required meetings with Council officers.	 <p>On target.</p>
<ul style="list-style-type: none"> <li>On 12<sup>th</sup> September the Hutt Valley Chamber of Commerce presented our 2022/23 Annual Report to the Hutt City Council Policy, Finance and Strategy Committee. The report was well received by the councillors and the feedback was positive.</li> <li>The President and CEO continued to have regular meetings with the Mayor. These meetings are an opportunity to discuss some updates on the business community and the latest survey results.</li> <li>The CEO met with Cr Gabriel Tupou, Citywide Councillor.</li> </ul>		


**HCC officer comment:**

*Fortnightly catch ups with Council's business and economy team keeps each other's finger on the pulse with opportunities for Lower Hutt and maintains momentum for shared projects.*

*Quarterly meetings are regular opportunities to discuss business challenges and opportunities.*

*The Chamber's CEO and President have engaged in policy discussions in developing Council's draft 24/34 Long Term Plan.*

**Business confidence survey research**

Service	Content	Half year performance
Quarterly survey of businesses to assess their business confidence contacts.	Undertake and report quarterly business survey for council reports	 On target.
<ul style="list-style-type: none"><li>• Reports supplied in July, October.</li></ul>		

**HCC officer comment:**

*Business confidence survey data is supplied quarterly, and snapshots are included in Council's quarterly performance reports and annual reports.*

**09 February 2024**

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**Report no: PFSC2024/1/44**

## **Quarterly performance report - 1 October to 31 December 2023**

### **Purpose of Report**

1. The purpose of the Quarterly Performance Report is to provide an overview of Hutt City Council's performance results for the period 1 October to 31 December 2023.

### **Recommendation**

That the Committee notes and receives the Quarterly Performance Report for the period 1 October to 31 December 2023, attached as Appendix 1 to the report.

### **Background**

2. The Quarterly Performance Report has been developed to present findings and results from Quarter 2 (1 October to 31 December 2023).
3. As of Quarter 2 FY23/24, officers will no longer be including the community wellbeing section in the quarterly performance reports. This will now be provided in the context of the Quality of Life Survey and the Residents Satisfaction Survey.

### **Discussion**

4. Key highlights and the challenges Council has faced over the quarter are outlined on pages 3-6 of the report attached as Appendix 1.
5. Non-financial KPIs: There are 86 indicators in the Annual Plan/LTP, 51 of which are reported quarterly. The remaining 35 are reported annually.
6. 61% of targets were met, an improvement of 4% compared to Quarter 1 (57%).
7. A breakdown of data and information by wellbeing is provided on pages 19-38 of the report attached as Appendix 1.

## 8. Building Consents

- a. since the performance results for Building Consents were reported, there are significant updates to report.
- b. from 12-16 February 2024, IANZ undertook a BCA Accreditation Assessment of the Building Control Unit (including Building Consents (BCA) and Territorial Authority (TA) functions) on behalf of MBIE.
- c. the Auditors concluded that they would be recommending the continuation of the BCA Accreditation for Hutt City Council. It was noted that substantial business improvement work had been done since their last visit, and they recognised that the function was on a sound footing to achieve compliance with statutory timeframes in the near future.
- d. recommendations related largely to detail around the further implementation of the Objective, Go Get and the new Quality Management System (QMS). Performance against statutory timeframes was noted as a general non-conformance, but it was also recognised that legacy consents had detrimentally affected our performance statistics.
- e. A full report will be provided by IANZ to the Hutt City Council in 10 days. The auditors will return in two years' time as we are considered low risk.

## Options

9. Not applicable.

## Climate Change Impact and Considerations

10. There are no climate change impacts or considerations arising from this report.

## Consultation

11. There are no consultation requirements arising from this report.

## Legal Considerations

12. There are no legal considerations arising from this report.

## Financial Considerations

13. The financial summary is provided on pages 39-50 of the report, which is attached as Appendix 1.

## Appendices

No.	Title	Page
1↓	Appendix 1: Quarterly Performance Report - 1 October to 31 December 2023	164

**Author:** Gemma Birse, Head of Enterprise Portfolio Management Office

**Approved By:** Jarred Griffiths, Director Strategy and Engagement





























































































































*Our Reference*

**TO:** Chair and Members  
Komiti Ratonga Rangatōpū me te Rautaki | Policy, Finance  
and Strategy Committee

**FROM:** Judy Randall

**DATE:** 22 February 2024

**SUBJECT:** KOMITI RATONGA RANGATŌPŪ ME TE RAUTAKI  
POLICY, FINANCE AND STRATEGY COMMITTEE  
FORWARD PROGRAMME

### Purpose of Memorandum

1. The memorandum aims to provide the Committee with a draft forward programme of work planned for the committee for 2024.

### Recommendation

That the Committee receives and notes the draft forward programme for 2024 attached as Appendix 1 to the memorandum.

### Background

2. The Committee assists Council in setting the broad vision and direction of the city to promote the social, economic, environmental, and cultural well-being of the city's communities in the present and for the future.
3. This involves determining specific outcomes that need to be met to deliver on the vision for the city, and overseeing the development of strategies, policies, bylaws, and work programmes to achieve those goals. This committee is also responsible for monitoring the overall financial management and performance of the Council Group.
4. The forward programme for 2024 provides a planning tool for both members and officers to coordinate programmes of work for the year. The programme is attached as Appendix 1 to the memorandum.

### Executive Summary

5. The forward programme is a working document and is subject to change.

### Appendices

No.	Title	Page
1	Appendix 1: Forward programme	220

**Author:** Judy Randall, Democracy Advisor

**Approved By:** Kathryn Stannard, Head of Democratic Services

**KOMITI RATONGA RANGATŌPŪ ME TE RAUTAKI | POLICY, FINANCE AND STRATEGY COMMITTEE  
FORWARD PROGRAMME 2024**

Description	Business Unit	Cycle 1 6 Mar	Cycle 2 7 May	Cycle 3 9 July	Cycle 4 10 Sept	Cycle 4 14 Oct draft Annual Report	Cycle 4 29 Oct Annual Report	Cycle 5 19 Nov	Pending
Forward Programme	Democratic Services	✓	✓	✓	✓			✓	
Draft amendment to the Control of Animals Bylaw	Strategy and Policy	✓							
SML six-month report (July-Dec)	Finance	✓							
UPL six-month report (July-Dec)	Finance	✓							
Hutt Valley Chamber of Commerce half year report	Business and Economy	✓							
SML draft SOI	Finance	✓							
UPL draft SOI	Finance	✓							
Council performance overview quarterly report	EPMO	Quarter 2 ✓		Quarter 3 ✓	Quarter 4 ✓			Quarter 1 ✓	
Making decisions under the Dog Control Bylaw	Strategy and Policy		✓						



Description	Business Unit	Cycle 1 6 Mar	Cycle 2 7 May	Cycle 3 9 July	Cycle 4 10 Sept	Cycle 4 14 Oct draft Annual Report	Cycle 4 29 Oct Annual Report	Cycle 5 19 Nov	Pending
NZLGFA Half Year Report	Finance		✓						
SOI Final SOI	Finance		✓						
UPL Final SOI	Finance		✓						
Control of Alcohol in Public Places (CAPP) Bylaw	Strategy and Policy			✓					
Heritage Policy Options	Strategy and Policy			✓					
Strategy and Policy work programme	Strategy and Policy			✓					
Parking Policy Review	Transport			✓					
Hutt Valley Chamber of Commerce 12 month report	Business and Economy				✓				
2023 Standard and Poor's Credit Rating	Finance				✓				
Seaview Business Assoc.12-month report	Finance				✓				
Control of Alcohol in Public Places Bylaw – Hearing of submissions					✓				

Description	Business Unit	Cycle 1 6 Mar	Cycle 2 7 May	Cycle 3 9 July	Cycle 4 10 Sept	Cycle 4 14 Oct draft Annual Report	Cycle 4 29 Oct Annual Report	Cycle 5 19 Nov	Pending
UPL Annual Report (year end June 2023)	Finance					✓			
SML Annual Report (year end June 2023)	Finance					✓			
Wellington Water Ltd Annual Report	Strategic Advisor					✓			
NZLGFA Annual Report	Finance					✓			
Draft and final Annual Report	Finance					✓	✓		
Speed Management Bylaw	Transport								✓
Illegal Street Racing Bylaw	Transport								✓
Freedom Camping Bylaw	Strategy and Policy								✓
Jackson Street programme 12 month report	Business and Economy								✓
Love Wainuiomata 12 month report	Business and Economy								✓