

**TE KAUNIHERA O TE AWA KAIRANGI | HUTT CITY COUNCIL**

Minutes of an ordinary meeting of The Hutt City Council held in the Council Chambers,  
2nd Floor, 30 Laings Road, Lower Hutt, on  
**Thursday 27 June 2024 commencing at 4:00 pm**

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**PRESENT:**

Mayor C Barry (Chair)	Deputy Mayor T Lewis (until 5.49pm)
Cr G Barratt	Cr J Briggs
Cr B Dyer	Cr S Edwards
Cr A Mitchell	Cr K Morgan
Cr C Parkin	Cr N Shaw
Cr T Stallinger	Cr G Tupou

**APOLOGIES:** Cr K Brown and Deputy Mayor Lewis for early departure

**IN ATTENDANCE:**

J Miller, Chief Executive  
K Chitham, Acting Director Neighbourhoods and  
Communities (part meeting)  
J Griffiths, Director Strategy and Engagement (part meeting)  
A Geddes, Director Environment and Sustainability  
J Kingsbury, Director Economy and Development  
J Livschitz, Group Chief Financial Officer (part meeting)  
B Cato, Chief Legal Officer  
D Nunnian, Manager Financial Strategy and Planning  
R Hardie, Head of Strategy and Policy  
W Botha, Corporate Planning Lead  
A Andrews, Finance Transaction Services Manager  
P Hewitt, Head of Transport (part meeting)  
Y Chung, Senior Financial Accountant (part meeting)  
O Miller, Policy Advisor  
C Parish, Head of Mayor's Office  
S Bascand, Acting Head of Engagement  
K Stannard, Head of Democratic Services (part meeting)  
K Glanville, Senior Democracy Advisor  
H Clegg, Minute Taker

**PUBLIC BUSINESS**

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</i>
He tio, he huka, he hau hū	<i>a sharpened air.</i>
Tihei mauri ora.	<i>A touch of frost, a promise of a</i>
	<i>glorious day.</i>

2. **APOLOGIES**

**RESOLVED:** (Mayor Barry/Cr Briggs)

**Minute No. C 24301(2)**

*“That the apology received from Cr Brown be accepted and leave of absence granted and the apology received from Deputy Mayor Tui Lewis for early departure be accepted.”*

3. **PUBLIC COMMENT**

Comments are recorded under the item to which they relate.

4. **CONFLICT OF INTEREST DECLARATIONS**

Deputy Mayor Lewis declared a conflict of interest in relation to item 9) Seaview Marina Limited (SML) Statement of Intent for the three years – 2024/25 to 2026/27. Deputy Mayor Lewis was Council’s representative on the Board of SML. Deputy Mayor Lewis took no part in discussion or voting on matters relating to SML.

5. **ADOPTION OF THE LONG TERM PLAN 2024-2034**

Report No. HCC2024/3/153 by the Corporate Planning Lead

John Whittal, Audit Director from Audit New Zealand, was in attendance for the item.

The Corporate Planning Lead elaborated on the report.

John Whittal elaborated on the final audit opinion, attached as pages 16-19 to the minutes.

Cr Stallinger discussed the challenging process and difficult decisions required while drafting the Long Term Plan (LTP). He congratulated everyone involved and supported the final LTP document to show respect to those involved. However, he continued to oppose the proposed increase in rates revenue for reasons that he had previously provided at earlier meetings.

Cr Dyer expressed support for the LTP document and recognised officers' efforts to keep the budgets as low as possible despite significant cost increases in the past year. He noted that at the start of the process, the proposed rates increase was 30%.

Councillor Briggs expressed support for the Long-Term Plan (LTP) document. He acknowledged the financial challenges faced during its drafting. He believed the LTP reflected the changes made due to the city's financial challenges and priorities. He also believed that the future would be more difficult if Council had not agreed to acknowledge past under-investment in infrastructure.

Cr Shaw recognised the challenges in drafting the LTP, given the infrastructure and financial constraints. She expressed gratitude to the officers involved for the thoroughness of their work and emphasised the importance of doing what was best for the city. Cr Shaw expressed support for the LTP document.

Mayor Barry agreed with the comments made by the previous speakers. He acknowledged the work of everyone involved in the LTP process and the respectful debates that had occurred. He thanked the officers for their advice and the challenging questions from members, which resulted in the development of an LTP that everyone could be proud of. He noted that a highlight of the LTP was the significant investment in the transport and infrastructure budgets due to historical under-investment. He also stated that changes were required by central government in how infrastructure was funded throughout the country.

**RESOLVED:** (UNANIMOUS): (Mayor Barry/Cr Dyer)

**Minute No. C 24302(2)**

*“That Council:*

- (1) notes that the Long Term Plan 2024-2034 has been prepared based on the final decisions of the Long Term Plan/Annual Plan Subcommittee on 4 June 2024 and feedback from the audit process;*
- (2) notes the summary of changes to the Long Term Plan 2024-2034 attached as Appendix 1 to the supplementary agenda;*
- (3) notes the Long Term Plan 2024-2034 attached as Appendix 2 to the supplementary agenda and corresponding financial tables to be included in the published version of the plan attached as Appendix 3 to the supplementary agenda;*
- (4) receives the audit opinion from Audit New Zealand to be included in the published Long Term Plan 2024-34 attached as Appendix 4 to the supplementary agenda;*
- (5) resolves that it is financially prudent to have an unbalanced operating budget until 2028-29, as outlined in Section D of Report No. HCC2024/3/153;*
- (6) agrees to adopt the Revenue and Financing Policy, included as part of the Long Term Plan attached as Appendix 2 to the supplementary agenda;*
- (7) agrees to adopt the Long Term Plan 2024-2034, attached as Appendices 2 and 3 to the supplementary agenda; and*
- (8) agrees to delegate authority to the Chief Executive, in consultation with the Mayor, to make any minor editorial changes that may arise as part of the Long Term Plan 2024-2034 publication process.”*

## 6. SETTING OF RATES FOR 2024-25

Report No. HCC2024/3/154 by the Manager Finance Transaction Services

Cr Stallinger addressed comments made about him at a previous meeting. He believed officers could find ways to mitigate costs and prevent rates increases. He highlighted a \$90M shortfall in the water capex expenditure budget due to an error. He noted that officers could adjust the timing of other projects, thereby avoiding a significant potential rates increase. He reiterated opposition to the proposed rates increase, emphasising that not enough had been done to keep the increase as low as possible despite recognising that a large portion of the increase was unavoidable. He also stated that he always expressed his opinions respectfully.

Cr Parkin expressed support for the proposed rates increase, citing it as necessary. He stated that while ratepayers were responsible for spending cost-effectively, postponing investment in critical infrastructure was not a viable solution. He pointed out that a significant portion of the proposed rate increase was earmarked for water infrastructure. Additionally, he mentioned that the \$90M error would be offset by specific projects not proceeding as planned, and funds would need to be allocated for these projects in the future.

Cr Briggs said he stood by his comment made at a previous meeting. He maintained that he had been respectful and acknowledged that Cr Stallinger felt offended. He supported the LTP, viewing it as the best course of action for the city.

**RESOLVED:** (Mayor Barry/Cr Briggs)

**Minute No. C 24303(2)**

*“That Council resolves to set the rates and add penalties to unpaid rates during the 2024-25 rating year by passing the following resolution:*

*Targeted and General Rates*

1. *In accordance with the relevant provisions of the 2024-34 Long Term Plan and the Funding Impact Statement, including Rates for 2024-2025, the Council hereby resolves, pursuant to Section 23 of the Local Government (Rating) Act 2002, to set and assess the following Hutt City Council rates for the year commencing 1 July 2024 and ending 30 June 2025. All amounts are inclusive of Council’s GST obligations.*

(a) *A Targeted Rate (Water Supply Rate) set and assessed under sections 16 to 18 of the Local Government (Rating) Act 2002. The water supply charges for 2024-25 are as follows:*

1. *A charge of \$746.00 per separately used or inhabited part (SUIP) on a rating unit which is connected to the water reticulation system and is not metered.*
2. *A charge of \$373.00 per SUIP on a rating unit that is not connected to, but is able to be connected to, the water reticulation system.*
3. *A charge of \$746.00 per rating unit which is connected to the water reticulation system and contains more than one separately used or inhabited part, where a water meter has been installed to measure the total water consumed.*

(b) *A Targeted Rate (Wastewater Rate) set and assessed under sections 16 to 18 of the Local Government (Rating) Act 2002. The wastewater charges for 2024-25 are as follows:*

1. A charge of \$766.00 per SUIP on a rating unit which is connected to the city wastewater system.
2. For rating units in the commercial categories (CMC, CMS and UTN), an additional charge of \$383.00 (50% of the above charge) for the second and subsequent water closet or urinal connected to the wastewater system from each rating unit.

(c) A Recycling Collection Targeted Rate set and assessed under sections 16 to 18 of the Local Government (Rating) Act 2002. The recycling charge for 2023-24 will apply as follows:

CATEGORY	Provision or availability	Per SUIP
Residential and Rural rating units	Able to be serviced	\$130.00
Community Education Facility, CF1, CF2 and CF3 rating units	Opt-in to the Service (provision)	\$130.00

(d) A Refuse Collection Targeted Rate set and assessed under sections 16 to 18 of the Local Government (Rating) Act 2002. The refuse charges for 2024-25 are as follows:

CATEGORY	Provision or availability	Per SUIP
Residential, Rural, Community Education Facility, CF1, CF2 and CF3 rating units	80 Litre or equivalent	\$128.00
Residential, Rural, Community Education Facility, CF1, CF2 and CF3 rating units	120 Litre or equivalent	\$192.00
Residential, Rural, Community Education Facility, CF1, CF2 and CF3 rating units	240 Litre or equivalent	\$384.00
Residential and Rural rating units	Able to be serviced but not serviced	\$128.00

(e) A Green Waste Collection Targeted Rate set and assessed under sections 16 to 18 of the Local Government (Rating) Act 2002. The green waste charge for 2024-25 is \$115.00 per SUIP on every rating unit in the Residential, Rural, Community Education Facility, CF1, CF2 and CF3 categories that has opted in to receive the green waste service.

(f) A Targeted Rate (Jackson Street Programme Rate) set and assessed under sections 16 to 18 of the Local Government (Rating) Act 2002. The Jackson Street Programme charge for 2024-25 is 0.0006413 cents per dollar of capital value on every rating unit in the Commercial Suburban differential category having frontage to Jackson Street, Petone, between Hutt Road and Cuba Street.

(g) A General Rate set and assessed under sections 13 and 14 of the Local Government (Rating) Act 2002. The general rate charge for the 2024-25 rating year is as follows:

CATEGORY	DIFFERENTIAL	CHARGE PER \$ OF CAPITAL VALUE
<i>Residential</i>	1.000	0.254690 cents
<i>Rural</i>	0.747	0.190254 cents
<i>Commercial Central</i>	3.525	0.897824 cents
<i>Commercial Suburban</i>	2.847	0.724999 cents
<i>Utility Networks</i>	3.426	0.872677 cents
<i>Community Facilities 1</i>	1.000	0.254690 cents
<i>Community Facilities 2</i>	0.500	0.127345 cents
<i>Community Facilities 3</i>	2.344	0.596994 cents

#### *Rates Instalments*

2. *The Council resolves that the targeted rates and the general rate for the financial year ending 30 June 2025, as set out above, are payable in six equal instalments by the following due dates:*

INSTALMENT NUMBER	DUE DATE	PENALTY DATE
<i>One</i>	<i>20 August 2024</i>	<i>21 August 2024</i>
<i>Two</i>	<i>20 October 2024</i>	<i>22 October 2024</i>
<i>Three</i>	<i>20 December 2024</i>	<i>24 December 2024</i>
<i>Four</i>	<i>20 February 2025</i>	<i>21 February 2025</i>
<i>Five</i>	<i>20 April 2025</i>	<i>23 April 2025</i>
<i>Six</i>	<i>20 June 2025</i>	<i>24 June 2025</i>

#### *Penalties on unpaid rates*

3. *The Council resolves, pursuant to sections 57 and 58 of the Local Government (Rating) Act 2002, except as stated in 4 below, that:*

- a) *A penalty of 10% will be added to the amount of any instalment remaining unpaid by the relevant due date above. The penalty will be added on the relevant penalty date stated above.*

- b) *A penalty of 10% will be added to the amount of any rates assessed in previous years remaining unpaid on 5 July 2024 being 5 working days after the date of the resolution. The penalty will be added on 21 August 2024.*
- c) *A further penalty of 10% will be added to the amount of any rates to which a penalty has been added under b) above and which remain unpaid on 21 February 2025.*
4. *No penalty shall be added to any rate account if:*
- *A direct debit authority is in place for payment of the rates by regular weekly, fortnightly or monthly instalments, and payment in full is made by the end of the rating year.*
  - *Any other satisfactory arrangement has been reached for payment of the current rates by regular instalments by the end of the rating year."*

Crs Barratt and Stallinger requested their dissenting vote against be recorded against the above matter.

7. **DEVELOPMENT CONTRIBUTION REMISSIONS AND REBATES FOR COMMUNITY HOUSING PROVIDERS**

Report No. HCC2024/3/155 by the Manager Financial Strategy and Planning

Dwayne Fletcher, from Vale Consulting, was in attendance for the item.

Dwayne Fletcher elaborated on the report via audio-visual link. He assured members that he would report back if policy changes were needed to align with central government directives.

**RESOLVED:** (Mayor Barry/Deputy Mayor Lewis)

**Minute No. C 24304(2)**

*"That Council:*

- (1) *approves the Development Contribution Remissions and Rebates for Community Housing Providers Policy 2024 (the policy) (attached as Appendix 1 to Report No. HCC2024/3/155);*
- (2) *delegates to the Chief Executive, in conjunction with the Chair of the Policy, Finance and Strategy Committee, the authority to decide on a request for remission or rebate and the authority to approve such requests; and*
- (3) *approves the Chief Executive to make minor editorial changes to the policy."*



## 8. PARKING - IMPLEMENTATION OF LONG TERM PLAN CBD PARKING DECISIONS

Report No. HCC2024/3/151 by the Head of Transport

The Director Economy and Development elaborated on the report.

In response to questions from members, the Director Economy and Development clarified that overnight parking would not be allowed in the P120 carparks. He explained that maintaining the P120 time limits in the H2 areas was to maintain consistency and avoid confusion for patrons who might find it confusing to have different parking zones with inconsistent prices throughout the city. He mentioned that the impact of the RiverLink construction works and the Riverbank carpark's closure had been considered in all calculations. He noted that efforts were underway to explore alternative areas for car parking, and he committed to providing a finalised timeline for the citywide parking review in the future. He stated that several channels had been used to advertise the proposed parking fee changes and confirmed that all existing signage would be updated.

**RESOLVED:** (Mayor Barry/Cr Edwards)

**Minute No. C 24305(2)**

*"That Council:*

- (1) *receives and notes the information;*
- (2) *approves, pursuant to clause 4.1(b) of the Hutt City Council Traffic Bylaw 2017 (the Bylaw), paid parking in zones HC2, HC3, HC4 and the Riverbank Carpark to be seven days per week, 9:00am to 5:00pm;*
- (3) *approves the extension of parking enforcement in zones HC2, HC3, HC4 and the Riverbank Carpark to seven days per week; operating between 9:00am to 5:00pm;*
- (4) *approves the hourly rate increase to \$3.00 per hour for zone HC2;*
- (5) *approves the hourly rate increases and daily charge increases to \$3.00 per hour, with a \$10.00 per day maximum charge, for zones HC3, HC4 and the Riverbank Carpark;*
- (6) *approves the monthly pass charge for the Riverbank Carpark of \$150.00;*
- (7) *notes that public holidays are still unrestricted for all parking zones;*
- (8) *approves, pursuant to clause 4.1(d) of the Bylaw, paid parking changes in the Lower Hutt Central Business District coming into effect from 9.00am, 1 July 2024;*
- (9) *notes parking for Petone is intended to commence on 1 October 2024, allowing time to procure and install meters and that a report seeking approval of Council to the new traffic controls will be sought before that date; and*
- (10) *rescinds any previous resolutions pertaining to traffic controls made pursuant to any bylaws to the extent that they conflict with the traffic controls described in this recommendation."*

9. **SEAVIEW MARINA LIMITED STATEMENT OF INTENT FOR THE THREE YEARS - 2024/25 TO 2026/27**

Report No. HCC2024/3/156 by the Financial Accountant

Deputy Mayor Lewis declared a conflict of interest and took no part in the discussion or voting on the matter.

Tim Lidgard, Chief Executive of Seaview Marina Limited (SML), was in attendance for the item.

The Senior Financial Accountant elaborated on the report.

Tim Lidgard advised that SML had encountered numerous challenges and had to compromise when finalising the Statement of Intent (SOI). He stated that in the next three years, there would be opportunities to better understand the customer base and concentrate on providing the best service. He noted that several years of investment in refurbishing the Seaview Marina were beginning.

In response to questions from members, Tim Ligard explained that the lower than expected revenue from the ramp was caused by bad weather, which led to fewer customers. He also explained that the lower live-aboard revenue was due to a budget error.

Cr Stallinger expressed support for the SOI but raised concern about the proposed dividends exceeding the after-tax profits. He suggested that SML's dividend policy be re-evaluated to ensure that a certain percentage of profits was paid rather than a fixed amount. He also commended SML for its work so far.

**RESOLVED:** (Mayor Barry/Cr Morgan)

**Minute No. C 24306(2)**

*"That Council:*

- (1) notes the changes made to the final Statement of Intent outlined in paragraphs 6 to 16 in Report No. HCC2024/3/156;*
- (2) receives and agrees to the final Statement of Intent for Seaview Marina Limited for the three years commencing 1 July 2024, attached as Appendix 1 to Report No. HCC2024/3/156;*
- (3) agrees to increase the loan facility to Seaview Marina Ltd from \$4.9M to \$8.1M for the period 1 July 2024 to 30 June 2027 to allow for the purchase of the Breakwater and to fund the pier refurbishment programme;*
- (4) notes dividend payments have been reduced and budgeted at \$100k per annum; and*
- (5) notes the 10 year plan, attached as Appendix 2 to Report No. HCC2024/3/156."*

10. **URBAN PLUS LIMITED GROUP STATEMENT OF INTENT FOR THE THREE YEARS - 2024/25 TO 2026/27**

Report No. HCC2024/3/157 by the Senior Financial Accountant

Daniel Moriarty, Chief Executive and Pamela Bell, Board Chair of Urban Plus Limited (UPL), were in attendance for the item via audio-visual link.

The Senior Financial Accountant elaborated on the report.

Daniel Moriarty expressed gratitude to everyone involved in developing the Statement of Intent. He stated that UPL was excited to continue with current projects and explore new opportunities next year.

Pamela Bell agreed with Daniel Moriarty's comments. She mentioned that UPL strategy meetings had identified opportunities and challenges in the current environment, and plans were underway to address them. She also noted several positive developments coming out of the projects UPL was engaged in.

Mayor Barry congratulated UPL and encouraged them to share the good news stories.

Cr Stallinger acknowledged the projects' fluidity and was pleased with the profits for the next three years. However, he expressed concern about a limited net surplus forecast beyond that.

Daniel Moriarty stated that conservative forecasting and uncertainty about future opportunities led to these results. He explained that the market's vulnerability contributed to the uncertainties about the future. He assured members they would be kept informed as the economic climate changed.

**RESOLVED:** (Mayor Barry/Cr Stallinger)

**Minute No. C 24307(2)**

*"That Council:*

- (1) notes the changes made to the final Statement of Intent as outlined in paragraphs 6 to 11 of Report No. HCC2024/3/157;*
- (2) receives and agrees to the final Statement of Intent for Urban Plus Limited Group for the three years commencing 1 July 2024, attached as Appendix 1 to Report No. HCC2024/3/157;*
- (3) agrees the loan facility for Urban Plus Ltd at \$43M for the period of the Statement of Intent and that aligns with the Long Term Plan 2024-2034, as detailed in paragraph 11 of Report No. HCC2024/3/157; and*
- (4) notes the 10 year projections for Urban Plus Group, attached as Appendix 2 to Report No. HCC2024/3/157."*

## 11. REPRESENTATION REVIEW REPORT AND INITIAL PROPOSAL

Report No. HCC2024/3/158 by the Policy Advisor

Speaking under public comment, **Bruce Spedding, representing Eastbourne Community Board**, spoke to a statement attached as pages 20-21 to the minutes.

In response to questions from members, Bruce Spedding advised that community board members represented their communities by promptly addressing issues, communicating with Council, and resolving matters. He emphasised their role in handling resilience issues and highlighted that resident groups and associations, as they were not elected, were not held accountable. He emphasised that community board members worked for the entire community and brought everyone together.

Speaking under public comment, **Mike Fisher, Chair of Petone Community Board (PCB) and Semi Kuresa, Petone Community Board member**, expressed support for the comments made by the Eastbourne Community Board and acknowledged the upcoming public consultation process. Mike Fisher emphasised that the Harbour Ward would be under-represented if there was only one councillor, especially if the community board was disestablished. He believed that the current environment necessitated the presence of community boards. He stated that the Harbour Ward faced several complex issues, which increased the workload for the community board. He questioned the number of survey responses regarding the retention of community boards compared to those favouring it.

Semi Kuresa inquired whether Council was open to empowering community boards to have more authority in their decision making. He stressed the importance of allowing community boards to represent the various interest groups. He highlighted that community boards served as stepping stones for leadership and engaging rangatahi.

In response to questions from members, Mike Fisher explained that historically, Korokoro had been part of the Harbour Ward because of its ties to Petone. He suggested that a fair solution would be to establish community boards in every city ward. He said this would help councillors work more efficiently and reduce their workload. He mentioned that the PCB had met to discuss the proposal but had not yet had the time to gather input from the community.

In response to questions from members, Semi Kuresa explained that the Pasifika community's culture was to take care of themselves, which he believed was also true for many other ethnic groups. He emphasised the importance of finding effective ways to engage with all communities and stressed the need for grassroots democracy to facilitate meaningful connections within communities.

Paul Swain, Chair of the Independent Representation Review Panel (the panel), was in attendance for the item.

The Policy Advisor elaborated on the report. She informed members about three minor changes made by officers to better align with the Local Government Commission's guidance. She said these changes included adding "General" to the Ward title in paragraph 1c), adding "Māori" to the Ward title in paragraph 1d), and separating out the reference about the number of councillors increasing to 13 compared to the current total

of 12 councillors in paragraph 2a).

Paul Swain raised concerns about the unequal distribution of councillors proposed for each ward. He mentioned that this was a common issue nationwide, with 80% of the 53 councils with ward systems having an unequal number of councillors. He recognised the valuable contributions of the community boards in Petone, Eastbourne, and Wainuiomata. He emphasised that the proposal would undergo a public consultation process. He acknowledged the challenges in engaging all communities of interest, as highlighted during the public comments. He directed members to Chapter 10 of the panel's report, titled 'Building a better bridge to the community', which contained suggestions on engaging with the public. He clarified that the survey conducted by the panel was not a referendum or a poll, and therefore, the results were not statistically validated. He also addressed a misunderstanding in the community regarding the role of community boards.

Paul Swain clarified that the proposed Community Agent was not meant to replace community boards but to engage with specific interest groups, such as ethnic, youth, and disabled communities. He explained that the idea of having community boards in all wards had been considered. He stated that the current community boards had been operating as effectively as possible within Council's guidelines but believed they could have been utilised more effectively. He expressed doubts about the availability of resources to completely overhaul the community board system, including promoting and educating people about how they function.

In response to questions from members, Paul Swain explained that because of time constraints, some scenarios could not be explored in detail. He said the panel debated the recommendation to have five at-large councillors, and there was a consensus not to change the total number of councillors, considering that a Māori Ward would be created. He added that they also applied the +/- 10% rule, which meant councillors should represent the average number of residents in their area. He noted that the only exception was the Wainuiomata Ward, a distinct geographical area. He mentioned that adding another councillor for the Central and Northern Wards was not considered due to the +/- 10% rule.

In response to further questions from members, Paul Swain explained that Chapter 10 of the panel's report had been proposed as a way forward if the community board system was disestablished. He mentioned that it included a series of steps that could be used to help Council engage with communities of interest. He stressed the importance of meeting people on their own turf and overcoming language barriers. He concluded that if the level of engagement improved, an effective representation structure would follow. He noted that membership numbers for community boards had not been investigated, as the panel recommended disestablishing the community board system.

Deputy Mayor Lewis left the meeting at 5.42pm.

In response to further questions from members, Paul Swain acknowledged the low survey response rate from rangatahi and said the panel believed some of the suggestions in Chapter 10 of the report could help engage with them. He added that a targeted and tailored approach was more effective than encouraging rangatahi to be elected to community boards.

Deputy Mayor Lewis rejoined the meeting at 5.44pm.

Cr Morgan agreed with the comments about rangatahi. She welcomed options for community representation and wanted to explore the panel's suggestion of portfolios further.

Deputy Mayor Lewis left the meeting at 5.49pm.

The Chief Executive stated that the public consultation documents included Frequently Asked Questions.

Mayor Barry stated that Council's Engagement team would lead the public consultation process. He mentioned that community boards could submit their responses. He recognised the panel's independence.

Cr Briggs emphasised the importance of using consistent language in public consultation documentation.

Cr Stallinger expressed support for releasing the report for public consultation. He suggested exploring options for replacing community boards before deciding to disestablish them potentially.

Mayor Barry thanked Paul Swain and the panel for their work. He advised against proposing alternative options at this stage and suggested that Council might explore them after the 2025 local authority elections.

**RESOLVED:** (Mayor Barry/Cr Barratt)

**Minute No. C 24308(2)**

*"That Council:*

- (1) *notes that under the Local Electoral Act 2001 (the Act), Council is required to undertake a representation review ahead of the next triennial elections in 2025;*
- (2) *notes that on 30 May 2023 Council agreed to establish an Independent Representation Review Panel to undertake the representation review and provide recommendations to inform Council's initial representation proposal;*
- (3) *notes the Independent Panel's report and recommendations, attached as Appendix 1 to Report No. HCC2024/3/158;*
- (4) *notes that officers have reviewed the Panel's recommendations and are comfortable that they meet the legislative requirements of the Act;*
- (5) *agrees to adopt the initial representation proposal attached as Appendix 2 to Report No. HCC2024/3/158;*
- (6) *agrees that in accordance with the requirements of the Act, Council gives public notice of its initial representation proposal on 1 July 2024, with the last day for submissions on 1 August 2024;*
- (7) *notes the timeline for completing the representation review outlined in Table 1 of Report No. HCC2024/3/158; and*
- (8) *notes that if Council decides to amend the initial representation proposal and consult on the proposed amendment, this could affect the timeframes required to meet the statutory steps for a representation review."*

## 12. QUESTIONS

There were no questions.

## 13. CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA

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

There being no further business, the Chair declared the meeting closed at 5.59pm.

C Barry  
**MAYOR**

**CONFIRMED as a true and correct record**  
**Dated this 25th day of July 2024**

**To the readers:**

**Independent Auditor's report on Hutt City Council's 2024-34 Long-term Plan**

I am the Auditor-General's appointed auditor for Hutt City Council (the Council). The Local Government Act 2002 (the Act) requires the Council's Long-term plan (plan) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's plan. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 27 June 2024.

**Qualified opinion**

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion section of our report:

- the plan provides a reasonable basis for:
  - long-term, integrated decision-making and co-ordination of the Council's resources; and
  - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages [XX to XX] represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

This opinion on the plan also does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

**Basis for qualified opinion**

**Our work on the value of three waters assets was limited**

As outlined on page [...], the Council is in the process of obtaining an independent valuation of its three waters assets in preparation for its 2024 financial statements. There are indications that the increase in the value of these assets could be significantly higher than the assumptions applied in the Council's prospective financial statements. However, the valuer's work is not finalised.



Because the revaluation will only be completed after the date of the audit report, our work on the value of these assets was limited. There were no satisfactory audit procedures that we could adopt to determine the reasonableness of the value of these assets. We were therefore unable to determine whether the value required any adjustments and what flow on effects this could have on future depreciation costs and rates.

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

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the Council's forecasts to replace existing assets are consistent with its approach to replace its assets, and reasonably take into account the Council's knowledge of the assets' condition and performance;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and

- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

### **Emphasis of Matters**

Without further modifying our opinion, we draw attention to the following matters:

#### *Uncertainty over the delivery of the capital programme*

Page [redacted] outlines that the Council is proposing a significant increase in its capital programme. While the Council has put in place a number of initiatives, there is an inherent level of uncertainty and risk that the Council may not be able to deliver on the programme, especially when it has increased substantially. The Council notes the potential impacts of not achieving the capital programme, such as not meeting planned levels of service, or greater costs in the long term.

#### *Uncertainty and risks over planned renewals of three waters assets*

Page [redacted] outlines that the Council cannot fund all the investment required in three waters assets over the next 30 years. The Council's proposed level of funding for renewals over the 10 years of the plan has therefore been capped by what it considers to be affordable.

Page [redacted] outline that the Council's forecasting for its three waters assets is primarily based on the age of existing assets. Using mostly age-based information creates uncertainty over which assets to prioritise for renewal, the timing thereof, and the forecast amounts required, resulting in a risk of asset failure and reduced levels of service.

To reduce the risk, the Council has committed funding to repair the backlog of leaky pipes and to continue to collect better information about its underground assets.

### **Responsibilities of the Council and auditor**

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

We are responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. We do not express an opinion on the merits of the plan's policy content.

### Independence and quality management

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour; and
- quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Other than our work in carrying out all legally required external audits, we have carried out engagements in the areas of a limited assurance engagement related to the Council's debenture trust deed, which is compatible with those independence requirements. Other than these engagements, we have no relationship with, or interests in, the Council or its subsidiaries and controlled entities. we have no relationship with or interests in the Council or any of its subsidiaries.

John Whittal, Audit New Zealand

On behalf of the Auditor-General, Wellington, New Zealand

Kia ora Mayor Campbell, councillors and council officers.

I am speaking on behalf of the Eastbourne Community Board in response to the Representation Review report and proposals. This is a board only response as we have not yet had the opportunity to consult with our community, something we plan to do extensively in the near future.

The board met briefly with the Panel early on in the process. The meeting was largely taken with the Panel describing their role and the processes they were planning to follow, there was little opportunity to actually consult or present our experiences and involvement in communicating with, consulting and representing our community, and we did not know that this one meeting would be the only face-to-face contact the board would have with our community.

The Panel have emphasised they are looking for fairness, equity and an appropriate 21st century approach to communicating and working with communities, and communities of interest within the Hutt City.

Their own surveying shows that communities with community boards understand their representation and identify most strongly with their community at 70% to 80%. Their survey results also makes it clear that the least understanding and satisfaction in the current system lies with the Northern Ward (50%) - but also identifies that the Northern Ward is the most interested in community board representation (75%) after those wards where boards already exist.

They also note that attempts at other forms of community representation such as appointed committees and panels have not survived the test of time.

They conclude that positioning community boards between community and council is not likely to be successful, despite the fact that the communities themselves have indicated significant satisfaction.

Their proposal is to instead appoint an unpaid community "agent" to fulfill the role currently occupied by the community boards.

Elected community boards are answerable and accountable to both the community and the council. An appointed unpaid "agent" is answerable to neither, and appointment has already been demonstrated not to work in a community context.

A community board has multiple representatives, each with their own skills, networks and areas of interest and focus. They live within the community and have contact with individuals and groups on a daily basis. The load is shared, allowing board members to be students, parents, working or retired and still carry out their duties. They will represent and be representative of their community.

A single appointed "agent" will have a limited network, will unlikely to be able to sustain any other responsibilities, and will only represent their own demographic. The candidates for the "agent" roles have been identified as "community leaders", suggesting they are probably already fully occupied in their involvement in the community in some form or other. Where will such a person find the time and energy to take on such a significant responsibility?

Boards such as ours meet formally every 2 months, informally every few weeks, more frequently as issues arise, and we share the responsibility.

It is proposed that an appointed agent meets with the responsible councillor every 6 months, and there is no suggestion on how or when the "agent" will interact or communicate with the community at all. This would probably require significant support and resources from council to be effective.

The 21st century has started out marked by an increased need for community resilience, highlighting a need for localised response to an event. A community board, with it's own developed communications and networks has been shown to be most effective at responding in the early stages, giving the central council time to triage, marshall their resources, and respond at a higher level.

The community board model has been demonstrated to be the most resilient, popular and effective form of community engagement out of all the options covered. We feel that this model could be adapted and used for all wards to gain the equity and fairness desired by the Panel. We encourage the council explore the revised ward model as proposed, and then implement a community board structure in each ward as the most equitable and effective way of engaging the communities.