

Securing our future

Have your say Porirua



He Mihi

Nā wai ra te hiku kō-roa, kō-paratī, kō paratā I haehae Whitireia, Nā te Awarua o Porirua ē

Whose is this long tail, the splashing tail, that thrashes into Whitireia?

It is the taniwha who pierced the sky 'Te Awarua -o -Porirua'

Kei ngā iwi, kei ngā mana, kei ngā mātāwaka e noho nei i te riu o Porirua tēnā koutou katoa. E Raupi ana Te Kaunihera o Porirua te hapori nei e mihi, ma te aha I tērā mōu tō eketanga ki te rima tekau tau me te mahere rautaki i whakaritea mo ngā tau e heke mai ana!

My acknowledgements to the many tribes and cultures that make up our beautiful city of Porirua as we celebrate this the 50th year of our city and look forward to planning for the future.

Nō reira tēnā koutou, tēna koutou, tēna koutou katoa.

Taku Parai

Chair, Te Rūnanga O Toa Rangātira

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From the Mayor – Nick Leggett



This is Porirua's 50th year as a city. In thinking about this 10-year plan, it's timely to consider our city's past and where we are today, as we plan for the future. The decisions we make in the long-term plan 2015-25 need to take care of the here and now while keeping in mind those who will inherit our city.

We don't have a whole lot of money to throw around on flashy projects so we're focussed on getting the basics right. This means balancing the budget and balancing rates against investing in renewal of assets. Like most households or businesses, we have to balance competing priorities with scarce resources. My job as Mayor, along with my Council colleagues, is to get that balance right.

There's a never ending production line of strategies and plans in local government. Most of them end up gathering dust on the shelf because practising is a lot

harder than preaching. I want this long-term plan to reflect our community's values and aspirations, but also to make a genuine difference in the way we operate as a city.

We should start with the questions: (i) What is the overriding philosophy that drives the direction of Porirua City; and (ii) what are the reasons we chose that direction?

We know Porirua is different to most cities. Forty per cent of our population is aged under 25 which means we don't face the looming labour crisis of many parts of New Zealand. We are young, dynamic and open for business.

But we also know that too many children and young people in our city are not well enough placed to make the most of their fantastic natural environment or proximity to New Zealand's capital city. We have extremes of rich and poor within our communities and we also see disparities for Māori and Pasifika. We believe that the whole city – including the council – has a responsibility to assist in lifting the educational achievement of our young people and ensure that major child health issues are tackled.

In our city's 50th year, these persistent negative outcomes are unacceptable to me. To get different results, we need to do things differently. That's why a significant change in our long-term plan 2015-25 will be to put children and young people at the centre of city decision making. This is a stark departure from the thinking of many local authorities.

We know we need to invest more in underground infrastructure so our water and waste water reticulation delivers efficient and reliable services for its residents. We know it is imperative to spend \$40 million connecting Waitangirua and Whitby to the Transmission Gully Highway, and that this will add to our debt burden in the medium term. We have to change the whole character of our city centre and open it up for people to live in and for new kinds of activities to occur.

But why do all this and for whom? By focussing on the kind of city we want the next generation to inherit, we are better positioned to make the right short and long term decisions that cement our future.

For young people to flourish, they need the best possible opportunities in life, as well as communities that will nurture and support them. They need the

right knowledge, skills and values to become successful citizens of the 21st century. We need them to succeed because our economic and social prospects depend on it. Investing in children and young people is good economics. It is the foundation for a thriving city and a prosperous future. We want children to speak with pride and passion about how much they love Porirua. So we will encourage and support children and young people to take an active interest in civic life - to have their say in civic developments - and be informed participants in democracy when they can vote. We will consider the best interests of children and young people in all our activities and practices, including decisions about network infrastructure, access to Wi-Fi, as well as recreational and cultural amenities.

Placing children and young people at the heart of what we do isn't about adding costs. We won't be asking ratepayers for more resources to duplicate central government services. But we will take stock of the way we have always done things and examine whether or not it contributes meaningfully to the kind of city we want to build. It will be about using the resources we currently apply to different areas of city operations and focusing them on improving opportunities for kids – and improving our advocacy for them too. This plan represents real change – it's not just a retrofit designed to justify the status quo.

We have to confront the city's financial issues. If we don't change the way we've always done things,

future generations will be left with debt and deficits as far as the eye can see. We owe them a far better inheritance. Past councils have done a good job of investing in the city's growth, but in many cases they did so by increasing spending – and increasing household rates – but without putting funds aside to renew assets and infrastructure. We have to end that cycle of deferral and denial. Residents tomorrow shouldn't bear the consequences of expediency today. The buck has to stop here.

In this plan you will see projects aimed at making Porirua an even better place to live, work and raise a family. In particular, we hope to spark development to open up opportunity for more affordable home ownership for more people. Pacific Island home ownership has fallen from 25 per cent in 2001 to 18 per cent in 2013. This trend must be reversed and while the Council is not the developer of land or homes, its strategy must be aimed at improving good outcomes for the greatest number of its citizens whose right it is to own a home for themselves.

My vision for Porirua is that it will become more actively pro-growth. We want a prosperous, healthy and active community, where more people have jobs and own their own homes. While housing development alone doesn't lower rates, what will be catering for people who want to live in smaller homes, in denser developments.

Over time the Council wants to create the environment that will enable us to:

1. Increase the ratio of ratepayers to residents. Currently, Porirua has the lowest proportion of rateable properties per head of population in the Wellington region;
2. Develop medium to high density housing that will be more affordable, require fewer cars and increase patronage of public transport;
3. Reduce pressure on the harbour and catchment through infill housing that doesn't require major earthworks;
4. Grow the population of the city to improve the range and number of amenities here; and
5. Radically alter the Porirua City Centre to enable inner city living for 1500 residents within a decade.

The Council has, at times, been unfocused in its attitude to growth. But there's no future in standing still. We need more businesses and families to make Porirua their home if it is to thrive.

The Council also needs to adopt a smarter approach to partnerships, both with business and the community. It makes sense to work with others - to share costs and ensure community buy-in. Porirua has been keen on developing a performing arts centre that will support the local arts community. We've looked at a few options over the years but the cost is prohibitive if we go it on our own. We think working

with a local school makes sense. This way the school gets an auditorium and the community gets a performing arts space for use outside of school hours. There's still work to do on this proposal but working together with schools, businesses and community organisations is the way we can get best value for ratepayer's investment.

I question Porirua's long term financial sustainability on our current rating base and direction. That's why I have led the debate for local government amalgamation in Wellington. However, the long-term plan 2015-25 and budget are not written with that change in mind. If we are to continue to go it alone as a city, we can't just carry on as if the future will take care of itself. Given our daunting financial challenges, we need to be innovative, nimble and take opportunities.

A big part of being a liveable city is being affordable, exciting and open to change and opportunity. I hope that you can give us feedback on our direction, and on the financial options offered in this consultation document.

Nick Leggett
Mayor of Porirua City



Your Council working for you

You can contact your Mayor and Councillors to discuss anything relating to Council services. Their contact details are listed below:

Mayor



Mayor Nick Leggett
Phone 04 237 1400
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Northern Ward Councillors

Have your say Porirua

This is Porirua City Council's plan – in brief - for the next 10 years. It's a snapshot of how we intend to run the city for the next decade. You can tell us what you think of our overall approach and our specific ideas. The details (including budgets) are included in the long-term plan 2015-25 supporting documentation available on our website www.pcc.govt.nz.

There are several ways you can make a submission:

- Online at www.pcc.govt.nz;
- Post to Porirua City Council, PO Box 50218, Porirua 5240;
- Deliver to the front counter of the Council's Administration Building or any of Porirua City Council's public libraries; or
- Email to submissions@pcc.govt.nz.

Social media – comments you make on social media are not formal submissions but they do get considered as part of the decision-making process.

A submission form is available at the back of this document but you don't have to use this format.

Submissions are treated as public documents and will be loaded on to our website with the name and contact details of submitters.

Closing date – Submissions must be received by the Council no later than 5pm Friday 1 May 2015.

The Council will consider all your input and make final decisions on the long-term plan 2015-25 by the end of June 2015.

If you would like the Mayor or a Councillor to come and speak to your group or organisation during our consultation period, please contact Rachel Jones on 237 1400 or email rjones@pcc.govt.nz. Details of consultation events are available on our website at www.pcc.govt.nz



Living within our means

Living within our means is the key to success in the next 10 years. We need to address some serious financial and infrastructure issues facing the city. This has meant examining all of our activities and balancing our desire for new community amenities with our ability to pay. We want to balance the books but we need to do it in a way that safeguards our core infrastructure and allows future generations some choices.

This is about living within our means, balancing our budget, containing debt within affordable limits, and investing in the infrastructure that allows our people to be safe, our city to grow and our businesses to thrive.

We have also tried to ensure that increased costs are passed on to ratepayers and users of services in an affordable way.



The challenge

Over the past 15 years we have invested \$176 million on capital infrastructure. This has not only been on traditional infrastructure such as roads and water but also on significant leisure assets such as PATAKA Art+Museum, Te Rauparaha Arena, and parks and recreation infrastructure. This development has occurred as the city has grown and reflects the growing demands from residents for facilities.

As our information on the quality and condition of our assets has improved, it became apparent that more needed to be spent (and more quickly) than originally planned. This saw us spend \$79 million more over the past 10 years than previous Councils planned for. At the same time, because the greater spending wasn't planned for, rating did not cover depreciation for the capital programme. In the long-term plan 2009-19 we started to rate for depreciation for the '3 waters' assets, (water, wastewater and storm water) but in hindsight a more extensive depreciation programme would have been more appropriate.

As part of planning for the future we have developed new strategies – an Infrastructure Strategy and a Financial Strategy. These are available on our website

at www.pcc.govt.nz. They outline our approach to maintaining a sustainable city.

We use debt to fund the capital programme and over the past six years, in particular, we have run cash operating deficits rather than increasing rates to meet any shortfall. Keeping rate increases as low as possible remains a priority but we cannot continue to borrow to run our business. These factors have been the major drivers in determining our current financial position.

Our financial position is basically sound and while we have a strong balance sheet, as supported by our Standard and Poor's **A+ credit rating**, our current policies of not rating for all depreciation and running cash deficits are not sustainable for the next 10 years.

We are also mindful of possible amalgamation with Wellington city in the near to medium term. This amalgamation is currently being consulted on. While the Council supports this plan, there has been significant disagreement across the region. Our long-term plan has been prepared on the basis that we will continue as a stand-alone Council.

Our strategy, therefore, is to steer a careful course of action that:

- Continues to prioritise discretionary spending on our strategic priorities:
 - Children and young people at the centre of city decisions;
 - A healthy and protected harbour and catchment;
 - A growing, prosperous and regionally connected city; and
 - A great village and city experience;
- Retains most **services at the same quality and reliability**;
- Focuses on the **efficiency** of the business;
- Prioritises further **infrastructure investment**;
- Manages our **city finances prudently** keeping debt levels manageable; and
- Considers **household affordability** as we set rates, fees and charges for the next 10 years and ensures **intergenerational equity**.¹

¹ **Intergenerational equity** in the context of local government borrowing for capital expenditure requires that each generation that benefits from an investment, should contribute to the cost of that service (Local Government NZ – Local Government Debt – Why do Councils borrow?)

Our vision for Porirua

Porirua is a great place to live, work and raise a family. We want to make it even better. We have developed some priorities that we believe offer the best pathway to a sustainable, affordable and thriving city. Our four priorities are outlined below.



Our strategic priorities

These are our four strategic priorities:

Children and young people at the centre of city decisions

A healthy and protected harbour and catchment

A growing, prosperous and regionally connected city

A great village and city experience

Our priorities are what we're aiming to do but the way we do business is also important. The following principles underpin everything we do:

Affordability – we're a small city with big city aspirations. We need to invest carefully and be prudent – the financial burden falls on relatively few people compared to other cities.

Partnerships – working with others is a smart way to get the best value for money. It recognises that many things are the responsibility of other sectors or organisations. It means working with Ngāti Toa Rangatira on our shared vision for Porirua, with schools to get shared facilities, with businesses to improve our city centre and with our communities to improve our local environment.

Sustainability and equity – not investing is not an option. We have important network infrastructure to maintain and a young and vibrant population to serve. We need to spend money to make Porirua the city we want.

Creativity and innovation – being small brings its advantages. We are nimble and creative and can often punch above our weight because we can problem solve and generate innovative solutions from our own small, well-connected community.

The following section explains what we will do over the next 10 years to achieve our strategic priorities.



Priority – Children and young people at the centre of our city decisions

The Council has developed a new strategic priority to make clear our commitment to the children and young people of our city. We have a diverse and youthful population with a quarter of our population under the age of 15. We need our young people to be equipped for the future. This means ensuring they are well educated, healthy, engaged in decisions affecting their future and are connected to their families, culture and community. We want to give our younger residents a greater say about what kind of city and community they want to live in.

How are we doing?

Porirua's young and ethnically diverse population faces a number of long-standing social challenges. For example, when compared to national averages some of our children are falling behind in areas such as education and health. We have the highest rates of rheumatic fever associated with overcrowded and/or poor housing. Some parents choose to school their children outside the district rather than locally.

We need to ensure that all residents can participate fully in our local community and are informed and engaged in decisions affecting their future. This isn't a youth deficit issue. It's about all kids in Porirua being invested in today.

How will we do this over the next 10 years?

The Council delivers some services directly to children and young people – libraries, pools and recreation facilities are examples of this. Other Council services are provided for all residents; our water infrastructure, roads and parks are critical for the smooth running of our city. Investing in these services now ensures we have a safe and resilient city for future generations.

We are not proposing a significant change to these services, but in the future we will be specifically seeking children and young people's views about their city and about us as a Council. We will do this through surveys and social media. We will use the feedback to make improvements to the way we deliver services to children and young people.

Many other parts of the community contribute to young people as they grow up. Families, schools, iwi, community organisations, businesses and government agencies all play their part. We propose to work in partnership with others to identify how well our children and young people are doing and the issues affecting them in Porirua. The Council will put together an annual status report on child and youth wellbeing using the latest data from different sources. This will enable us to respond to specific issues with our partners and provide a report on progress. For example, the Council is looking to work with schools, the Ministry of Education, parents, iwi and community organisations such as SHINE to find ways to improve education outcomes for our young people.

FEEDBACK REQUIRED

This is a new priority for the Council to make clear our commitment to the children and young people of our city. Do you agree with this? What do you think the Council could do to support this new priority?

Priority – A healthy and protected harbour and catchment – Te Awarua-o-Porirua

Our harbour, Te Awarua-o-Porirua, is the centre-piece of our city. For Ngāti Toa Rangatira, the harbour, along with the lands and rivers within their rohe, are taonga. Their history and relationship with these resources is a foundation of their identity, cultural integrity, wairua, tikanga and kawa.

Traditionally Te Awarua-o-Porirua was also an important food source but, over time, the harbour and waterways were adversely affected by reclamation, pollution and excessive sediment. Since 2006 we have prioritised harbour restoration work and improvement of the land and water environment. We all rely on the harbour recreationally and environmentally.

How are we doing?

While harbour restoration is a long-term project, we have seen the first small indications that the health of Te Awarua-o-Porirua is improving. Cockle surveys carried out regularly over the last 20 years by the Guardians of Pauatahanui Inlet have indicated an improvement in cockle numbers. A recent survey of the harbour suggests that sedimentation rates have reduced over the past five years. In addition, improved litter management has resulted in less rubbish around the harbour. Ngāti Toa Rangatira have

completed the first fish survey of the harbour, while Greater Wellington Regional Council has established a monitoring network. These monitoring activities will be critical in establishing whether our remedial actions are improving the health of the harbour.

The three-yearly review of the original *Porirua Harbour and Catchment Strategy and Action Plan 2012*, has just been completed. Goals, programmes and actions have been updated. The four foundation partners – Porirua City Council, Ngāti Toa Rangatira, Greater Wellington Regional Council and Wellington City Council have a renewed commitment to the programme. We work in partnership with these and other key organisations on actions agreed in *Te Awarua-o-Porirua Harbour and Catchment Strategy and Action Plan 2015*.

How will we do this over the next 10 years?

We have a Te Awarua-o-Porirua Harbour and Catchment Joint Committee comprising Porirua City Council, Ngāti Toa Rangatira, Wellington City Council and Greater Wellington Regional Council. The joint committee provides leadership and is supported by the Whaitua process being implemented by Greater Wellington Regional Council to provide a strong scientific basis for our future work. The integrity of our

infrastructure is important in keeping the harbour clean. We will continue to monitor the key results from surveys about the health of the harbour and catchment and reassess our priorities and direction based on these findings.

New initiatives

- Undertake a significant renewal to the sewer and upgrade to the stormwater networks;
- Implement a catchment-wide sediment reduction plan;
- Implement an ecological enhancement plan for the Porirua Stream mouth; and
- Increased promotion of opportunities for public assistance.

FEEDBACK REQUIRED

We have just reconfirmed *Te Awarua-o-Porirua Harbour and Catchment Strategy and Action Plan 2015* after consultation so we think we are on the right track. Do you agree? What actions do you think will help to improve the health of our harbour?

Priority – A growing, prosperous and regionally connected city

We are a growing city at the heart of the Wellington region. Our central location brings regional and national advantages – this will be particularly true once the Transmission Gully Highway is built. Encouraging economic growth is particularly important. At the moment we average about one per cent growth each year. If we can improve this rate of growth we will have a more vital and attractive city. We will also have more people to support investment in our city and share the cost of its running.

How are we doing?

Porirua is reaping the benefits of an overall improvement in the New Zealand economy. On most indicators we're doing well – the total value of goods and services produced in the city continues to grow (up 1.2 per cent from a year ago), residential consents continue to improve, guest nights are increasing and retail spending has increased 2.3 per cent in comparison to the same period last year. However, non-residential consents are low and house prices have reduced (down 1.5 per cent compared to a national increase of 6.4 per cent). Our median household income is the third highest in

New Zealand. However, while the overall picture is optimistic it masks some significant disparities. We need to focus on providing a sustainable environment for all people living in Porirua to have the opportunity to succeed. Our central city area is struggling and we need to look at ways to improve the heart of our city.

How will we do this over the next 10 years?

Our main focus will be to invest in our infrastructure. Over the next six years we will complete the roads connecting Transmission Gully Highway to the city, costing a total of \$40 million. We'll also continue to invest in our core infrastructure such as water, wastewater and stormwater to ensure our services are reliable and safe. This benefits the wider community and is good for business. We also propose improvements to our city centre. It is the part of the city most often criticised in our annual surveys, receiving only 54 per cent satisfaction by residents. We will also continue to monitor the indicators of economic growth in the city to enable us to direct resources to the areas of most need.

Specifically we propose to:

- Invest \$21 million in public improvements in the central city and surrounding area (fully funded by debt);
- Promote commercial and residential development in the city centre through incentives and working with others;
- Introduce free public Wi-Fi in the city centre; and
- Attract new businesses to Porirua.

New initiatives

- **Infrastructure investment** - We have assets of over \$1.2 billion, \$970 million of which is infrastructure. Our proposal over the next 10 years is to reduce the risk of failure in our infrastructure assets through investment as set out below. It is proposed that this capital investment will be funded by debt and by rating for depreciation.

ASSET	EXISTING RISK LEVEL	PROPOSED RISK LEVEL	ADDITIONAL \$ OVER 10 YEARS
Storm Water	Medium	Low/Medium	+\$0.1 million
Wastewater including the Treatment Plant	High	Medium/High	+14.5 million
Water Supply	Medium	Medium	+\$3.1 million
Roading	High	Medium	+\$12.7 million
Property	High	Low	+\$3.7 million
Leisure	Low/High	Medium	+\$5.5 million

Definition of risk²

Significant failure of an asset resulting in loss of level of service is:

High – up to 50% chance of occurring in next 12 months

Medium – up to 30% chance of occurring in next 12 months

Low – up to 5% chance of occurring in next 12 months

Lowering the risk level of stormwater, wastewater, water supply and roading would require an additional \$15.1 million capital investment and an additional \$2.6 million operating expenditure (including subsidies) over the 10 year period of the plan. It is estimated that rates would need to be increased by an additional 3.3% over the 10 year period to fund this extra spending.

FEEDBACK REQUIRED

Over the next 10 years we propose to spend \$300 million on capital expenditure. Of this, \$166 million is proposed for the city's existing infrastructure to improve resilience and reduce the risk of service failure to the community. Do you agree with this proposed level of investment?

² Based on SNZ HB 4360:2000 Risk Management for Local Government

- **City Centre** - Our city centre is not thriving. We have a number of vacant shops and Cobham Court is looking tired and is overdue for updating. We will be spending \$21 million over the next 10 years (this represents a total of four per cent of rates on completion). Of the \$21 million, \$12 million will be spent over the next three years on remodelling the public space in a number of ways, for example shifting the public toilets from Lyttelton Ave to Cobham Court and making the area more pedestrian friendly.

We're also looking at options around the canopies. The old canopies had to be removed for safety reasons. They were in place for nearly 20 years – longer than had been estimated. Now we need to decide whether they should be replaced or not, or whether more translucent material (to allow more light in) would be a good option?

We have not costed partial replacement as this would require a significant change to the existing structures and would be very costly and impractical to build.

We have allowed \$4 million over the next two years (this represents a total of 0.9 per cent of rates once completed), as this is the estimated cost of full replacement. The three options are:

- No cover – this is the cheapest option (approximately \$60,800), providing an open environment suitable for events such as food markets and community sponsored occasions,

however not providing as much protection from the weather;

- Full cover with translucent material – this option (approximately \$1.2 million) covers the whole canopy area using translucent material to allow more light in.
- Full cover – this option (approximately \$1.3 million), covers the whole canopy area with a like-for-like material.

The solution is not about going back to the past. The reality of retail has changed forever and we will not ever revert to how things 'used to be'. We propose to encourage residential development in the city centre and close-by areas, for example, through the development contributions policy.

FEEDBACK REQUIRED

The Council proposes to spend \$21 million capital expenditure over the next 10 years on physical upgrades to the city centre to improve pedestrian access, attract business and encourage residential development (this represents a total of four per cent of rates once completed). Do you agree with this proposed level of investment?

The canopies were a feature in the city centre for nearly 20 years and had to be removed for safety reasons. Now we need to decide whether they should be replaced or not. We have allowed \$4 million over the next two years which is the estimated cost of full replacement (this

represents a total of 0.9 percent of rates once completed). What do you think we could do to improve the city centre?

- **Whitford Brown Intersection Improvements Project** - We're proposing to commit \$4 million (this represents a total of one per cent of rates once completed) for improvements to the intersections along Whitford Brown Avenue at Papakowhai Road, Okowai Road, Eskdale Paper Road, a mid-block pedestrian crossing (between Okowai and Papakowhai Road), and Routeburn Avenue. The traffic volumes at these intersections are increasing as the city grows. This upgrade will be necessary to reduce travel time and the frequency of accidents. The Whitford Brown intersections are a high priority because they are a key east-west connector across the city. These upgrades will also improve pedestrian access across Whitford Brown Avenue which is particularly important for children and young people attending Papakowhai Primary School and Aotea College. This project will be fully funded by debt.

FEEDBACK REQUIRED

Do you think the Council should invest \$4 million (this represents a total cost of one per cent of rates once completed) in improvements to intersections along Whitford Brown Avenue ?

Priority – A great village and city experience

We are a city with a diverse range of villages, many great opportunities and a beautiful physical environment. We will play our part in shaping the future by providing efficient, accessible services.

So whether you are setting up a business, choosing a library book or renovating your house, your business with us will be friendly, quick and affordable.

When you turn on the tap, fresh clean water will flow. When you have a problem with our services you know where to turn.

Ensuring that we have reliable infrastructure is an important part of what we do, so is allowing our communities to have a say on the physical improvements in their villages and local public spaces.

How are we doing?

We run annual surveys to see how satisfied people are with our services. Many of our services are highly regarded. Libraries, water supply, sportsfields and parks and reserves all receive over 90 per cent satisfaction ratings. However, people don't think we do so well in the inner city – especially the Cobham Court area, our maintenance of footpaths, our stormwater system and our role in creating the right business conditions. The harbour, beaches and streams also receive some criticism.

How will we do this over the next 10 years?

Our focus is on getting these things right.

We propose to:

- Continually improve our policies and customer service practices so that businesses have confidence in doing business with us;
- Survey our residents and key stakeholders to enable continuous improvements to our services;
- Take care of the basics including footpaths, roads and our stormwater system;
- Improve our engagement with the people in our city – making our decisions clearer;
- Develop our villages and provide a modest investment toward local public improvements; and
- Develop a performing arts centre in partnership with others.

New initiatives

- **Performing Arts Centre** - We are interested in supporting a performing arts centre in Porirua - a multi-purpose venue where our multicultural community can showcase its talent. We have been approached by Aotea College to partner with it in a new auditorium that would serve the school as well as the wider community. The new auditorium

is part of a wider master plan for the College.

If agreed, construction is likely to be two to three years away. We propose to spend \$1 million in 2017/18 as a contribution towards a performing arts centre. Further work needs to be done to establish whether partnership with Aotea College is the best option in terms of the community's needs and aspirations. We think developing a facility in partnership with others is a better use of scarce dollars than building a more expensive stand-alone centre.

- **Splash pad** - We are considering investing in a splash pad. A splash pad installed at a park provides specialised water play equipment such as jets, water cannons and water buckets. There are no similar built features for water play at any of Porirua's parks, although children are already able to enjoy our beaches and the pay-to-enter Aquatic Centre. The project is proposed for construction in 2016/17 at a capital cost of \$500,000.
- **Live Streaming** - We are proposing to spend \$65,000 in the next year to live stream the main Council meetings. This allows the community to see our debates and understand the decisions we make about the city. It offers an opportunity to be informed and is the first step to being involved.

FEEDBACK REQUIRED

Do you think the city would benefit from a performing arts facility? The proposed cost of a stand-alone performing arts facility is estimated at \$8 million. We are proposing a partnership arrangement which would deliver the facility at a much lower cost to the Council – estimated at \$1 million. Aotea College has made a proposal to the Council for a joint performing arts facility. What do you think?

Do you agree the Council should invest \$500,000 in a splash pad?

The Council has recently been considering live streaming of its meetings to enable greater public access to Council decisions. This is likely to cost \$65,000 to set up. Do you agree with live streaming of Council meetings?



Our services to you

Our costs are driven by the levels of service provided to ratepayers. Whether it's providing clean water, the frequency of grass cutting in parks, cleaning the city centre, or the quality of our library service, levels of service have been established for all our activities. We ask residents every year how satisfied they are with what we offer, and overall, satisfaction levels are at 82 per cent. Some of our services are even more highly regarded (libraries at 95 per cent and water supply at 91 per cent) and others are less so (city centre at only 54 per cent satisfied).

We have looked at all our levels of service – both operational and capital – and also the costs of delivering them. We have made savings and identified areas where we could deliver the same service for less money. In the main we are not proposing to reduce levels of service as a means of lowering rates. It is rare for ratepayers and residents to ask for reduced services. Typically people want their services to be better, so we propose to maintain them at their current quality standards.

We have, however, undertaken a comprehensive review of Council property to identify those Council properties that were purchased for recreation, economic or strategic purposes but are now considered surplus to requirements. As part of this review, the Council resolved in late 2014, that 34 properties were surplus and available for sale. These properties have been divided into three main groups:

- minor low value 'orphan' land;
- land currently classified as reserve; and
- strategic central business district investment properties.

The Council's objective is to release poorly used surplus property making it available for more productive purposes; and to generate increased economic activity from the land. We anticipate some of the land may be used for affordable housing. We propose to sell these surplus properties over several years. In most cases public consultation is required before any final decision can be made on their sale.



While looking at all our levels of service, we also identified a number of services that need reviewing. These include:

- Library services;
- Operations at Te Rauparaha Arena;
- Our role in rubbish collection³ ;
- Operations at the landfill including ownership and management options; and
- Water conservation.

These areas will be looked at over the next few years and any changes will be addressed and consulted on as part of the annual plan process. This consultation document and supporting documentation to the long-term plan 2015-25 have been prepared on the basis that no changes have been made to the budgets in the above areas.

We are proposing to increase service levels in two areas – infrastructure and the city centre. This would see the capital expenditure across these areas increasing. The infrastructure investment is to ensure our city's smooth running and resilience in the event of an earthquake or other natural hazard. Our city centre is the heart of our city. It is the part of the city most often criticised in our annual surveys. Over the next 10 years we propose to spend \$21 million to transform the physical space, drive residential

development and enable businesses to locate in the city centre with confidence.

We have made savings and identified areas where we could deliver the same service for less money. Some services will be reviewed, while others including infrastructure services and investment in the city centre will be increased.

FEEDBACK REQUIRED

Following a review of Council-owned property, we propose to sell surplus property that is no longer required by the city. We will consult with the community on specific land sales. Do you agree with this?



³ Our service is currently running at a loss which needs to be addressed in the upcoming review of this activity.

Efficiency of our business

We continually strive for cost savings and efficiencies. This will become even more critical over the next decade. These savings are often invisible to the community but help to keep rates down.

We have improved the way we manage debt by joining the Local Government Funding Authority, we're using alternatives to bank funding, and have obtained a credit rating which has greatly reduced the amount of interest we pay on our debt (around \$600,000 in savings per year on current debt levels).

We are also working with Wellington City Council, Upper Hutt City Council and Greater Wellington Regional Council on a shared service initiative for information communication technology infrastructure. A proposal is likely to be developed in the near future. If the initiative receives the green light, the four councils could form a council controlled organisation to operate the new service. Should this be the case, we will consult the community separately on this. This consultation is likely to happen before 30 June this year.



From 2015/16 on we will also:

- Reduce insurance costs through smarter investment valued at \$400,000 per year;
- Introduce new procurement processes estimated to reduce costs by up to \$200,000 per year;
- Reduce energy budgets by \$400,000 per year; and
- Make other minor savings valued at \$150,000 per year.

We have also been able to identify increased revenue opportunities, including:

- Charging for roading corridor access fees valued at \$180,000 per year;
- Increasing trade waste fees valued at \$75,000 per year; and
- Fully charging commercial water users valued at \$246,000 per year.

Unfortunately, there have also been a number of unforeseen cost increases and revenue reductions. These include:

- Lower contribution from Wellington City Council to the Wastewater Treatment Plant by \$575,000 per year;
- Rubbish bag sales have reduced by \$250,000 per year⁴ ;

- Increase in costs from the Wellington Water Limited contract of \$100,000 per year;
- Lower waste volumes through the landfill by \$463,000 per year; and
- Increased bulk water charges from Greater Wellington Regional Council by \$146,000.

We continue to minimise costs, examine our processes and keep staff numbers under control while delivering the wide range of services that you as residents and ratepayers expect from us.

We have managed to find savings and extra revenue in excess of \$1.5 million but this has been offset by an unexpected fall in revenue and unforeseen costs.



⁴ Our service is currently running at a loss which needs to be addressed in the upcoming review of this activity.

Our infrastructure

Infrastructure is the largest and most critical area of investment for Porirua City Council at \$970 million. It is fundamental to our vision *Porirua: a great place to live, work and raise a family*. Without a well-functioning system of infrastructure, the city will not thrive.

In response to the challenges of aging infrastructure and the need to share costs of renewing it now and into the future, we have developed an infrastructure strategy that will inform our funding and decisions over the next 30 years. The strategy aims for Porirua, in 2045, to be a well-connected, resilient, safe and prosperous city, supported by high quality, reliable and efficiently managed infrastructure. The full strategy is available on our website at www.pcc.govt.nz and at city libraries.

Porirua currently has a good standard of infrastructure but as our city and our networks age we need to continue to invest. With the added risk of earthquakes, climate change and other natural phenomena, we also need to invest for resilience.

Porirua is projected to grow at a slow and steady rate for the next 30 years so its assets are unlikely to face significant growth pressures or major capacity increases, particularly if smart, medium to high density growth is faster than projected. It is, however, likely that the northern suburbs of Wellington city (which send wastewater to Porirua's wastewater treatment plant) will grow at a slightly faster rate, increasing demand on the wastewater treatment plant. Wellington's share of wastewater entering Porirua's system will continue to be monitored so that Wellington city residents pay a fair share of any future capacity upgrades required to accommodate the increased demand.

Once Transmission Gully Highway is completed, it is likely ownership of parts of State Highway 58 (from Paremata to Pauatahanui) and State Highway 1 (from Mungavin Avenue to Paekakariki) will be transferred to the Council. At this stage the conditions of the transfer are unknown, therefore the financial implications of a change in ownership have not been included in the long-term plan 2015-25.

Improving the quality of our infrastructure, particularly with central government's recent review of environmental standards, is more urgent. This is reflected in Council's strategic focus on the health of Porirua Harbour and an enhanced work programme to reduce inflow and infiltration of stormwater into the wastewater network.

Infrastructure investment programme

To address the key issues for infrastructure in the city, we propose to spend \$347 million on new or replacement infrastructure over the next 30 years.

Over the same period, \$1160 million is proposed to be spent on operating costs, labour, materials and maintenance (excluding depreciation and revenue).

These figures are anticipated to be spread across the four infrastructure asset activity areas as follows:

INFRASTRUCTURE ACTIVITY	CAPITAL EXPENDITURE	OPERATIONAL EXPENDITURE
Water Supply	\$61.7 million	\$279.8 million
Wastewater	\$109.6 million	\$580.2 million
Stormwater	\$47.5 million	\$47.5 million
Transport	\$128.5 million	\$252.5 million
Total	\$347 million	\$1160 million

Capital expenditure over the 30 year period is projected to spike at various times, as shown over the page. Those peaks are due to the proposed projects listed below. Some of these projects have been consulted on already. The other projects will be consulted on through the annual plan process:

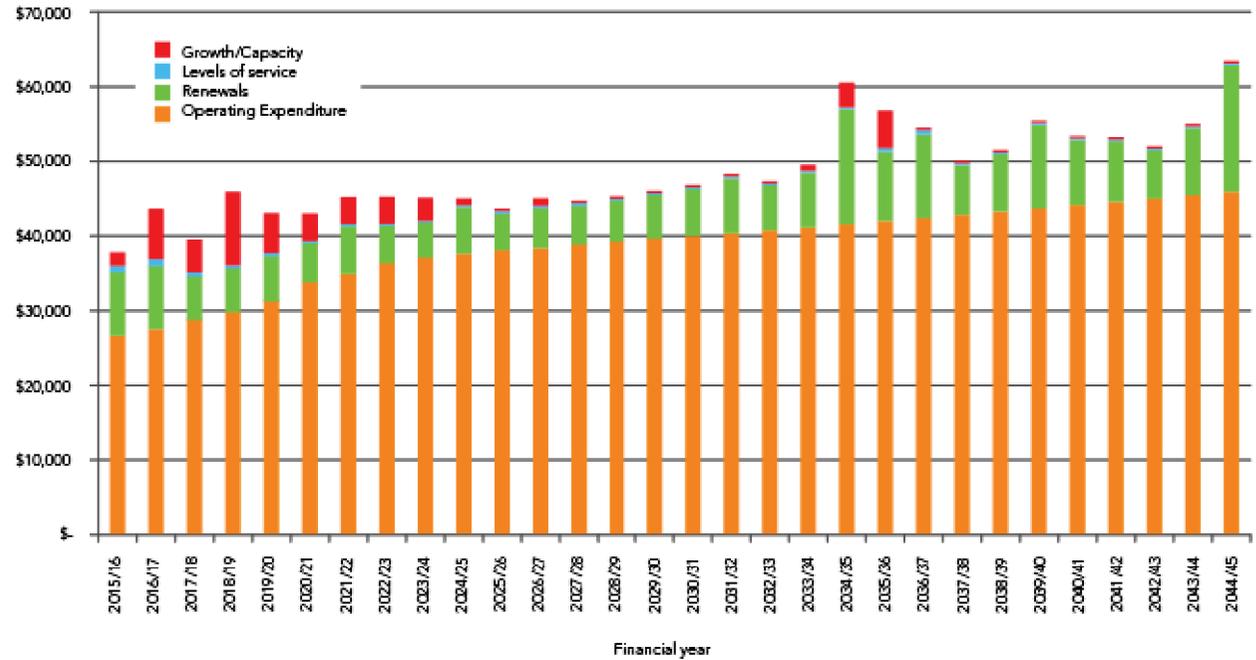
- Transmission Gully link roads (2015 – 2019);
- City centre revitalisation (2015 - 2025);
- Trunk wastewater network upgrades (2015/16);
- Underground joint venture sewerage storage tank (2016/17);
- Duck Creek sewer pump station upgrade (2016/17);
- Elsdon water reservoir and pipeline build (2018/19);
- Trunk sewer network upgrades (2018/19);
- Roading intersection upgrades (2018/19);
- First and second stages of the central business district stormwater improvements (2034 – 2036);
- Major water reservoir replacement (2034/35);
- Wastewater treatment plant renewals (2035/36); and
- Second major reservoir replacement (2044/45).



The following graph shows projected infrastructure expenditure for the next 30 years.

Expenditure across the four infrastructure activity areas will continue to be dominated by operational requirements (operating costs, labour, materials and maintenance, excluding depreciation). Total infrastructure expenditure is expected to remain between \$37 million and \$65 million per year for most of the period covered by the infrastructure strategy. The peaks in expenditure being in 2016/17 and 2018/19 when major transport and joint venture wastewater capital works are expected to be carried out, in 2034/35 as a major reservoir renewal coincides with a major stormwater upgrade project, and in 2044/45 when a second major reservoir is to be renewed.

Projected Infrastructure Expenditure 2015-2045



Balancing our books

Prudent financial management means balancing three key elements:

- Affordable rating levels for households and businesses;
- Managing public debt within wise levels; and
- Managing within the balanced budget as required by the Local Government Act.

With these elements in mind we have developed four budget options for residents to consider. The options are based on the Local Government Cost Index (an index that best measures the costs that impact local authorities as opposed to the Consumer Price Index which measures the costs that impact on households).

The four options are:

Option One: Status quo – continuing as we are achieves reasonable rates but unsustainable debt and an unbalanced budget;

Option Two: Significantly reducing our spend on core infrastructure – increases the likelihood of infrastructure failure;

Option Three: Balancing our books by 2017/18 – unaffordable for households; and

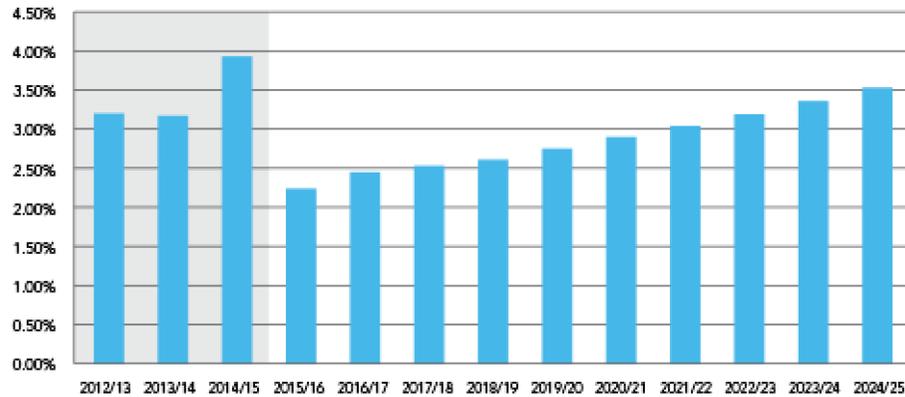
Option Four: Balancing our books by 2021/22 – a prudent balanced approach continually looking to apply savings to shorten that period.



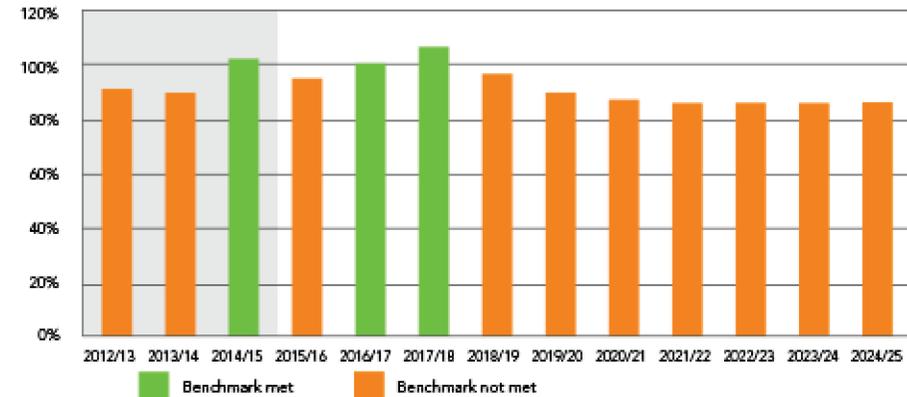
Option One: Status Quo

While Option One has low rates, it has ballooning debt and would be financially unsustainable and reckless. The Council would fail to meet the Local Government Act balanced budget benchmark for eight of the next 10 years. We also fail to meet the balanced budget statutory obligations and deficits increase year upon year.

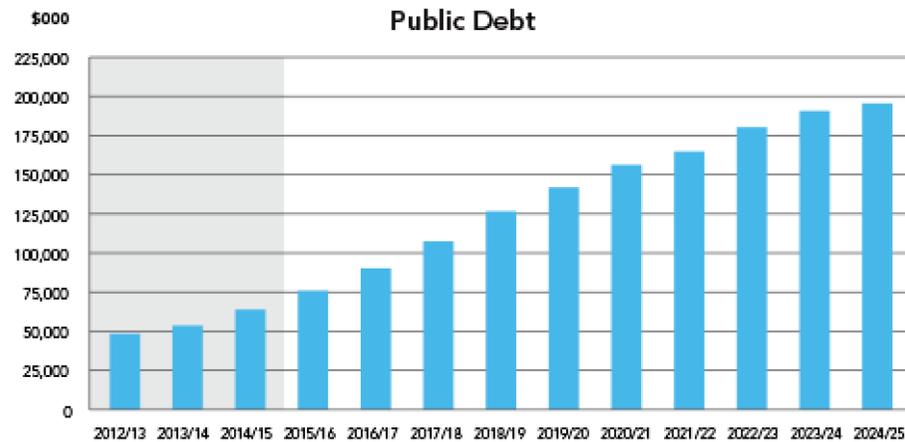
Rate increase for average ratepayer



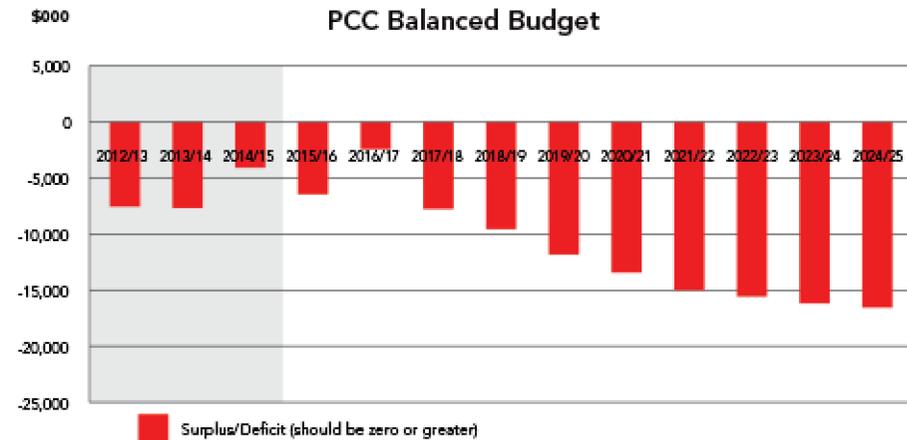
LGA Benchmark Balanced Budget



Public Debt



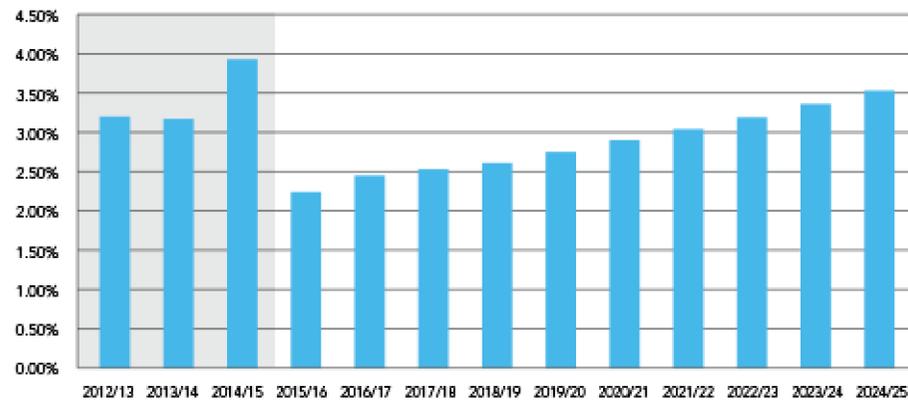
PCC Balanced Budget



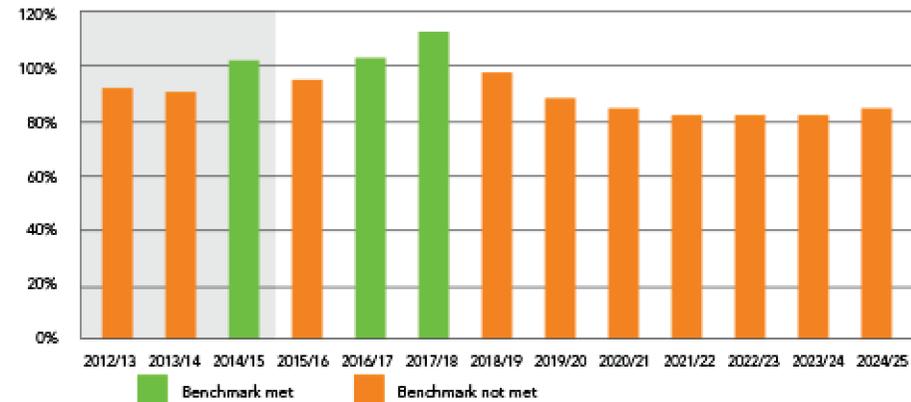
Option Two: Significantly reducing our spend on infrastructure

Option Two shows capital spending restricted to \$20 million per year. Rates would remain low, debt would increase but not as drastically as Option One. However, infrastructure assets would deteriorate because of the cap on capital expenditure. Instead of a financial deficit we would have an infrastructure deficit. It also fails to meet the Local Government Act balanced budget benchmark for eight of the next 10 years.

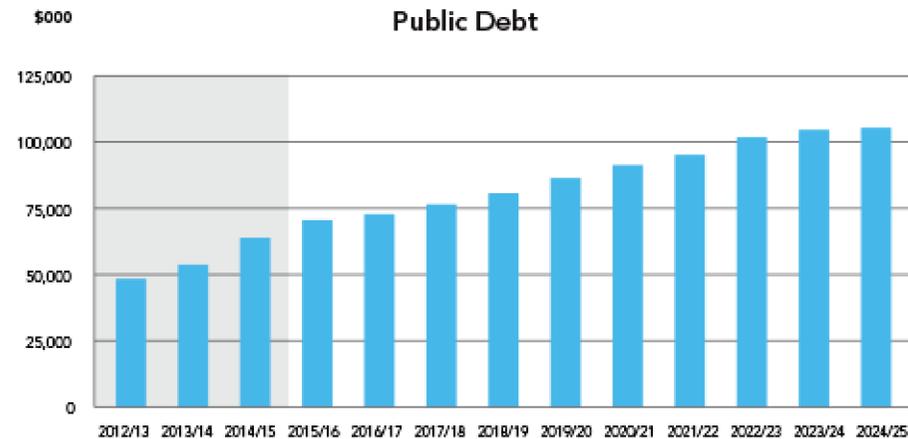
Rate increase for average ratepayer



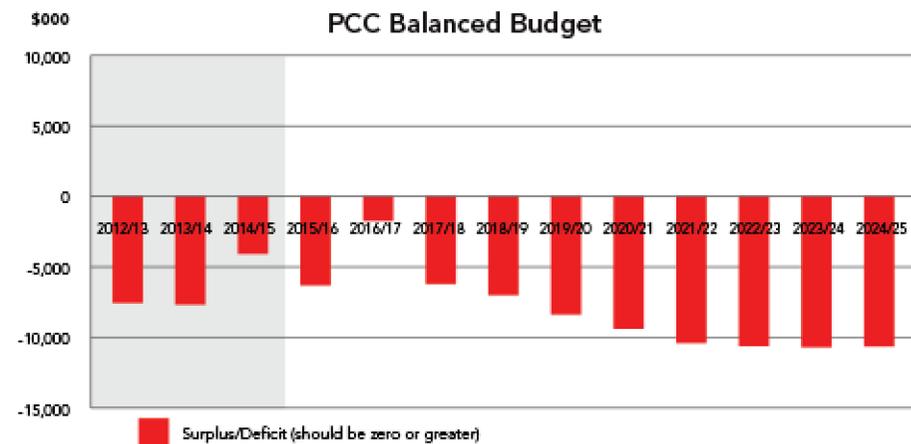
LGA Benchmark Balanced Budget



Public Debt



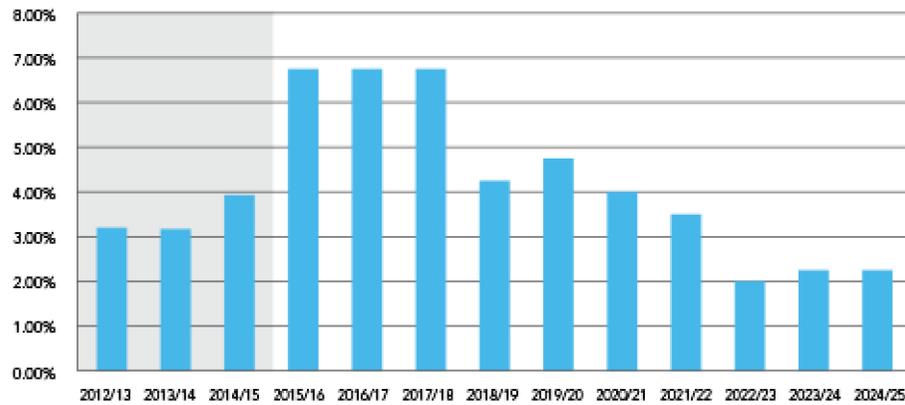
PCC Balanced Budget



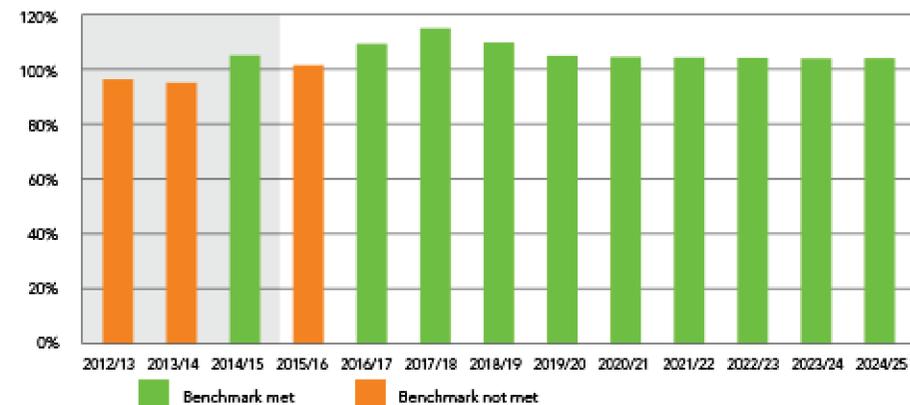
Option Three: Balancing our books by 2017/18

Option Three sees rates soaring for the first three years but then they fall and produce the lowest level of rates increase of all options. Debt increases but peaks at a lower level than the other options. It delivers the Local Government Act balanced budget benchmark, nine of the next 10 years, and a balanced budget from 2016/17 onwards. The early rise in rates for the first three years is likely to be unacceptable to most ratepayers.

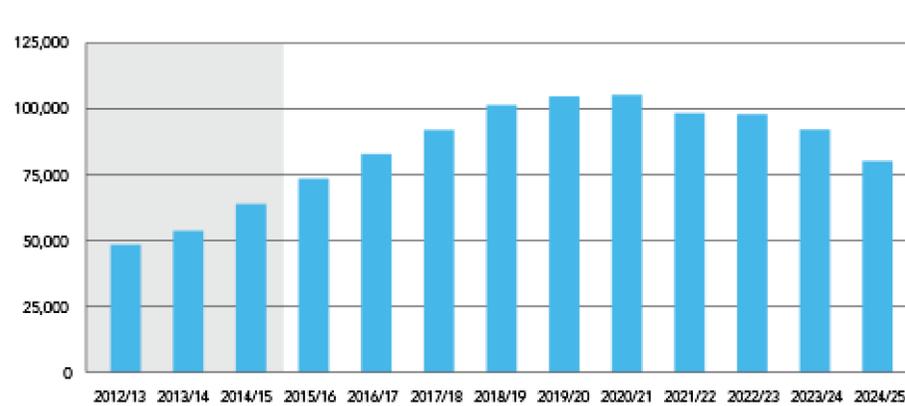
Rate increase for average ratepayer



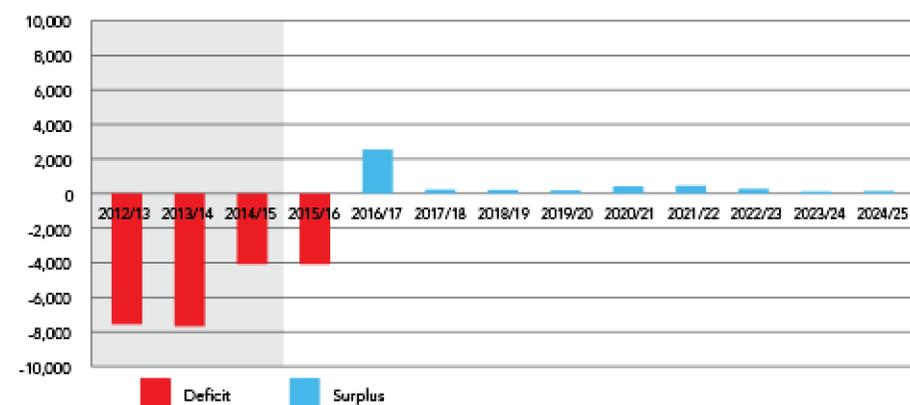
LGA Benchmark Balanced Budget



Public Debt

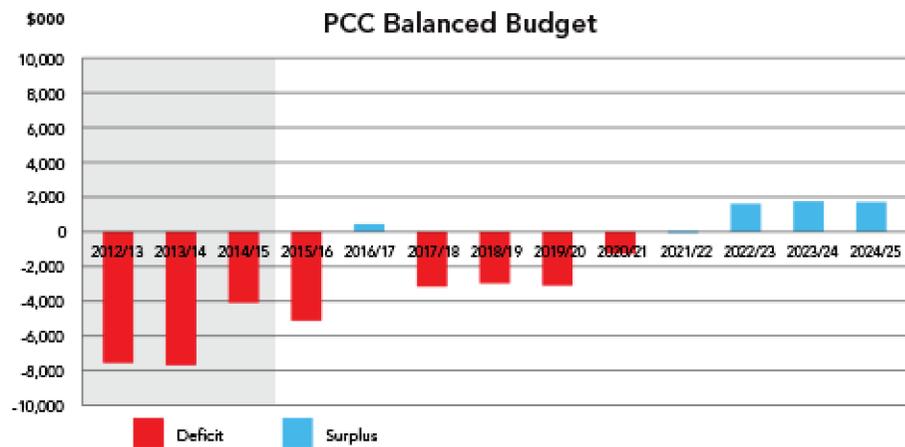
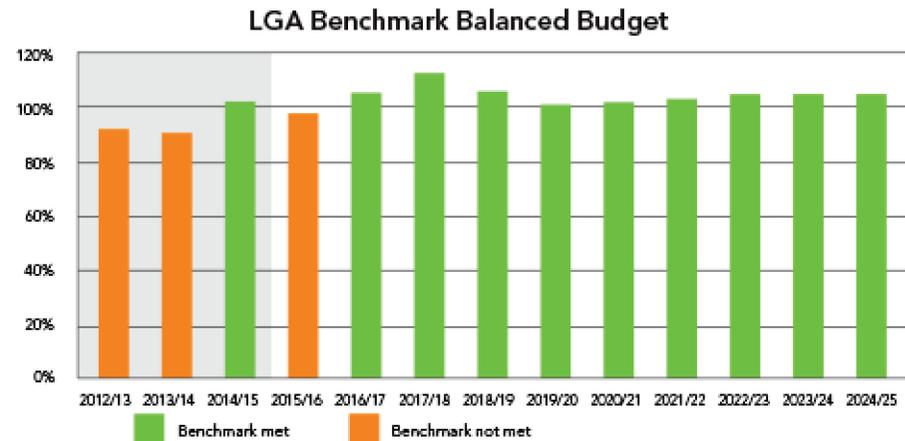
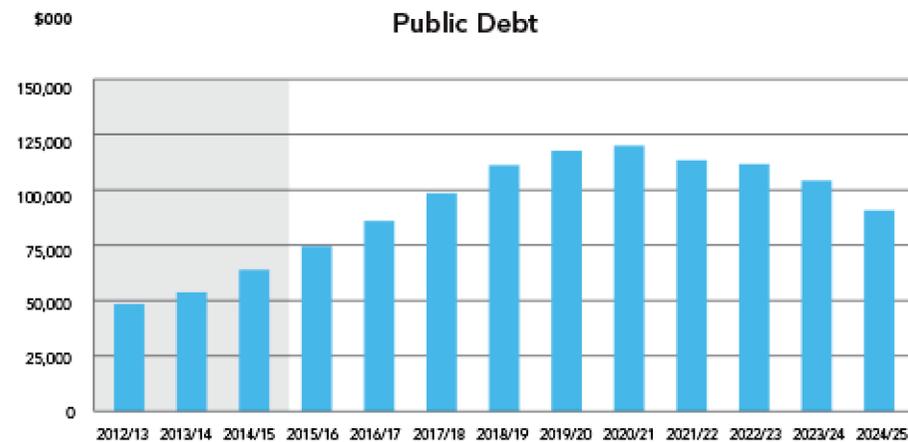
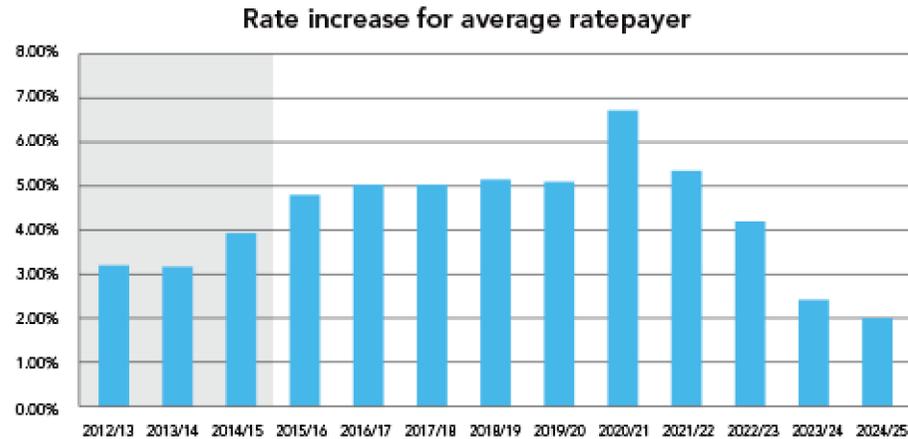


PCC Balanced Budget



Option Four: A balanced budget by 2021/22

Option Four ensures we live within our means and at the same time moves us to a balanced budget position by 2021/22. It also meets the LGA balanced budget benchmark for nine of the next 10 years.



What option is best?

Option Four: a balanced budget by 2021/22 is our preferred option because it balances rate increases with other budget considerations and enables us to meet financial targets by 2021/22. It is important to note that rate increases are still high.

Although Option Three: balancing our books by 2016/17 gets us to the strongest financial position the quickest it also has the largest rate increases in the early years of the plan. If we only focus on keeping rate levels low all of our other financial indicators are unsustainable, with significant debt levels and no balanced budget.

It is critical for us to live within our means. Option Four moves us in a sustainable way towards a balanced budget and provides for rating for depreciation.

Over the 10 years of the plan, debt is forecast to peak at \$120 million in 2021 (at the completion of the link roads to Transmission Gully Highway), declining to \$91 million in 2024/25 as we balance the budget and rate for depreciation.

Section 100 and clause 14 of schedule 10 of the Local Government Act requires us to have a balanced budget for all 10 years of the long-term plan. We acknowledge that we will not achieve this for all 10 years. This is because we believe that setting rate levels to immediately achieve this would be inequitable and extremely hard on ratepayers. Option four: a balanced budget by 2021/22 will result in the best fiscal and sustainable outcome. While rates will be higher than in previous years, it will enable us to achieve the capital investment required for the city while maintaining the levels of service that residents expect.

FEEDBACK REQUIRED

While our current financial position is basically sound, it is not sustainable over the next 10 years. We propose a sustainable approach as outlined in option four: a balanced budget by 2021/22 in the consultation document. Do you agree with this?



What will our rates look like?

Rate increases will be higher than we all want but are necessary to move us towards a balanced budget.

We have a high dependence on rates as our income source. Unlike many metropolitan councils we do not have significant assets such as airports or ports, to provide alternative sources of income to offset the amount of rates we need to collect. Rates account for 74% of our cash income compared to the national average of around 54%⁵. To make up this difference we have to raise \$13 million more by rates than the average New Zealand council – simply because we are a young city with few income generating businesses in our ownership.

We also have fewer ratepayers than might be expected for our population. We provide the same levels of service and perform the same functions as other councils like Kapiti Coast District Council for example, that has a similar population of 50,000, but is able to raise rates from 24,000 properties. Porirua, with a population of 52,000, has only 18,000 properties to raise rates from. Essentially we have more people in each household and fewer households. Fewer ratepayers mean we have to collect more rates from each property.

As we start to rate for depreciation and move towards a balanced budget, we need to have higher rates than we would like. For the average ratepayer with a property value of \$381,000, their rate increase is estimated to be 4.8 per cent or \$124 per annum which is a \$2.38 per week increase.



⁵ Local Government Funding Review: A Discussion Paper, February 2015, p.20

The table below shows the proposed rate levels for the next 10 years:

	2015/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25
Year	1	2	3	4	5	6	7	8	9	10
Rates Income (\$million) ¹	54.0	57.3	60.8	64.5	68.4	73.7	78.4	82.5	85.3	87.9
Average effect on ratepayers²	4.80%	5.03%	5.03%	5.15%	5.10%	6.72%	5.35%	4.20%	2.42%	2.00%
LGCI benchmark	2.24%	2.45%	2.53%	2.61%	2.75%	2.90%	3.04%	3.19%	3.36%	

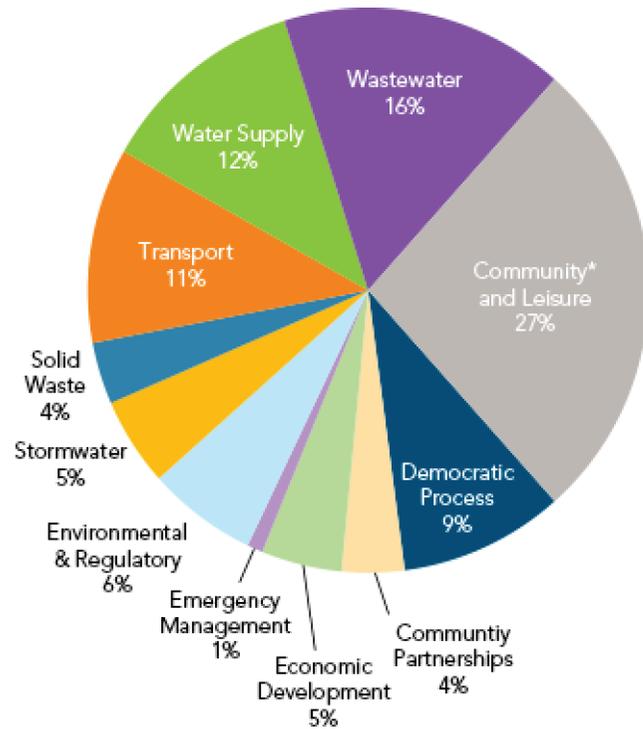
¹ These figures include inflation but exclude GST

² These figures do not take into account additional income from new properties in the City each year. Property growth assumed to be 1.0% annually.



How will rates be spent?

The graph below shows the portion of rate funding that goes towards each of the Council's nine groups of activities from 2015 to 2025.



***Community and leisure services include:**

- Libraries
- Indoor recreation
- Arts & heritage
- City landscape
- Sportsfields
- Cemeteries and crematorium
- Community recreation programmes.

Rating levels for the first seven years of the long-term plan are at higher levels than has been the case for a number of years. They reflect our increased investment in infrastructure, increase in rating for depreciation, and the need to move towards a balanced budget so we are living within our means. We expect to have a balanced budget in 2021/22 and also a drop in rates. We could then increase investment beyond what is planned because we will be in a stronger financial position to do so.



Property Rates for 2015/16

The proposed 2015/16 rates are based on the assumption that there will be a one per cent growth in the rating base for all types of property. If the one per cent growth in the rating base is not achieved by 30 June 2015 for any rating group the proposed rating increase for a rating group will be higher. All amounts expressed include GST calculated on the basis of the prevailing rate at the time of supply.

Table 1: Residential Properties - Rate Increase for 2015/16

PROPERTY VALUE	2015/16 ANNUAL RATES (1)	RATES INCREASE (%)	ANNUAL RATES COMPRISE OF THE FOLLOWING CHARGES:					TOTAL RATES PER WEEK
			WATER	WASTE WATER	KERBSIDE RECYCLING	GENERAL	UAGC ⁶	
\$250,000	\$2,150	4.5%	\$355	\$349	\$22	\$1,004	\$419	\$41
\$350,000	\$2,552	4.8%	\$355	\$349	\$22	\$1,406	\$419	\$49
\$450,000	\$2,954	5.0%	\$355	\$349	\$22	\$1,807	\$419	\$57
\$550,000	\$3,355	5.2%	\$355	\$349	\$22	\$2,209	\$419	\$65
\$750,000	\$4,158	5.4%	\$355	\$349	\$22	\$3,012	\$419	\$80
\$1,000,000	\$5,162	5.6%	\$355	\$349	\$22	\$4,016	\$419	\$99

Note: Figures include general and targeted rates but exclude rates assessed by Greater Wellington Regional Council (go to www.gw.govt.nz) for information on Greater Wellington's rates for 2015/16.

Table 2: Residential Properties – Average Weekly Rate Increase for 2015/16

PROPERTY VALUE	AVERAGE WEEKLY RATE INCREASE
\$150,001 to \$250,000	\$1.53
\$250,001 to \$350,000	\$2.00
\$350,001 to \$450,000	\$2.47
\$450,001 to \$550,000	\$2.94
\$550,001 to \$750,000	\$3.65
\$750,001 to \$1,000,000	\$4.71

⁶ Uniform annual general charge

Table 3: Rural Properties - Rate Increase for 2015/16

PROPERTY VALUE	2015/16 ANNUAL RATES (1)	RATES INCREASE (%)	ANNUAL RATES COMPRISE OF THE FOLLOWING CHARGES:					TOTAL RATES PER WEEK
			WATER	WASTE WATER	KERBSIDE RECYCLING	GENERAL	UAGC	
\$250,000	\$1,122	5.9%	\$0	\$0	\$0	\$703	\$419	\$22
\$450,000	\$1,684	6.1%	\$0	\$0	\$0	\$1,265	\$419	\$32
\$550,000	\$1,965	6.1%	\$0	\$0	\$0	\$1,546	\$419	\$38
\$750,000	\$2,527	6.2%	\$0	\$0	\$0	\$2,108	\$419	\$49
\$1,000,000	\$3,230	6.3%	\$0	\$0	\$0	\$2,811	\$419	\$62

Note: Figures include Uniform Annual General Charge (UAGC), exclude targeted rates such as water, sewerage and the Pumped Pressure Sewerage and Water Reticulation for Pauatahanui Village, and exclude rates assessed by Greater Wellington Regional Council (go to www.gw.govt.nz for information on Greater Wellington's rates for 2015/16).

Table 4: Rural Properties – Average Weekly Rate Increase for 2015/16

PROPERTY VALUE	AVERAGE WEEKLY RATE INCREASE
\$150,001 to \$250,000	\$1.03
\$250,001 to \$350,000	\$1.36
\$350,001 to \$450,000	\$1.69
\$450,001 to \$550,000	\$2.02
\$550,001 to \$750,000	\$2.51
\$750,001 to \$1,000,000	\$3.25

Table 5: Business Properties - Rate Increase for 2015/16

PROPERTY VALUE	2015/16 ANNUAL RATES (1)	RATES INCREASE (%)	ANNUAL RATES COMPRISE OF THE FOLLOWING CHARGES:					TOTAL RATES PER WEEK
			WATER	WASTE WATER	KERBSIDE RECYCLING	GENERAL	UAGC	
\$250,000	\$4,638	5.5%	\$355	\$349	\$0	\$3,514	\$419	\$89
\$450,000	\$7,449	5.9%	\$355	\$349	\$0	\$6,325	\$419	\$143
\$550,000	\$8,855	6.0%	\$355	\$349	\$0	\$7,731	\$419	\$170
\$750,000	\$11,666	6.1%	\$355	\$349	\$0	\$10,542	\$419	\$224
\$1,000,000	\$15,180	6.2%	\$355	\$349	\$0	\$14,056	\$419	\$292

Notes:

1. Figures include Uniform Annual General Charge (UAGC), general and targeted rates, exclude targeted rate for kerbside recycling and Pumped Pressure Sewerage and Water Reticulation for Pauatahanui Village, and exclude rates assessed by Greater Wellington Regional Council (go to www.gw.govt.nz for information on Greater Wellington's rates for 2015/16).
2. Business Group 13 consists of 766 business properties. Of the 766 business properties 56 are also charged a City Centre Development rate and the City Centre Covered Walkways rate. In 2015/16 there will be no City Centre Covered Walkways rate because the original loan for the Canopies will be fully repaid. As a result, the 56 business properties will have a reduction in their 2015/16 year rates.

Table 6: Business Properties – Average Weekly Rate Increase for 2015/16

PROPERTY VALUE	AVERAGE WEEKLY RATE INCREASE
\$150,001 to \$250,000	\$3.75
\$250,001 to \$350,000	\$5.47
\$350,001 to \$450,000	\$7.14
\$450,001 to \$550,000	\$8.79
\$550,001 to \$750,000	\$11.29
\$750,001 to \$1,000,000	\$15.03

Table 7: Motel Properties - Rate Increase for 2015/16

PROPERTY VALUE	2015/16 ANNUAL RATES (1)	RATES INCREASE (%)	ANNUAL RATES COMPRISE OF THE FOLLOWING CHARGES:				TOTAL RATES PER WEEK
			WASTE WATER*	KERBSIDE RECYCLING	GENERAL	UAGC	
\$250,000	\$2,495	5.2%	\$349	\$0	\$1,727	\$419	\$48
\$450,000	\$3,877	5.6%	\$349	\$0	\$3,108	\$419	\$75
\$550,000	\$4,568	5.7%	\$349	\$0	\$3,799	\$419	\$88
\$750,000	\$5,949	5.8%	\$349	\$0	\$5,181	\$419	\$114
\$1,000,000	\$7,676	5.9%	\$349	\$0	\$6,908	\$419	\$148

Note: Figures include Uniform Annual General Charge (UAGC), general and targeted rates, exclude kerbside recycling targeted rate, and exclude rates assessed by Greater Wellington Regional Council (go to www.gw.govt.nz for information on Greater Wellington's rates for 2015/16).

* The examples above only show one wastewater charge whereas motels have a number of wastewater charges depending on their number of units.

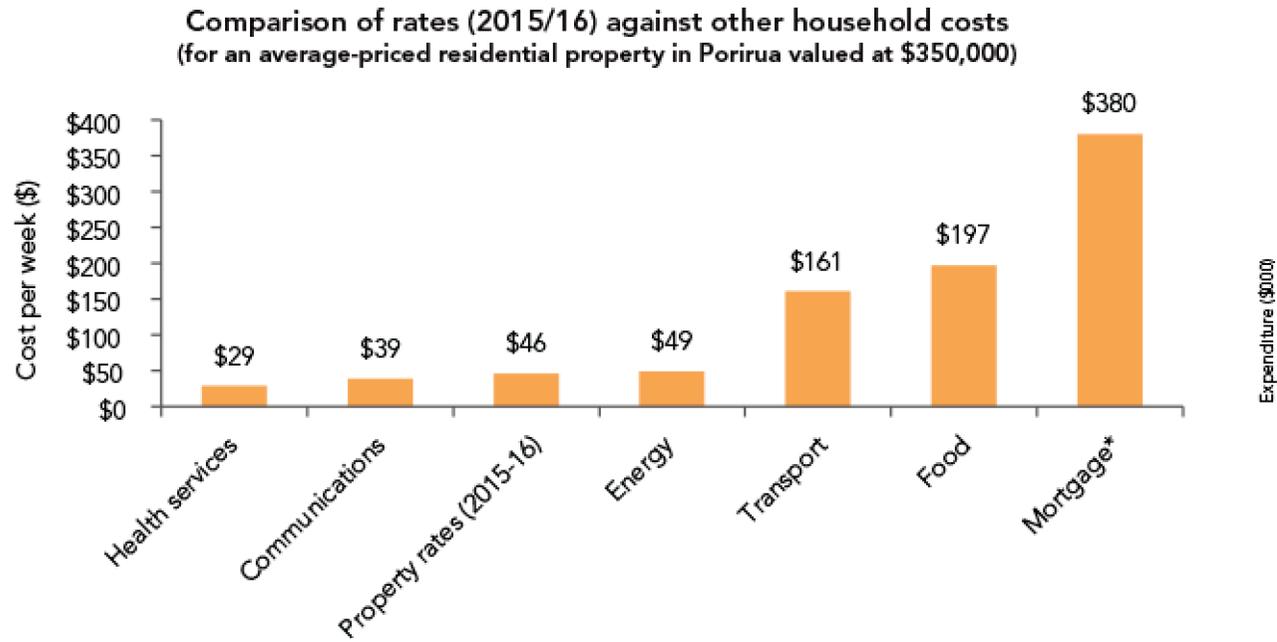
Table 8: Shopping Plaza Properties - Rate Increase for 2015/16

PROPERTY VALUE	2015/16 ANNUAL RATES (1)	RATES INCREASE (%)	ANNUAL RATES COMPRISE OF THE FOLLOWING CHARGES:					TOTAL RATES PER WEEK
			WATER	WASTE WATER	KERBSIDE RECYCLING	GENERAL	UAGC	
\$250,000	\$3,925	5.4%	\$355	\$349	\$0	\$2,801	\$419	\$75
\$450,000	\$6,166	5.8%	\$355	\$349	\$0	\$5,042	\$419	\$119
\$550,000	\$7,287	6.0%	\$355	\$349	\$0	\$6,163	\$419	\$140
\$750,000	\$9,527	6.1%	\$355	\$349	\$0	\$8,403	\$419	\$183
\$1,000,000	\$12,329	6.3%	\$355	\$349	\$0	\$11,205	\$419	\$237

Note: Figures include Uniform Annual General Charge (UAGC), general and targeted rates, exclude kerbside recycling targeted rate and exclude rates assessed by Greater Wellington Regional Council (go to www.gw.govt.nz for information on Greater Wellington's rates for 2015/16).

How do rates compare against other household costs?

The graph below shows how 2015/16 rates for an average property compare against other common household costs⁷.



* based on 80% lending for a 30 year mortgage on a two-year fixed interest rate of 5.99%

⁷ Source: Statistics NZ Household Economic Survey, year ended June 2013

Securing our future

In 2025 we will have a more reliable and resilient infrastructure network. We will have invested significantly in our roads and the delivery of water, wastewater and stormwater services. We will have a debt level that is well within policy levels and rate increases will be down below 3 per cent for the average ratepayer. We will also have been able to put in place fiscal policies that address a number of legacy challenges with regards to rating for depreciation and running deficit budgets.

Over the 10 years of the plan we are proposing to spend \$300 million on capital, 32 per cent of which will be in the wastewater, stormwater and water supply areas, and 24 per cent on roading. The other main area of spending is in the city centre where we propose to spend \$21 million.

Significant capital projects include:

- \$41 million on increasing the capacity of our Wastewater Treatment Plant to handle the projected growth over the next 25 years (the plant is 25 years old and nearing its current capacity);
- \$33 million on improving the condition of our roads – currently eight per cent of our 247 kilometres of roading are classified below ‘fair’. This will drop to four per cent by 2025;
- \$31 million on the link roads to Transmission Gully Highway;
- \$21 million on City Centre revitalisation, including surrounding areas;
- \$9 million on new reservoirs and refurbishment of existing reservoirs; and
- \$1 million on PATAKA Art+Museum, which is 15 years old, and Te Rauparaha Arena, which is six years old.



Audit opinion

Submission information

How to access the consultation document

The consultation document may be viewed on the Council website (www.pcc.govt.nz); at the Council's libraries; and at the Council's Administration Building on Cobham Court, Porirua City.

How to send in a submission

The submission period is 2 April to 1 May 2015. **Feedback must be received by 5pm Friday 1 May 2015.** Please read the consultation document before providing your feedback. We encourage you to provide feedback online; alternatively, you can complete this form and return to us as outlined below. You can attach additional A4 pages to your submission, but please also include your name and contact information on any additional pages.

Online

Go to www.pcc.govt.nz to fill in the online submission form

Post

Porirua City Council
PO Box 50218
Porirua, 5240

E-mail

Simply scan your completed form and email to submissions@pcc.govt.nz

In person

Drop off at your local library or to the Council Administration Building

Submissions must include your contact details, plus whether or not you wish to present your submission at the public hearing. Submission information will be placed on the public record and will be made available on the Council's website shortly after it is received.

Submission form

Submitter Details

First name: _____
Last name: _____
Postal Address: _____
Suburb: _____
Postcode: _____
Organisation: _____
Phone: _____
Mobile: _____
E-mail: _____

Our strategic priorities

Children and young people at the centre of city decisions

- 1(a)** This is a new priority for Porirua City Council to make clear our commitment to the children and young people of our city. Do you agree with this?
Yes No

- 1(b)** What do you think the Council could do to support this new priority?

- 1(c)** Do you agree the Council should invest \$500,000 in a splash pad?

Yes No

A healthy and protected harbour and catchment

- 2(a)** We have just reconfirmed the Te Awarua-o-Porirua Harbour and Catchment Strategy and Action Plan 2015 after consultation so we think we are on the right track. Do you agree?

Yes No

- 2(b)** What actions do you think will help to improve the health of our harbour?

A growing, prosperous and regionally-connected city

- 3(a)** Over the next 10 years we propose to spend \$300 million capital expenditure. Of this, \$166 million is proposed for the city's existing infrastructure to improve resilience and reduce the risk of service failure to the community. Do you agree with this proposed level of investment?

Yes No

- 3(b)** The Council proposes to spend \$21 million capital expenditure over the next 10 years on physical upgrades to the city centre to improve pedestrian access, attract business and encourage residential development (this represents a total of four per cent of rates once completed). Do you agree with this proposed level of investment?

Yes No

The canopies were a feature in the city centre for nearly 20 years and had to be removed for safety reasons. Now we need to decide whether they should be replaced or not, or whether more translucent material (to allow more light in) would be a good option. We have allowed \$4 million over the next two years which is the estimated cost of full replacement (this represents 0.9 percent of rates on completion). **Tick** which option you prefer:

- 3(c) No cover** – this is a cheaper option (approximately \$60,000), providing an open environment suitable for events such as food markets and community sponsored occasions, however, not providing as much protection from the weather;
- 3(d) Full cover with translucent material** – this option (approximately \$1.2 million) covers the whole canopy area using translucent material to allow more light in; OR

3(e) Full cover – this option (approximately \$1.3 million), covers the whole canopy area with like for like material.

3(f) What do you think we could do to improve the city centre?

3(g) Do you think the Council should invest \$4 million (this represents a total cost of one per cent of rates on completion) in improvements to intersections along Whitford Brown Avenue?

Yes No

A great village and city experience

4(a) Do you think the city would benefit from a performing arts facility?

Yes No

4(b) The proposed cost of a stand-alone performing arts facility is estimated at \$8 million. We are proposing a partnership arrangement which would deliver the facility at a much lower cost to Council – estimated at \$1 million. Aotea College has made a proposal to Council for a joint performing arts facility. What do you think?

4(d) The Council has recently been considering live streaming of its meetings to enable greater public access to Council decisions. This is likely to cost \$65,000 to set up. Do you agree with live streaming of Council meetings?

Yes No

Our services to you

5(a) Following a review of Council-owned property, we propose to sell surplus property that is no longer required by the city. We will consult with the community on specific land sales. Do you agree with this?

Yes No

Balancing our books

6(a) While our current financial position is basically sound, it is not sustainable over the next 10 years. We propose a sustainable approach as outlined in option four: a balanced budget by 2021/22 in the consultation document. Do you agree with this?

Yes No

If not, which option do you prefer and why?

General Comments

7.1 Do you have any other comments about the consultation document for the long-term plan 2015-25 or any other policies we are currently consulting on?

Do you wish to speak to your submission at the Porirua City Council submission hearing?

Yes No

Submitter's Signature: _____

Date of Submission: _____

Thank you for your submission

All submissions will be acknowledged in writing. Privacy Act Notice: submissions will form part of the Hearings Committee agenda and will be publicly available.