



UPPER HUTT CITY

# Annual Report 2011 – 2012

1 July 2011 > 30 June 2012





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# A joint report

## FROM HIS WORSHIP THE MAYOR AND THE CHIEF EXECUTIVE

The last 12 months have proved to be another very full year for Upper Hutt City Council, with the majority of what had been planned for the year, delivered. This section of the Annual Report summarises some of the key achievements, and provides an overview of the performance measures achieved and not achieved during the year, from 1 July 2011 to 30 June 2012.

Keeping the unstable economy in mind at all times, Council has continued its history of prudence when making financial decisions—particularly those that affect rate increases and debt levels. Council is always committed to making Upper Hutt a better place to live, work, and play, and a place where people and businesses choose to move to. Despite the continuing economic uncertainty around the world, there is evidence that some growth is returning to Upper Hutt, with a number of new businesses setting up here.

One of the main focusses for all New Zealand councils throughout the year, has been the review and planning for the Long Term Plan 2012 – 2022 (LTP). This was a very lengthy process—critical to get right—as its result will direct our path over the next ten years. Council was very encouraged by the amount of public engagement and sharing of ideas at the LTP meetings and workshops, and through the submission process. The submissions helped to guide the Councillors in making their final decisions on which projects go forward and the acceptable level of rates.

### **THE KEY FINANCIAL EXPENDITURES THROUGHOUT THE YEAR WERE:**

- Commencement of the Maidstone Park sports ground development—\$3,784,000
- Scheduled maintenance, including a new roof—\$946,000 and lighting—\$79,000 for H<sup>2</sup>O Xstream
- Completion of the Akatarawa Raod bridge replacements—\$3,292,000

## A brief overview of 2011 – 2012 achievements

### **MAIDSTONE PARK SPORTS GROUND DEVELOPMENT**

Construction began in December 2011 on the Maidstone Park sports ground development. Mayor Wayne Guppy was on hand at the official 'turning of the sod.' He was accompanied by Rex Manning from the National Hockey Stadium Trust and Andy Leslie from Pelorus Trust, along with Councillors Glenn McArthur and Dave Wheeler.

As part of its commitment to the community, Upper Hutt City Council invested significantly in the project along with funding from the National Hockey Stadium Trust, Pelorus Trust, Lion Foundation, and Wellington Community Trust.

The development includes a full-sized hockey turf, a full-sized artificial rugby/soccer turf, a practice area, lights, and associated infrastructure, including car parking and storage.



The inaugural game of hockey was played on the new artificial turf on 21 April 2012 under the watchful eye of a number of spectators. Council also successfully applied for further funding from Pelorus Trust to upgrade part of the Maidstone Park Club Rooms Pavilion, and this work will commence early in the new financial year.

The new facility at Maidstone Park will be a great asset to Upper Hutt's economy, bringing many people from around the region to the city most weekends.

### **AKATARAWA ROAD BRIDGE REPLACEMENTS**

After 34 weeks of construction involving the replacement of three old, single-lane, timber bridges along the Akatarawa Road, the new, two-lane, concrete bridges were opened for traffic in time for Staglands Wildlife Reserve celebrations over the Labour Weekend 2011. The bridges were in urgent need of replacement for safety and they had come to the end of their economic life.



### **H<sup>2</sup>O XTREAM THREE-YEARLY SCHEDULED MAINTENANCE**

Huge maintenance work was carried out in the pool facility this year including the replacement of the roof and skylights over the pool and the installation of a new lighting system. While the pool was closed, the opportunity was taken for other general maintenance work to be carried out. The new lighting system is a great step forward as it does not require the very cumbersome process of erecting scaffolding to change light bulbs and fittings, unlike the old lighting system.



The reopening celebrations for the pool were the most successful ever with 1172 people attending throughout the day.

### **WORKING ON ECONOMIC DEVELOPMENT**

Council has been working alongside landowners and developers to increase economic activity within Upper Hutt, which has resulted in several gains. Council has also been working with developers on regulatory matters, meeting regularly with local businesses, investigating opportunities for new business, and operating in a business friendly way.

Additionally during the year, we have taken a flexible and innovative approach to working with business partners to fund and/or support initiatives which benefit the wider business community with partners such as Grow Wellington and the Hutt Valley Chamber of Commerce.

The emphasis placed by Council on economic development this past twelve months has played a major part in influencing the start of some very positive outcomes for the city. Over the coming year key opportunities will be further strengthened to increasingly make the overall environment more attractive.



### Business milestones achieved over the last 12 months

New businesses (commercial and retail)	27
Relocated businesses (all)	11
Pop-up businesses (3 – 6 months, mainly in the city centre)	4

There has been a continued reduction in empty shops over the past twelve months from 23 down to 13 in the city centre. Unfortunately nine businesses—mainly retail—closed down during the year.

Areas such as the Broadway shops and Silverstream village have been very stable. Both areas have had money invested in them by their owners over the last 12 months.

## Other significant achievements

### LONG TERM PLAN CONSULTATION

In early 2011, Council began working on the development of an Upper Hutt City Vision with the assistance of external consultants, Urbanism+. This process gained an excellent amount of public feedback from a range of different focus group workshops, and formed the basis of the Long Term Plan 2012 – 2022 (LTP) development.

Preliminary public consultation on a range of projects proposed for the LTP took place in October 2011. 187 submissions were received. This was followed up with further consultation on the full draft LTP in April 2012.



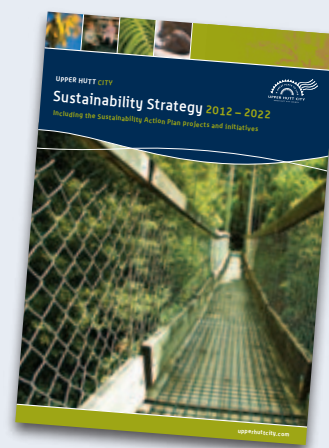
Council decided on a new approach to presenting the draft LTP summary this year. The summary made up of a single, unfoldable sheet, included a map of Upper Hutt with snapshots of the major proposed projects. This format contained all of the legislative requirements and Council received many compliments on its readability. The submission form comprised of a section of 'Yes/No' tick-boxes, similar to the pre-consultation form, in addition to space for more individual comments. Council received 337 submissions containing over 4000 individual points for consideration.

### SUSTAINABILITY STRATEGY

The Upper Hutt City Sustainability Strategy 2012 – 2022, adopted on 27 June 2012, identifies both the key sustainability issues for Upper Hutt, and the initiatives and projects to help address these issues. These initiatives and projects will form the basis of the city's Sustainability Action Plan.

The sustainability strategy has two broad aims:

- 1. A more sustainable community:** through building and strengthening partnerships between our people, businesses and organisations, a range of sustainability initiatives and projects are to be implemented and where necessary, funded via the LTP.
- 2. A more sustainable Council:** Upper Hutt City Council will undertake a range of sustainability initiatives and has already made progress towards its internal sustainability goals.



To become a more sustainable community, a range of projects and initiatives have been identified.



Delivery of these projects and initiatives is the first and very important step towards a more sustainable community and Council in Upper Hutt.

**SUSTAINABILITY EDUCATION**

During the year Council began work on school initiatives and projects. In the short time many results have been achieved: a waste audit at a local school; secured funding for, and installation of, scooter racks at six Upper Hutt Schools; coordination of the McDonald's *Fruit Trees in Schools* programme with Hutt City, which delivered fruit trees to Silverstream School and Orongomai Marae; and continued progress with the School Travel Planning programme.



**Caring for our community**



Council has had another very successful year supporting our community in many diverse ways. A few examples of the projects are listed below (more detail can be found under the Community Services section of this Annual Report).



## YOUTH STRATEGY

Through a series of in-depth Youth Surveys, areas identified as requiring particular focus were depression and harm reduction around drugs and alcohol. With this in mind several very successful projects took place this year engaging the young people of Upper Hutt such as:

<p><b>It's no joke, ditch the smoke:</b> an Upper Hutt Young Leaders for Social Change project.</p>	<p><b>A truancy project</b> was implemented in three Upper Hutt schools, with several further schools demonstrating interest in the programme.</p>
<p><b>Future Dragons:</b> a project empowering students to be entrepreneurs.</p>	<p><b>Girl Power:</b> a programme for at-risk girls was held with fifteen Year 11 students from Upper Hutt College.</p>
<p><b>Youth Week 2012</b> for Upper Hutt, incorporating the annual Young Achiever Awards.</p>	

## SAFETY, HEALTH, AND WELLBEING (SHAW)

Older adults and disabled people, family violence, alcohol, and graffiti, healthy homes, budgeting, and sustainability have all been areas where Council has applied its focus throughout the year in regards to safety, health, and wellbeing. Projects this year included:

<p>Two <b>Merton Street clean-ups</b> took place as well as a <b>Neighbours Night</b> for this area of Trentham, the aim being to build neighbourhood pride and improve community safety.</p> <p>More neighbourhood events that focus on safety have also been held in Timberlea and various areas of Trentham.</p>	<p>The <b>Upper Hutt Parents Expo</b> was targeted at parenting teens. Eva Maria, the 21 year old family coach, international speaker, and bestselling author of the parenting book 'You Shut Up!', was the keynote speaker.</p> <p>Thirty two organisations exhibited at the expo.</p>
<p><b>Your choices, your life</b> – working with young recidivist drivers (re-offenders) and key stakeholders to advance alcohol initiatives.</p>	<p><b>Upper Hutt Cares:</b> an information expo for caregivers. Forty-seven organisations exhibited at the expo and over 250 people attended the event.</p>
<p><b>From Stress to Strength:</b> a workshop to boost emotional resiliency in older people.</p>	<p>Distribution of <b>60 Activities for the over 60s</b> booklet.</p>
<p>Support to <b>family violence campaigns</b>, including <i>Blow the Whistle, It's Not OK</i>, and White Ribbon Day.</p>	<p>A workshop on <b>suicide prevention in the older person</b> was delivered to health professionals and service agencies working with older people.</p>
<p>A comprehensive <b>Road Safety education programme</b> was delivered including the Young Cyclist of the Year competition.</p>	<p>A <b>Women's Wellness Programme</b> was held in partnership with Orongomai Marae, addressing topics such as nutrition and exercise. Eighteen women attended the programme with very positive results.</p>

## OTHER SIGNIFICANT ACTIVITIES UNDERTAKEN TO INVOLVE THE COMMUNITY INCLUDE:

**Monthly multi-cultural morning teas,**  
held at the Library.

**Who are you?** a campaign to prevent sexual assault and encourage open discussion around this issue.

A weekly **Job Club**, based at the Library, has been initiated to support people into work.

## LIVE ENTERTAINMENT AT EXPRESSIONS

The public have been thoroughly entertained once again this year at Expressions Arts and Entertainment Centre. The introduction of the Expressions Live lunchtime concerts last year proved to be so popular that the concerts have continued throughout this year, more often than not, with a capacity crowd. This initiative is in conjunction with the New Zealand School of Music.



Several other, well supported, often sell-out shows, have occurred at the Genesis Energy Theatre such as the Maisey Rika concert and the Comedy Festival event. The Maisey Rika concert, supported by Orongamai Marae, was part of the New Zealand Festival of the Arts. A powhiri was performed for Maisey Rika at the Ogongamai Marae.

## Land transport

### ENHANCE CYCLE AND WALKWAY LINKAGES (\$642,000)

The proposed project to extend and seal the Hutt River Trail, along the stopbank from Moonshine Bridge to opposite Poplar Grove, was deferred and will now take place in 2012 – 2013.

### ROAD WORKS COMPLETED THIS YEAR

Replacement of the three wooden bridges on Akatarawa Road.

Gilbert Road has been widened and upgraded to accommodate the increased traffic due to subdivision.

Road safety improvements have been completed on Blue Mountains Road.

Work has begun on the construction of a safety foot/cycle path from Sunstone Crescent to the Brown Owl subway (State Highway 2).

All work on rural road upgrades was completed where funds were available.

### ASSET MANAGEMENT

The safety of all road users is a paramount concern for Council. Council works in conjunction with NZ Police and the New Zealand Transport Agency (NZTA) to monitor and enforce the safe use of the roads. The costs for all essential ongoing maintenance this year were as follows:

Street drainage	\$230,000
Road resealing	\$981,000
Footpaths	\$383,000

Road marking and signage	\$218,000
Lighting	\$102,000
Minor safety	\$318,000

**PIPELINE RENEWALS**

A planned maintenance and renewals programme is in place for water supply, waste water, and storm water. Council has an ongoing programme to survey all pipelines to ensure residents have an uninterrupted service at all times.

Costs for ongoing maintenance this year were:

Water supply	\$1,120,000
Wastewater	\$437,000
Stormwater	\$914,000

## Parks and reserves

**COMMUNITY GARDEN**

Council officers assisted the Community Garden Group at Clyma Park by providing furniture, a water supply, fruit trees and advice to the group which has successfully established the garden.

**CHILDREN'S PLAYGROUNDS**

New replacement playgrounds were installed into the Ward/Miro Street and Tulon parks in February 2012.



**HUTT RIVER TRAIL**

The final stage of the formation of the Hutt River Trail link between Totara Park Bridge and the Whakatiki Stream has been completed.

## Awards and recognition

**COMMUNITY DEVELOPMENT**

Council developed a booklet and training resource initially for staff. The resource is called 'DIScover' and provides training on delivering customer service to disabled people. The resource has now been provided to every council and many other organisations have shown an interest. This project won the diversity category of the ANZ New Zealand and Equal Employment Opportunities Trust Work and Life Awards. A great achievement and one to be very proud of.



## ACTIVATION

Congratulations go to Mike Mercer, the Activation Schools and Youth Activator. Mike was awarded the highly prestigious Emerging Recreation Leader of the Year Award at the New Zealand Recreation Association awards evening held in Dunedin on 17 October 2011. Mike was subsequently invited to present a paper on Activation at the Thinking Recreation conference in July 2012.



## UPPER HUTT CITY LIBRARY

Congratulations also go to Debbie Duncan, the Upper Hutt City Library Manager, who was invited to speak at this year's Australian Library and Information Association (ALIA) Conference in Sydney. The title of which is - Journey to the heart of a community: Redesigning a library service for the people.



Upper Hutt City Library has once again received a prestigious award as part of the 2011 Dynamic Community Learning Awards. The library received a Certificate of Commendation for 'excellence and innovation in adult and community education.'

The Library is certainly gaining a great reputation for the huge range and variety of programmes offered to the community on a weekly basis. A number of libraries in the region and around NZ have made a point of knowing more about the programmes we offer by contacting or visiting our library.

## Did you know?

### CHILDREN'S CYCLE TRACK

Just one example of a project that came to be included in the LTP as a direct result of a submission received from a member of the public, is the cycle track planned for Harcourt Park.



### GET SCHOOLED RAP VIDEO

In November 2011 our very own Mayor Wayne Guppy was invited to make a guest appearance in the 'Get Schooled' YouTube rap video created by a group of talented Upper Hutt youth about the importance of education and staying in school. The video was commissioned by Upper Hutt City Council after reviewing results from the 2010 Hutt Valley Youth Survey.



### WORMERY

A large wormery, built predominantly from recycled material and installed outside the Library has generated much interest and provides education to the community. Since its completion in July, the Sustainability Advisor has been called upon to conduct several demonstrations, showcasing the inner workings of the wormery and how it composts organic material. Visits to the wormery have included local Brownies and several school groups.

### **LIBRARY COMMUNITY ARCHIVE**

A significant milestone for the Library was the launch of the Upper Hutt Newspaper Archive. Upper Hutt Library can boast being the first public library in New Zealand to provide access to fully text searchable archived newspapers. The Archive currently features the Upper Hutt Leader from 1939 – 1964. The value of this resource to the community is immense for historic information and insights into how the city has evolved and grown.

### **THE COST OF GRAFFITI**

Sadly the action of a few irresponsible people creating their special brand of 'art' all around the city cost our rate payers a staggering \$40,600 this year to remove. Council has also assisted a number of badly hit shop owners by providing anti-graffiti paint along with suggestions on how to possibly prevent further attacks on their property.

### **MAYORS JOIN CAMPAIGN AGAINST FAMILY VIOLENCE**

Mayor Wayne Guppy and Hutt City Mayor Ray Wallace became patrons of the Hutt Valley Family Violence Network this year. The "Are you OK?" website featured their commitment on its home page.

### **WOMEN'S WELLNESS PROGRAMME VISITED BY MP**

Sue Moroney, Labour spokesperson for Women's Affairs visited the Women's Wellness Programme in June 2012, having read about it in a Parliamentary newsletter! Sue came to chat to the ladies about how they were finding the course.

The Women's Wellness Programme was facilitated by Council in association with Orongomai Marae.

### **TIMBERLEA'S TOILETS TILED**

Upper Hutt City Council secured funding through the Ministry of Justice to upgrade the outside of the toilet facilities at Timberlea Park. A community initiated project, 'This community respects its property', was the stage for development of artistically rendered facades in order to combat the problem of graffiti in the area.

The finished product was a set of tiled mosaics around the building, impressing the locals and Council staff and has successfully reduced the amount of graffiti.



## One rates dollar—where each cent is spent

Community services,  
Emergency management



Economic development



Leadership



City Library



Parks and reserves,  
Property,  
Akatarawa Cemetery



Water supply



Wastewater,  
Rubbish and recycling



Land transport



Stormwater



City planning,  
Building and compliance  
services



Activation,  
H<sub>2</sub>O Xstream



Expressions Arts and  
Entertainment Centre



## Financial measures of Council performance

### KEY FINANCIAL MEASURES

The overall revised rates funding required for the year was a deficit of \$239,000. This amount is effectively a 'rates deficit' of \$439,000 (1.54%), when the final approved rate funded carryovers are allowed for.

In relation to the Statement of Income Comprehension, the 'operating deficit' (operating income less expenditure) was \$4.264 million compared to a budgeted deficit of \$2.122 million.

Operating Revenue was \$0.393 million below estimate. The key reason for this was due to fees and charges received being below estimate by \$3,579,000. Two key elements contributed to this. Assets vested in Council were reduced as a result of the prevailing economic environment. Secondly, building enforcement income did not recover as anticipated, thus actuals were well below budget.

Subsidies and grant income was above budget due to the delay in completing the three Akatarawa bridges. This project was budgeted to be completed in 2011, but was funded 55% by NZTA subsidy and 45% by Council loan funding, finalised in 2012.

Operating Expenditure was \$1.749 million above estimate. A key reason for this was the payment and provision for weathertightness claims has increased costs by \$867,056 plus the legal and consultant investigating these issues and earthquake strengthening rose fees from estimate of another \$191,362.

External debt increased to a total of \$25.9 million (2011 was \$20.5 million), which is well within Council's debt management ratios. The current ratio (current assets:current liabilities) was 0.65:1 (2011 – 0.74:1). This ratio has been impacted by a significant amount of term debt, which is due for refinancing within the next year. There are no current concerns in relation to refinancing this debt.

For more detailed information, please see note 28 of the Annual Report, within the 'Notes to the financial statements' section.

## Non-financial levels of service objectives and performance measures

### WHAT DOES THIS MEAN?

One of Council's legal obligations is to have a system whereby Council's performance is regularly monitored. A number of performance measures, with associated set targets, are determined and agreed to at the time of developing the LTP. The performance results are then reported to Council on a quarterly basis. All of the Council activities such as land transport, parks and reserves, regulatory services, and solid waste, to name a few, have set performance targets. Some targets are measured by the Annual Community Survey, while others are based on meeting a number of high-level requirements within timeframes.

All of the service objectives, performance measures, targets and results are listed in detail in the 'Report on Council performance by activity' section of this report.

This year, of the 104 performance measures able to be achieved, Council achieved 89 (86%).

**SIGNIFICANT PERFORMANCE IMPROVEMENTS ON THE PREVIOUS YEAR OF 5% OR MORE WERE IDENTIFIED IN THE FOLLOWING MEASURES:**

<b>Kerbside recycling collection</b> ▶ community satisfaction	<b>Activation</b> ▶ Participation levels
<b>Refuse</b> ▶ Reduction in the amount of refuse collected in Council refuse bags	<b>Upper Hutt City Library</b> ▶ Increased number of physical visits and visits to the website
<b>Expressions arts and entertainment centre</b> ▶ Increased numbers of visitors to arts, cultural and recreational events ▶ Increased attendance at exhibitions	

Particular mention should be made about Activation who achieved an excellent 25% increase in participation numbers for events and activities, indicating that more people in Upper Hutt are becoming active and trying out new activities.

Exceptional performance results, where Council achieved a community satisfaction rating from the Annual Community Survey, of 95% or more, were received in the following areas:

Services provided by the i-SITE Visitor Information Centre: <b>98%</b>	The city parks and reserves meet the survey respondents recreational needs: <b>95.5%</b>
The city's public gardens: <b>98%</b>	The reticulated water supply service: <b>98.4%</b>
Community satisfaction of the customer service at the Library: <b>98.1%</b>	Community satisfaction with the range and quality of resources available at the Library: <b>97.1%</b>
The services provided at Akatarawa Cemetery: <b>99.6%</b>	The city's directional signage: <b>97.7%</b>
The level of 'fun' and 'excitement' at H <sup>2</sup> O Xstream: <b>98.4%</b>	The reticulated wastewater disposal service: <b>97.2%</b>

Not mentioned above, but once again this year it was evident from the Annual Community Survey that people are becoming more aware of the need to be prepared for a Civil Defence Emergency, with 75.3% indicating they were prepared, compared to 70.7% in 2011 – 2012 and 61.3% in 2010 – 2011.

**AREAS WHERE COUNCIL DID NOT ACHIEVE ITS TARGETS:**

<b>Economic development</b> ▶ Multiple measures (see below)	<b>H<sup>2</sup>O Xstream</b> ▶ Multiple measures (see below)
<b>Expressions Arts and Entertainment Centre</b> ▶ Attendance at events	<b>City planning</b> ▶ Community satisfaction with Council's current resource management practices
<b>Land transport</b> ▶ Community satisfaction with the riding surface of the city's roads	<b>Solid Waste</b> ▶ Community satisfaction with kerbside recycling collection ▶ Increase the weight of recycling from the previous year



Four economic development targets have not been met this year. Two likely reasons for this result is the current economic climate and the limited amount of resources allocated to this area. These performance measures are expected to improve over time with Council's appointment of an Economic Development Manager, and as a result of the economic development projects, such as the Upper Hutt Marketing Strategy and the New business and retail attraction project identified in the LTP.

A number of factors have contributed to the H<sup>2</sup>O Xstream performance measures not being achieved, including the closure of the pool for a number of weeks to allow for extensive maintenance, a change in the school holidays, and a change in the way concession card visitors are recorded.

Expressions Arts and Entertainment Centre has regained its popularity in attendances for events and exhibitions after a drop in numbers that occurred during the previous year. Unfortunately, even with the increased number of attendees at events and exhibitions, this target was not achieved.

In respect of the city planning target, this is the sixth year that it has not been met. This indicates that the target is likely to be too high, particularly because the resource management work often involves contentious applications/issues, which evoke reactions from the public. This is an ambitious target however officers have no intention of changing the target.

This year 83.3% of people surveyed rated the riding surface of the city's roading system as satisfactory or better – the target was 91%. This is a very expensive target to meet, and it is hard to find the balance between remaining prudent as a council and maintaining a very high standard in multiple areas.

Finally, whilst the solid waste recycling target has not been met, it has increased from 74.2% (for 2010 – 2011) to 84% (for 2011 – 2012). This indicates that residents are becoming more accepting of the alternate week recycling system, which will be continued with the introduction of the new separate recycling bin system that will begin in early 2013.

## Statement of compliance and responsibility

### COMPLIANCE

The Council and management of the Upper Hutt City Council confirm that all the statutory requirements of sections 98 and 99 and Part 3 of Schedule 10 of the Local Government Act 2002, have been complied with.

### RESPONSIBILITY

The Council and management of Upper Hutt City Council accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

The Council and management of Upper Hutt City Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

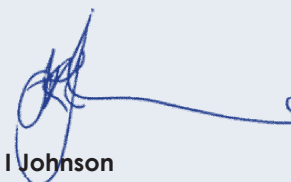
In the opinion of the Council and management of Upper Hutt City Council, the annual Financial Statements for the Year Ended 30 June 2012 fairly reflect the financial position and operations of Upper Hutt City Council.



**W N Guppy**  
MAYOR



**C B Upton**  
CHIEF EXECUTIVE



**I Johnson**  
DIRECTOR OF CORPORATE SERVICES

## Have your say!

The Council welcomes feedback from residents, ratepayers and all key stakeholders. Your feedback assists us in our decision-making for the wellbeing of Upper Hutt and to make it a city for us all to be proud of.

There are a number of ways you can have your say.

Full council meetings are held each month and are open to the public. You are welcome to attend and have your say. Meeting times, agendas, and reports are publicised on our website [www.upperhuttcity.com/meetings](http://www.upperhuttcity.com/meetings) or you may telephone (04) 527 2169 for information.

The Council consults with its key stakeholders regularly and these opportunities are advertised in local media and promoted on the Council's website [www.upperhuttcity.com/consultation](http://www.upperhuttcity.com/consultation). Regular community forums are held on key issues facing our community. During April and May each year the Council consults on the city's Annual Plan and there are specific consultation opportunities for District Plan amendments.

Council has also published a booklet entitled 'Have Your Say – How to Make an Effective Submission'. This resource is designed to assist submitters to make a submission that ensures their views have maximum impact.

Thank you for reading this summary, we greatly appreciate your interest.



**Chris Upton**  
Chief Executive

**Wayne Guppy**  
His Worship the Mayor

**Independent Auditor's Report**  
**To the readers of**  
**Upper Hutt City Council and group's**  
**annual report**  
**for the year ended 30 June 2012**

The Auditor-General is the auditor of Upper Hutt City Council (the City Council) and group. The Auditor-General has appointed me, Phil Kennerley, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements, non-financial performance information and other information required by schedule 10 of the Local Government Act 2002 (other information) of the City Council and group on her behalf.

We have audited:

- the financial statements of the City Council and group on pages 133 to 201, that comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity, statement of cash flows, statement of commitments and statement of accounting policies for the year ended on that date and the notes to the financial statements that include explanatory information and other information required by schedule 10 of the Local Government Act 2002; and
- the non-financial performance statements and measures of the City Council and group on pages 23 to 127; and
- the City Council's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report (other Schedule 10 information) on pages 13 to 16; and 21 to 22.

**Opinion on the financial statements, non-financial performance information and other information**

In our opinion:

- The financial statements of the City Council and group on pages 133 to 201:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - the City Council and group's financial position as at 30 June 2012; and
    - the results of its operations and cash flows for the year ended on that date.

- The non-financial performance information of the City Council and group on pages 23 to 127:
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects the City Council and group's levels of service for the year ended 30 June 2012, including:
    - the levels of service as measured against the intended levels of service adopted in the long-term council community plan; and
    - the reasons for any significant variances between the actual service and the expected service.
- The other information of the City Council and group contained in the financial statements and the non-financial performance information, complies with the requirements of Schedule 10 of the Local Government Act 2002 applicable to the annual report and fairly reflects the required information.

Our audit was completed on 31 October 2012. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities, and explain our independence.

### **Basis of opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements, non-financial performance information and other information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, non-financial performance information and other information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements, non-financial performance information and other information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, non-financial performance information and other information whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the City Council and group's financial statements, non-financial performance information and other information that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City Council and group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the financial statements, non-financial performance information and other information;
- determining the appropriateness of the reported non-financial performance information within the Council's framework for reporting performance; and
- the overall presentation of the financial statements, non-financial performance information and other information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, non-financial performance information and other information. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### **Responsibilities of the Council**

The Council is responsible for preparing:

- financial statements and non-financial performance information that:
  - comply with generally accepted accounting practice in New Zealand;
  - fairly reflect the City Council and group's financial position, financial performance and cash flows;
  - fairly reflect its service performance, including achievements compared to forecast; and
- other information in accordance with Schedule 10 of the Local Government Act 2002 that fairly reflects the required information.

The Council is responsible for such internal control as it determines is necessary to enable the preparation of financial statements, non-financial performance information and other information that are free from material misstatement, whether due to fraud or error.

The Council's responsibilities arise from the Local Government Act 2002.

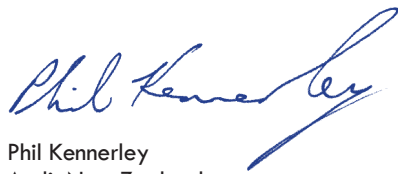
### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the financial statements, non-financial performance information and other information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

## Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit and carrying out the audit of the long term plan, we have no relationship with or interests in the City Council.



Phil Kennerley  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand

### **Matters relating to the electronic presentation of the audited financial statements, Council performance information and the other requirements**

This audit report relates to the financial statements, Council performance information and the other requirements of Upper Hutt City Council and group for the year ended 30 June 2012 included on Upper Hutt City Council's website. The Council is responsible for the maintenance and integrity of Upper Hutt City Council's website. We have not been engaged to report on the integrity of Upper Hutt City Council's website. We accept no responsibility for any changes that may have occurred to the financial statements, Council performance information and the other requirements since they were initially presented on the website.

The audit report refers only to the financial statements, Council performance information and the other requirements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements, Council performance information and the other requirements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements, Council performance information and the other requirements as well as the related audit report dated 31 October 2012 to confirm the information included in the audited financial statements, Council performance information and the other requirements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.