

UPPER HUTT CITY

Annual Report 2013 – 2014 Summary

1 JULY 2013 – 30 JUNE 2014



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Foreword

FROM HIS WORSHIP THE MAYOR AND THE CHIEF EXECUTIVE

This past year has demonstrated the value of leadership in Upper Hutt. It is a commitment that your Mayor and Council take very seriously and is much more meaningful than a simple responsibility of representation.

When faced with our greatest challenge of the last few years, the regional governance debate, it was the prospect of losing our community as it is today, and your Council, that resulted in you rallying your voices. And what a statement that was made. In the face of the prospect of amalgamation of all councils within the Wellington region, our impassioned community clearly said **"No."**

While the debate about proposed amalgamation continues, and various campaigns and agendas have influenced the changing minds of many in our region, our voice has been staunchly unwavering. We are humbled by the commitment and faith of those who have entrusted us with their voice, and we will continue to listen, inform, and consult with you all, so that our voice will continue to be heard.

It was leadership that helped many in our community navigate their way out of the global financial crisis, and throughout this last year we have had the privilege of meeting with many local business people who are becoming leaders in their own field. By thinking differently, these leaders overcame financial constraints which influenced their markets, and were well down the path of success long before business confidence improved throughout the country. The depth of talent, innovation, vision, and expertise in our community continues to astound us. There seems to be no limit to what people in our community can achieve.


To support growth and success in our community, Council applies the principles of good leadership to its planning and operations. We take time to engage in quality, meaningful consultation with our community to ensure that the decisions we make represent what is best for our community, and that our vision for the future is one we all share. We advocate for your needs at a regional level, where we are privileged to hold the position of Chair of the Wellington Regional Mayoral Forum. We also advocate for your needs in a practical sense, which has been demonstrated through our negotiations with Greater Wellington Regional Council, resulting in the agreement to develop a new Upper Hutt Railway Station.

**Our impassioned
community clearly said
"No" to amalgamation.**

**The depth of talent,
innovation, vision,
and expertise in our
community continues
to astound us.**

As you read through this year's Annual Report, you will see we have remained prudent in the management of financial resources, working hard to build efficiencies so that those households still impacted by past economic forces have time to recover, as many of you have told us that things can still be tough. Where we have invested, it has been in ways that will bring benefit to many, with strategic investments and projects setting the foundations for future success and community growth.

We hope that you and your family feel the same pride as we do when reflecting on our great community and its spirit. Thank you for entrusting us with the privilege of leading this community, and for your part in contributing to it.

The image shows two handwritten signatures in blue ink. The signature on the left is 'Wayne Guppy' written in a cursive style. The signature on the right is 'C B Upton' written in a more stylized, cursive script.

W N Guppy | **MAYOR**

C B Upton | **CHIEF EXECUTIVE**

Our vision

MEASURING OUR VISION/OUTCOMES

Our vision statements are focussed on goals and aspirations, whilst also providing direction. They inform and guide the development of the Long Term Plan. The vision is embodied through the services, initiatives and projects in Council's ten major activity areas. Key projects and initiatives undertaken by Council in 2013 – 2014 are identified below under each of the five vision pillars.

Our environment

We're blessed with beautiful surrounds and seasons that are colourful and changeable. Our families enjoy our community parks and modern facilities, and teams compete on our sports grounds. Our clean river, our bio-diverse bush, and our majestic regional parks attract tourists, events, and business.



ACHIEVEMENTS THIS YEAR TO ENHANCE OUR ENVIRONMENT

Rural Strategy

During the year, Council began the process of developing a Rural Strategy which is intended to establish a vision for what rural Upper Hutt should look like in the next 10 to 20 years, and a roadmap setting out how that vision will be achieved. Extensive community engagement was held between 26 November 2013 and 14 February 2014. This engagement was extremely well received and culminated in a 'Summary of Feedback' document.



Waste minimisation

Upper Hutt City Council is signatory to the statutorily required Wellington Region Waste Minimisation and Management Plan (WMMP). This plan is the only collaborative WMMP of this scale in New Zealand. It includes local actions for Upper Hutt and the other seven local authorities within the region, and joint regional activities. The regional actions are led by officers of the individual Councils and to date, the only source of actions that has seen activity 'on the ground' has stemmed from Upper Hutt City Council's work on the Wellington Region Waste Minimisation Education Strategy.

In-house sustainability

Council has taken steps to reduce in-house waste and increase energy efficiency via its Sustainability Strategy. To date, these have included the removal of some 150 staff office waste bins, replacing them with a new centralised waste management system for diverting a wider range of materials from landfill. This has resulted in significantly improved diversion rates meaning the councils general waste skip is now emptied a third less, saving council approximately \$3000/year. Council also plans to undertake an internal waste audit in the coming financial year to monitor progress and identify any new waste minimisation opportunities.



An energy audit of H²O Xtream has provided a series of recommendations to improve the facilities energy efficiency. Some will be submitted to the upcoming Long Term Plan 2015 – 2025 for funding consideration, while others were able to be funded as part of the recent maintenance closure.

Outdoor recreation



ACTIVATION PARKS AND PLACES

The Activation team at Upper Hutt City Council have one major goal: to get more Upper Hutt residents more active, more often. They use a range of opportunities to achieve this and the latest initiative, 'Activation's Parks & Places', was launched in February 2014. The programme, which attracted 5,525 participants, was a six-week calendar of activities. It was located across the parks and recreational facilities and catered to all people throughout Upper Hutt. Events were low cost (\$5 or less) or free and included activities such as 'Bike the Trail,' 'Paws in the Park,' 'Walk2Work Day,' group evening trail runs, family bike rides, group dog walks, early morning boot-camp sessions, give-it-a-go opportunities, tai chi, Zumba, and a family amazing race.



ACTIVATION'S GOLD PROGRAMME—GROWING OLD LIVING DANGEROUSLY

There are many reasons why staying fit and active as you age is important. There are also numerous studies published about the importance of trying new things and staying connected in your community as you age. The Growing Old and Living Dangerously (GOLD) programme has been brought back to life in Upper Hutt by Council's Activation team. The GOLD Programme has been produced to enable and encourage local residents over 50 to participate in fun social activities, while getting physically active. GOLD is a series of monthly events which enables mature residents to partake in activities they have never tried or perhaps even contemplated before such as kayaking, rock climbing, archery, ten pin bowling, snorkelling and circus acts.



MAIDSTONE PARK – WHITEMANS VALLEY LINK TRACK

The upgrade of the Maidstone Park – Whitemans Valley link track was completed, which includes the installation of steps on the steep section, levelling of the track (cutting into the hillside), and metal spread on the other sections – all of which have improved pedestrian access.

Our community

We're proud of our heroes, our success stories, and our uniqueness. We celebrate our heritage and culture, and we thrive through our diversity. We're a caring and connected community that is safe, healthy, and enjoys quality wellbeing for all ages.

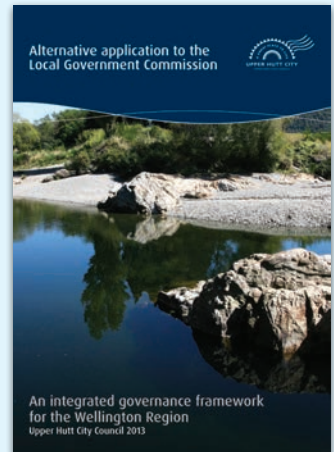


ACHIEVEMENTS THIS YEAR TO STRENGTHEN OUR COMMUNITY

Regional Governance

Upper Hutt City Council undertook extensive consultation in 2012 and 2013 to understand what our community needed and wanted. The majority of Upper Hutt residents wanted Upper Hutt's governance structure to stay the same, with many also wanting to increase shared services across the region. Resultantly, Upper Hutt City Council submitted an enhanced shared services change proposal that also supported the Wairarapa's application to amalgamate the three smallest councils in the region to form a stand-alone unitary authority for the Wairarapa.

In early 2014, the Local Government Commission (LGC) considered the reorganisation and alternative application proposals. The LGC decision has been delayed several times this year and will now be made after the 2014 New Zealand General Election. The diagram below outlines the process going forwards.



DRAFT LGC PROPOSAL

[Now expected in late 2014]

Should the LGC decide that the status quo is not viable, they will present an alternative to the current structure.

FINAL LGC PROPOSAL MADE PUBLIC

Following consultation, the LGC will prepare a final proposal and make it public.

A VOTE MAY BE FORCED

If 10% of electors in a district object to the proposal, they may petition for a poll (vote).

IF TRIGGERED, A POLL IS ORGANISED

If a petition is successful, a poll will be organised and electors can vote for or against the proposal. The LGC proposal requires 50% of the vote to proceed, otherwise the current system will remain in place for the region.



General (to highlight a few)

- Implementing Safer Communities Working Together, a programme that aims to address areas such as road safety, family violence, alcohol-related harm, and crime prevention—particularly around drugs, alcohol, and violence
- Providing employment support to assist people into either full-time or part-time positions
- Discouraging family violence and tolerance for violent behaviour in the community through Council's ongoing local 'It's not OK' campaign
- Carrying out Raising Achievements Across our Youth Sector (RAYS), a truancy initiative that looks into the attendance data of participating schools
- Offering a free community education service assisting older drivers in making the best use of their vehicles so they can continue to drive safely and retain independent mobility
- Co-leading a youth alcohol event, now called X-ROADS, with Hutt Valley Police to educate young drivers about alcohol and drugs
- Holding a Mental Health Awareness Week to highlight that New Zealanders of all ages are experiencing negative physical and mental health effects due to social isolation, loneliness and lack of connectedness.



Graffiti removal and prevention

The cost of graffiti eradication within the identified priority areas has reduced for the 2013 – 2014 period. Council's commitment to cleaning up graffiti quickly appears to be an effective way of deterring taggers in the city centre and on arterial routes.



Council continued to work alongside Chorus, The Learning Connexion, and students from St Brendan's and Trentham Schools to paint murals (using anti-graffiti guard paint) across the city in an effort to eradicate graffiti and beautify the most commonly vandalised Chorus cabinets. Murals were also completed at Maidstone Park Turfs and a shop wall on the corner of Merton and Rimutaka Streets. The additional painted cabinets and murals are certainly adding a new vibrancy to many streets around Upper Hutt.

Community hub at the library

Upper Hutt City Library continues to develop its Central Library branch as a 'community hub' for the provision of information and life-long learning.



Library services have continued to develop and expand to engage people in many new ways. From employment support programmes to lending ukuleles, the Library now offers over 70 regular programmes that provide opportunities for all ages to engage with each other, connect with the wider world, and learn new skills. The success of Upper Hutt City Library has been featured on national television and continues to be recognised widely by the national and international library community.

Our Heritage

CELEBRATING OUR HERITAGE AT THE UPPER HUTT LIBRARY

The Upper Hutt City Library has established a special section on the 'Recollect' website for World War One Centenary resources. This section highlights the contribution of Upper Hutt and its people to the war. It is also used in conjunction with the school education programme.

World War One heritage wall display—A Heritage wall display has been created in the Library featuring a reproduction of a rarely seen 1915 topographical map of Upper Hutt, used by Trentham Military Camp for manoeuvre purposes. Several historic photographs of Upper Hutt from this era will also be displayed around the map, illustrating the impact the military had on the town.



Trentham Rifle Range graffiti—New Zealand Defence Force (NZDF) has systematically photographed the walls of three shooting galleries constructed at the Trentham Rifle Range in the late 1930's. Dating from that time the walls have acquired an enormous amount of 'graffiti', written by soldiers from New Zealand and overseas, with a significant amount coming from the U.S. Marines during the Second World War. The graffiti includes names, home towns, and messages written by the men. The NZDF has been working in collaboration with the Library to make this collection of 3,000 images accessible online through the Library's Recollect website.

Remembrance poppies—In partnership with Trentham Military Camp, the Library has collected handmade poppies to support the '5000 Poppies – A Tribute of Respect and Remembrance' project. Over 150 poppies were knitted or crocheted in Upper Hutt and were displayed on the Heritage Wall in the Library. The poppies will be incorporated into the larger collection of contributions from throughout the country and will be displayed at Expressions Arts and Entertainment Centre.

1986 Upper Hutt promotional video—A 1986 promotional video for Upper Hutt hosted by Selwyn Toogood was posted on the Library's Recollect website last year after being shown at the Library's inaugural 'The Way We Were' heritage event. Subsequently, the video was discovered by Facebook users who have posted links to the video's location on Recollect <http://uhcl.recollect.co.nz/nodes/view/21548>. As a result the video was watched by over 8000 in just five days.





Our city centre

Our city centre is an expression of our identity and our heart; it's where locals meet, where many of us do business, where we shop, and where we celebrate. We loyally support our range of busy stores within our city. Visitors stop in to enjoy our unique style, our attractions, our stores, as well as our special green spaces within the city.

ACHIEVEMENTS THIS YEAR TO SUPPORT OUR CITY CENTRE



City gardens

Another outstanding display of vibrant colours in the Council gardens has been enjoyed and appreciated by all. The dazzling colours never fail to add a special cheerfulness to the city centre regardless of the season.

Upper Hutt's attractions

Council continued to promote Upper Hutt's attractions to domestic visitors through targeted marketing in a range of publications, including Vibrant Hutt, the Official Wellington Visitor Guides, the AA Traveller Visitor Guide, and the Jason's Guides.



Expressions Arts and Entertainment Centre

Expressions Arts and Entertainment Centre achieved record numbers for the year, with almost 48,000 more visitors than the previous year. This was contributed to by several high class exhibitions, sell out theatre bookings, and back-to-back activities in the Recreation Hall. One of the main highlights brought to us by Expressions this year was the spectacular World of Wearable Arts exhibition that included prize winning costumes from previous years. The exhibition was visited by a large number of people from around the Wellington region including many schools and even pre-schools. Out of eight venues that held the exhibition around the country, Upper Hutt was the only venue that did not put on a door charge, bringing many first time visitors to Expressions.

'Future Expressions,' a ten-year strategic framework that proactively plans for the present and future growth of Expressions in the city, is currently in draft form. Future Expressions is a high-level strategic and capital investment plan that will guide a process of extension and growth for Expressions Arts and Entertainment Centre.

New gantry style signs

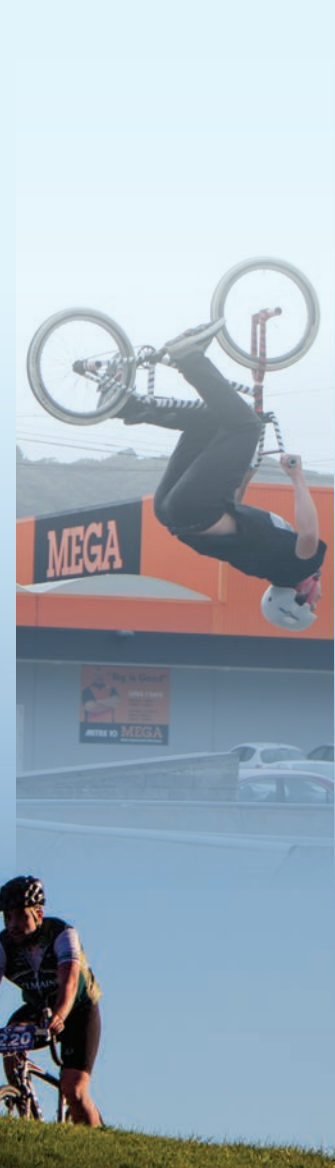
Two new signs—north-facing and south-facing—have been erected on State Highway 2, close to the Gibbons Street intersection in Upper Hutt. Gibbons Street has long been the main exit off the highway for travellers to access Upper Hutt's city centre that, up until now, has not been adequately signposted.

The signs have been particularly welcomed by the local retail and tourism sector operators who see the signs' potential to direct visitors to the city centre precinct.



Breakaway Festival of Cycling

Breakaway, Upper Hutt's inaugural festival of cycling for the month was held in September 2013. Using the festival to highlight Upper Hutt's awesome cycling assets that provide for a whole range of cycling styles and a broad range of skill levels, this all-inclusive series of events sparked interest from cyclists around the region. Festival coordinator, Natalie Finnigan said, "the success of Breakaway was a great example of what can be achieved when Council partners with the community." As well as including information about cycling in Upper Hutt, the brochure and website has also featured other local recreational activities and promoted our cafes, bars and restaurants.





Our economy

Our local businesses, our city centre, and our educational facilities develop and prosper. We attract new business investment and clean industries with sustainable, high-growth capability. Our educational and cultural facilities, together with our leisure opportunities attract employers and employees. Many of our people enjoy working locally and shopping locally.

ACHIEVEMENTS THIS YEAR TO ENHANCE OUR ECONOMY



Economic developments

Several new businesses have opened up in Upper Hutt as the city's economy begins to grow. This year has seen a significant number of vacant premises filled with new or expanding businesses. In the commercial scene a number of local businesses are in the process of expanding or needing to expand due to the success they are having. Growth has also been seen in the retail and service sectors. Although retail continues to be a tough and changing sector, ten new businesses have recently opened and two businesses have expanded into larger premises.

Local business models are also continuing to diversify with a number of businesses doing such things as sharing premises and costs, promoting themselves online, running classes and demonstrations, and being proactive in finding creative ways to help their businesses grow. This creative energy and thinking is not only good for their business but Upper Hutt in general.

Promotional video

Council worked with See & Do New Zealand to produce a three minute promotional video that features ten of Upper Hutt's key businesses. The intention of the video is to present the benefits of establishing a business in Upper Hutt, whilst also showcasing what we have to offer via the presentation of some of our more prominent businesses.

Working with retailers

Once again this year Council built on strengthening relationships with local retailers. Meeting regularly with city centre business owners and managers has helped to build collaborative promotions, increasing retail activity and better supporting retail operations. Along with regular initiatives, such as window display competitions and professional development resulting in improved attractiveness and vibrancy in our city centre, practical support, such as liaison, visual merchandising, marketing advice, and a props library have been offered to our retail community.



Marketing and communications

RESIDENTIAL CAMPAIGN

In August 2013, Council launched a new campaign website aimed at potential house buyers, offering Upper Hutt as a viable alternative to the other centres around the region.

The residential marketing campaign, aims to get Upper Hutt on the radar of prospective home buyers by showcasing the distinct advantages of an Upper Hutt lifestyle and the value for money properties available. At the core of this campaign sits a website - live.upperhuttcity.com. During this campaign period Upper Hutt saw a significant lift in first home buyer purchases in comparison to the rest of the region.

THE 'DREAM SUMMER IN UPPER HUTT' CAMPAIGN

The Dream Summer campaign provided umbrella promotional opportunities for all events and activities held in Upper Hutt over the summer months. This campaign promotion encouraged local residents to participate in local activities and events, showcasing the broad range on offer. Regionally, the campaign helped to tell the Upper Hutt story, encouraging 'day-tripping' to Upper Hutt, and selling the many attractions and activities of the city to those who would normally travel further afield for summer entertainment. The campaign consisted of a dedicated website, Facebook advertising, local billboards, city flags, and print advertising (local and regional).

*Another dream summer in
Upper Hutt*





Our transport

We move easily and efficiently around our city and along our streets and country roads. Our rail, bus, and road transport networks provide residents and visitors with easy access connections between our CBD and neighbouring cities. We're cycle and pedestrian friendly, and parking is never a problem.

ACHIEVEMENTS THIS YEAR TO SUPPORT TRANSPORT

Upper Hutt continues to be highly regarded for its well-maintained infrastructure. We utilise detailed asset information to ensure that maintenance and asset replacement is completed at the most efficient and effective period in the asset's lifecycle, which is supported by clear information about when it should truly be replaced.

Roading and footpaths

Council spends a significant proportion of its expenditure on roading asset renewals. In 2013 – 2014 this amounted to \$2,447,000, which included a wide range of activities including the resurfacing of 84,400 square metres of roads, and reconstruction of 5,457 square metres of footpath. In addition to the renewals programme a further \$1,961,323 was proportioned to roading maintenance which included street lighting, street cleaning, traffic services, drainage and general maintenance of the network.



New signage

Silverstream School received upgraded automatic flashing 'Janet and John' signs, which clearly highlight school safety zones.

Several 'Share the road' signs have been installed at the entrances to all rural roads and Mangaroa School received 40 kph speed limit signs, in order to enhance safety.

Blenheim/Brown Street pedestrian crossings

Concern over a number of near misses on the Blenheim Street crossings resulted in a safety audit being conducted. The audit recommended redesigning the intersection, including moving the pedestrian crossings away from the intersection a short distance to allow drivers more time to see movement on the crossings. Other safety additions included the installation of amber LED lights on the centre island that flash alternately once a person is detected on the crossing.

Gloucester Street/Gard Street intersection

A pedestrian refuge has been constructed at the corner of Gloucester Street and Gard Street to provide a safer crossing for pedestrians.



Riverbank cycle route

Work has been progressing on the new asphalt-sealed cycle path running between Moonshine Road and the city centre creating a safer alternative for cyclists than using the busy roads. Whilst still under development, this path is already proving to be extremely popular.

Did you know?

RAINWATER EMERGENCY WATER TANKS

Emergency rainwater tanks have been flying out the door of Upper Hutt City Council with 900 sold during the last twelve months. "Upper Hutt residents are clearly taking on the message to be prepared in case of emergency" says Lachlan Wallach, Council's Director of Asset Management and Operations. Upper Hutt has sold more rainwater tanks than any of our regional neighbouring councils.

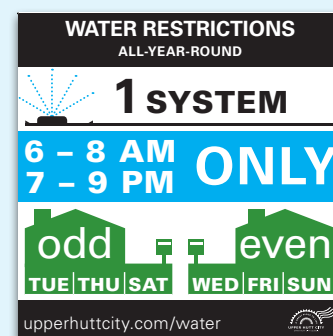
WATER CONSERVATION

In terms of cost, Upper Hutt City's water consumption is charged by Greater Wellington Regional Council relative to the city's population proportion. This means leak detection is very important and Council has been pushing this work programme to ensure that leaks are detected and fixed quickly. It also means that if Upper Hutt residents use more water and other cities on the network use less, Upper Hutt residents must foot the bill for not only the extra consumption, but also the savings of other cities.

This billing system means our city's water bill is highly vulnerable to fluctuations in consumption around the region. As of June 2014, Upper Hutt's water consumption had fallen from \$155,000 over budget (which represents a 0.49% increase in rates) to \$94,000 over budget (0.29% increase in rates). Residents have been responding to the new billboard messaging which shows how high (or low) the city's consumption is. A number of residents have even made suggestions for improving these billboards. One of which Council has delivered is labelling the arrows with the current season so that it would be apparent that the billboards were reflective of the current situation. It is noteworthy that the over-consumption is stemming from the areas of the city that do not have water conservation billboards that expose commuters to the latest conservation messaging. Council officers are investigating options for addressing this issue. In addition, Council is continuing the initiative introduced last year whereby fines imposed on people ignoring water restrictions or bans, were paid as a donation to a charity in lieu of being prosecuted. This year \$1,225 was distributed between ten charities.

WE DO LISTEN TO YOUR FEEDBACK

Council takes its fiscal responsibility seriously, particularly with respect to any proposed increase to rates. Upper Hutt has one of the lowest levels of residential rates and debt per capita in the Wellington region, and our first priority is to ensure that Council's assets such as roads, pipes, footpaths, and lights are well maintained at all times. To this end in 2013 – 2014, we limited the number of new projects and focused spending on the maintenance of Council's assets.



River restoration

On several occasions the community have identified river/stream water quality (in relation to toxic algal blooms) as one key area of concern for the community. With the popularity of the Hutt River Trail and the many swimming spots, it is easy to see why the naturally occurring yet potentially lethal organic material within the river is a key concern.

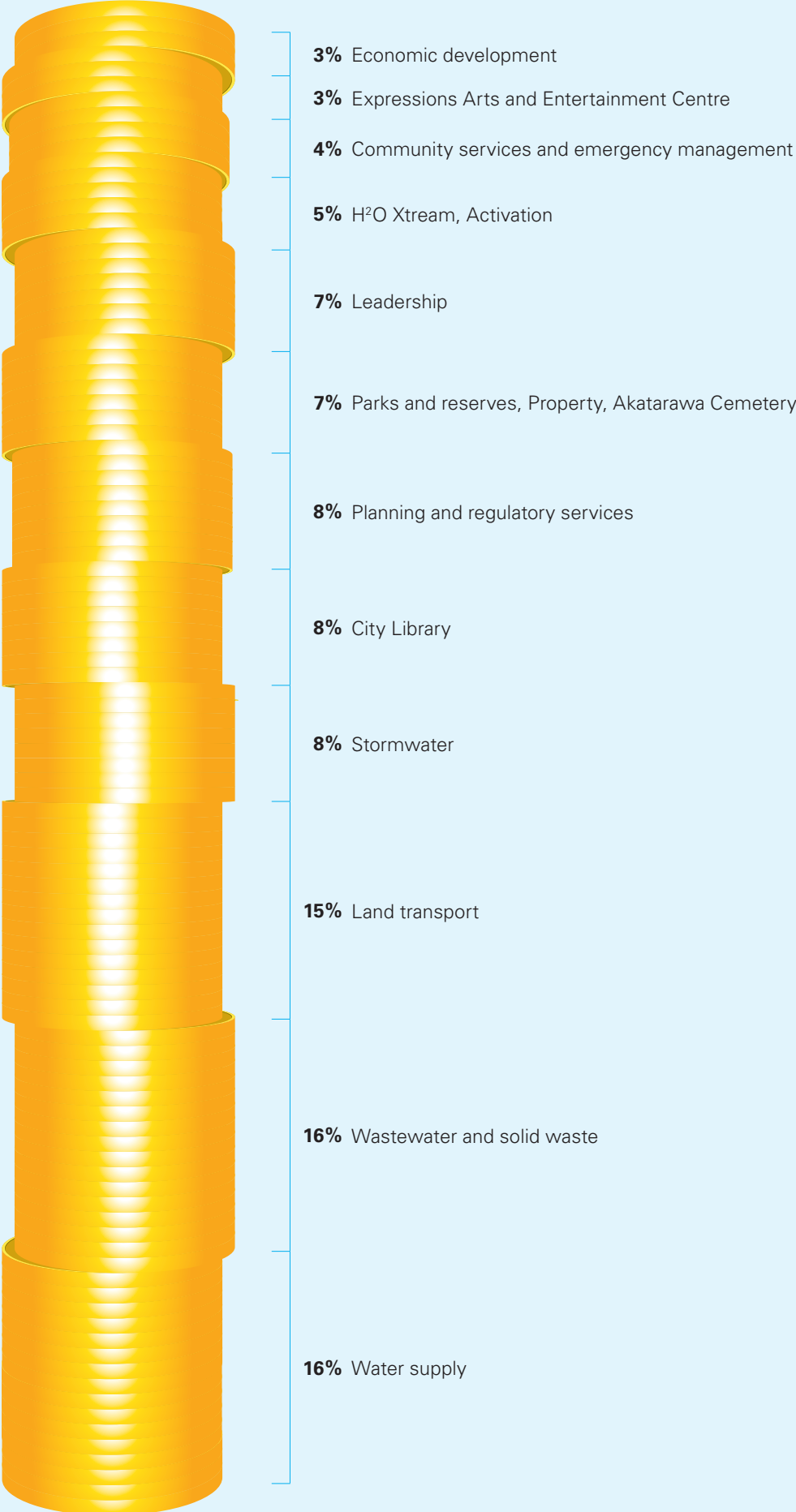
Last year collaborative investigations were undertaken by Upper Hutt City Council, Victoria University of Wellington students (supported by Geological and Nuclear Sciences), and Greater Wellington Regional Council scientists. This work will help to further our understanding of the entire Hutt River ecosystem.

A FEW STATISTICS ABOUT UPPER HUTT

Here are some interesting facts from Statistics New Zealand's 2013 Census data and Upper Hutt City Council.



WHERE YOUR RATES MONEY GOES



Measuring performance

FINANCIAL LEVELS OF SERVICE OBJECTIVES AND PERFORMANCE MEASURES

The overall rates funding result for the year was a surplus of \$1.626m. After allowing for approved funding carryovers from the previous year to the next year, the effective result is a surplus of \$554,000.

The operating deficit (operating income less expenditure) was \$1.919m compared to a budgeted deficit of \$3.83m, an unfavourable variance of \$1.911m.

Operating income was \$1.023m lower than estimated. There were several components to this shortfall. Fees and charges were under budget with the main contributions being property rentals, permit and licence fees and H²O Xstream charges. Subsidies and grants were \$383,000 under budget with the main shortfall being in other grants. Development and financial contributions collected were \$204,000 less than expected mainly due to lower than expected roading levy contributions.

Operating expenditure was \$2.934m below budget. There were a number of items in this variance leading to depreciation being \$169,000 lower than expected. Other expenses that were \$2.936m below budget, included consultants for energy, printing and stationery, and other expenditure and loss on disposal of assets.

Term debt decreased from \$27.962m to \$25.427m. This resulted from the cancellation of projects, which were not funded by NZTA, resulting in Council not being required to borrow to fund its share of the projects. (The expected loan funding of a weather tightness claim of \$2.3m was budgeted for year 2013 – 2014 but, was actually paid out in year 2012 – 2013). The current ratio (current assets: current liabilities) is 1.213:1 (in 2013 it was 0.38:1).

NON-FINANCIAL LEVELS OF SERVICE OBJECTIVES AND PERFORMANCE MEASURES

One of Council's legal obligations is to have a system whereby Council's performance is regularly monitored and reported. A number of performance measures, with associated targets, are determined and agreed to at the time of developing the Long Term Plan. Key achievements and the performance results are then reported to Councillors on a quarterly basis. All of the key Council activities 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.

Continuous improvement

As mentioned in last year's Annual Plan, Council contracted a new supplier to facilitate the Annual Community Survey in 2012 – 2013 which included changes in the data collection to achieve a more detailed approach to determining a resident's satisfaction. As such, the satisfaction measurement scale changed from a 3-point scale to a 10-point scale, offering participants a much greater range of feedback options. As explained in the Annual Report 2012 – 2013, it was considered likely that in some areas, the greater range of feedback options had an apparent negative consequence through the establishment of a new baseline that sits lower than the performance measure target.

Council performance results

Of the 13 Annual Plan performance measures associated with the community survey, four were achieved in 2014 in comparison to five in 2013. Of the remaining nine measures, when compared with the 2013 results, three registered an improvement, one registered no change, and five showed a decline in satisfaction. On the face of it these results are of concern, however officers do not believe that the majority of these results should cause either grave concern or provide significant reason to celebrate, particularly in light of the adjustment to the baseline which stemmed from the change in survey methodology. Ten of the thirteen (or 77%) were only one or two percent different (well within the 5% margin of error) from the previous twelve months' results. The coming Long Term Plan 2015 – 2025 will offer the opportunity for the performance measures and targets to be reviewed in light of the new 10-point scaling system used within the Annual Community Survey.

Performance by measure

Council has met the majority of its 38¹ performance targets at year's end

Target: 80% of all performance targets are met
at the end of this year

Performance: 58% of performance measures were met—*not achieved*



Community satisfaction with the provision of information by Council²

Target: 90% satisfaction

Performance: 75% satisfaction—*not achieved*



Average smoothness of all city roads











Target: Less than or equal to 120 NAASRA counts

Performance: Average smoothness was 118 NAASRA counts—*achieved*



NOTES:

1. The number of performance measures identified in the Long Term Plan 2012 – 2022 was 31. When subordinate measures are also counted, the number increases to 37. Also, during 2013 – 2014 the performance measure for 'processing building consents and LIMs within the statutory timeframes' was split into two sections, bringing the total number of Performance Measures to 38.
2. This performance measure is directly related to the results of the Annual Community Survey, which was carried out in February 2014.


Community satisfaction with the street lighting throughout the city ³	Target: 90% satisfaction	Performance: 83% satisfaction— <i>not achieved</i>	
Community satisfaction with the cleanliness of the city's streets ³	Target: 90% satisfaction	Performance: 90% satisfaction— <i>achieved</i>	
Assessment of footpath conditions to mitigate dangerous surface conditions developing	Target: 90% have a defect value of 29 or less	Performance: 97.4%— <i>achieved</i>	
Compliance with NZ drinking water standard	Target: Maintenance of our existing A1a grading	Performance: Maintained A1a grading— <i>achieved</i>	
Community satisfaction with water supply service ³	Target: 95% satisfaction	Performance: 94% satisfaction— <i>not achieved</i>	
Interruptions to the water supply	Target: 97% of individual consumers who experience unplanned water disruptions have the service restored within two hours	Performance: 93%— <i>not achieved</i>	
Minimise interruptions to the ability to use the wastewater system	Target: 95% of properties connected to the wastewater system who are unable to dispose of wastewater due to unplanned interruption will have their service restored within six hours	Performance: 100%— <i>achieved</i>	
Minimise number of blockages on Council mains	Target: Less than two blockages reported per kilometre of pipeline	Performance: 0.54 blockages per kilometre— <i>achieved</i>	
Preventative measures are undertaken to ensure that no flooding occurs within habitable buildings during a 1:50 year rainfall event	Target: Zero reports of inhabited buildings being flooded	Performance: Zero reports— <i>achieved</i>	
Reduce the annual tonnage of waste collected and sent to the local landfill	Target: Maintain a compounding target of reducing the waste collected per household on average by 10% per annum	Performance: The waste collected by Council contractors across Upper Hutt has reduced by 9.6% for the 2013 – 2014 year— <i>not achieved</i>	

NOTE:

3. These performance measures are directly related to the results of the Annual Community Survey, which was carried out in February 2014.


Promote recycling within Upper Hutt with the goal of increasing the participation rate of households

Target: Achieve a 60% participation rate of households using the kerbside recycling service

Performance: 32.4% of households use a recycling service provider
—*not achieved* 


Process resource consents within the statutory timeframes

Target: 100% of resource consents will be processed within the statutory timeframes

Performance: 100% —*achieved* 

Community satisfaction with Council’s current resource management practices⁴

Target: 87.5% satisfaction

Performance: 65% satisfaction —*not achieved* 


Community satisfaction with Council’s building and compliance services provided

Target: 92% satisfaction with the building consenting service

Performance: 95% satisfaction —*achieved* 


Community satisfaction with the control of dog nuisances in the city⁴

Target: 85% of respondents are satisfied or very satisfied with the control of dog nuisances in the city

Performance: 81% satisfaction —*not achieved* 


Community satisfaction with the enforcement of parking requirements within the city⁴

Target: 90% of respondents are satisfied or very satisfied with the enforcement of parking requirements within the city centre

Performance: 81% satisfaction —*not achieved* 

Process building consents and LIMs within the statutory timeframes⁴


Target: 100% of building consents and LIMs will be processed within statutory timeframes

Performance: 100% of building consents —*achieved* 

97.9% LIMs applications —*not achieved* 










Timeliness of food and hairdresser premises inspections

Target: Food and hairdresser premises inspections – complete annual inspection of 100% of premises requiring health inspection for the future year by 30 June

Performance: 100% —*achieved* 

NOTE:

4. These performance measures are directly related to the results of the Annual Community Survey, which was carried out in February 2014.

Timeliness of response to complaints of excessive noise		
Target:	Respond within one hour to 90% of excessive noise reports being confirmed	
Performance:	100% — <i>achieved</i>	
Timeliness of initial response to reported dog attacks		
Target:	100% of reported dog attacks will receive an initial response within two hours of the complaint being received	
Performance:	100% — <i>achieved</i>	
Satisfaction with the level of community engagement by the Community Development team		
Target:	90% satisfaction	
Performance:	95% satisfaction— <i>achieved</i>	
Level of satisfaction with the range and quality of local initiatives (community and Activation) provided to meet the needs of the Upper Hutt community		
Target:	80% of programme participants rate the initiative as being satisfactory or better at meeting the specific needs of the community. (5 key programmes will be evaluated)	
Performance:	Activation 100% — <i>achieved</i> , Community 92.7% — <i>achieved</i>	
Our community is increasingly prepared for a civil defence emergency ⁵		
Target:	75% satisfaction	
Performance:	85% of households are prepared for a civil defence emergency— <i>achieved</i>	
Community satisfaction with the range of high-quality aquatic leisure opportunities provided, for people of all ages and abilities, by H ₂ O Xtream ⁵		
Target:	95% satisfaction	
Performance:	90% satisfaction— <i>not achieved</i>	
H ₂ O Xtream will meet or exceed all required compliance standards for swimming pool operation		
Target:	PoolSafe Accreditation	
Performance:	<i>Achieved</i>	
H ₂ O Xtream annual attendance figures		
Target:	Meet or exceed 230,000	
Performance:	204,678 visitors— <i>not achieved</i>	
Community satisfaction with the level of customer service provided by library staff ⁵		
Target:	95% satisfaction	
Performance:	98% satisfaction— <i>achieved</i>	

NOTE:

5. These performance measures are directly related to the results of the Annual Community Survey, which was carried out in February 2014.

Number of issues and physical visits (to the library) in the 12 months to 30 June

Target 1: Minimum of 665,000 items issued by the City Library

Performance: 558,973 items issued—*not achieved*



Target 2: Minimum of 335,000 visitors to the City Library branches

Performance: 409,966 visitors—*achieved*



Target 3: Minimum of 57,000 visits to the City Library website

Performance: 47,972 website visits—*not achieved*



Community satisfaction with the range and number of arts opportunities provided at Expressions Arts and Entertainment Centre⁶

Target : 90% satisfaction

Performance: 86% satisfaction—*not achieved*



Number of visitors to Expressions Arts and Entertainment Centre meet or exceed 70,000

Target : 70,000 visitors

Performance: 120,441 visitors—*achieved*



Community satisfaction with the level of provision of open space, amenities, and gardens⁶

Target : 95% satisfaction

Performance: 97% of respondents were satisfied or very satisfied—*achieved*



Community satisfaction with the level of support provided to support economic development⁶

Target : 85% satisfaction

Performance: 63% of respondents were satisfied or very satisfied—*not achieved*



Reduce the number of vacant shops in the city centre

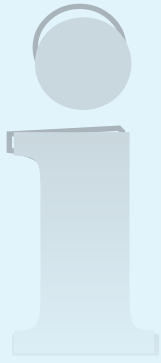
Target : Decrease the number of vacant shops from 12 (as at June 2013)

Performance: Number of vacant shops reduced from 12 to 10—*achieved*



NOTE:

6. These performance measures are directly related to the results of the Annual Community Survey, which was carried out in February 2014.



Understanding why targets were not achieved

PROVISION OF INFORMATION BY COUNCIL ON COUNCIL AFFAIRS

Almost three quarters of respondents (75%) were satisfied with the provision of information by the Council on Council affairs, this is a 2% increase from 2013. Comments received during the Annual Community Survey, carried out in February 2014, indicated that respondents would like more communication/ information delivered via rates inserts, the Leader, email, or the Upper Hutt City Council website. Council will follow up these suggestions during the coming year.

STREET LIGHTING

This year, 83% of people surveyed rated the street lighting in Upper Hutt as satisfactory, the target being 90%. The result is similar to previous years where the responses have ranged from 81.1% to 90.2%. Network faults are generally where large areas of lights are out at any time. While Council logs all outages, the repair work is often undertaken by a third party, which is beyond Council's control. Currently, parts of the city centre are being upgraded with LED lighting which is more efficient and provides improved illumination. A proposal for a wider LED upgrade will be considered as part of the Long Term Plan 2015 – 2025.

INTERRUPTIONS TO THE WATER SUPPLY

Due to many factors such as technical, engineering and location difficulties, it is not always possible to complete water leak repairs within two hours. The majority of the jobs that do not meet this time frame are completed within three hours.

SOLID WASTE

There are many other alternative private waste service providers operating in Upper Hutt and Council does not have access to all of the kerbside weight or participation data, therefore, Council must average the data it does have across the city. The actual figures may be different from those reported here.

RECYCLING

In February 2013, the Council's kerbside recycling collection service previously funded from rates changed to a user-pays system, with recycling being collected from wheelie bins by two different service providers. Data supplied by both providers has shown that the number of participants increased from 4121 to 4581 (11%) over the last 12 months. Results from the Annual Community Survey showed the respondent's satisfaction level for recycling significantly increased by 18% over the last 12 months. While the target has not been achieved, it is worth noting the volume of recycling from households that recycle has increased by 20% from the previous year.



PLANNING AND REGULATORY SERVICES

The Council's target for resource management practices (which implements rules over land use), has not been met this year. This is likely because the work often involves controversial planning projects including plan changes, along with contentious applications/issues, which evoke strong reactions from the public. From a pool of 406 residents surveyed only 54% answered this question indicating that many people are unfamiliar or are never exposed to resource management practices.

Only 54% answered this question indicating that many people are unfamiliar or are never exposed to resource management practices.

CONTROL OF DOG NUISANCES

Even though the Council's approach to animal control has remained consistent with previous years, the control of dog nuisances in the city received a satisfaction rating of 81%, once again narrowly missing the target of 85% satisfaction. This may be indicative of people being more aware of restrictions imposed by the Council Dog Policy.

PARKING ENFORCEMENT

It is difficult to reason why the respondents' satisfaction with the enforcement of parking requirements in the city centre dropped to 81% (1% down on 2013)—the target being 90%. Thirty-five percent less tickets were issued during the 2013 – 2014 period, partly due to a reduction in patrolling hours by parking wardens, and partly due to the decision to discontinue issuing tickets within residential areas. Council's parking enforcement function generates divergent views in the community as to whether there should be more or less enforcement, and inevitably attracts a level of dissatisfaction as a result. The result may be another example of the new benchmark stemming from the change in survey methodology.

LAND INFORMATION MEMORANDUM (LIM)

With respect to the LIMs 97.9% (323 of 330) were processed on time within the period. The target not being achieved was partly due to receiving 28 LIM applications (approximately four weeks' worth of processing) from one applicant on the same day in addition to the usual numbers. The Council does not have the resources to process an extraordinary number such as this. Officers liaised with the applicant keeping them informed of progress, and processed the other LIMs received over the period within the statutory time.

H²O XTREAM SATISFACTION

Satisfaction with the range of quality aquatic leisure opportunities provided for people of all ages and abilities was again 90%, as in 2012. It is likely this stems from the new benchmark.

H²O XTREAM ATTENDANCE FIGURES

Pool attendance is reported to be down both nationally and across the majority of the region. Lower attendance this year could be attributed to two pool closures, one due to earthquake strengthening and the other during the installation of the UV system.





CITY LIBRARY—ITEMS ISSUED

In common with other public libraries, both nationally and internationally, the Library is changing its service from a high volume, low value transactional model, to that reflecting lower volume and higher value. This is evidenced by the increasing number of visitors using the library for services other than borrowing books. Although the Library has seen a steady decline in the number of issues, the total number of visitors to the Library increases every year. The last 12 months saw an increase of 21,715 visitors from the previous year with people taking advantage of the computers, free internet, and the numerous activities on offer every day in the Library.

CITY LIBRARY—WEBSITE VISITS

Comparison data to previous years does not reflect true website use as Council has introduced a new reporting method this year which counts a different level of activity. The website analysis tool previously used, only provided high level information. The new website analysis tool allows more informative data collection such as; what pages are being viewed, various demographics, how long users stay on a page, whether information is being downloaded or being forwarded on, to name a few.

EXPRESSIONS ARTS AND ENTERTAINMENT CENTRE

Community satisfaction with the range of arts opportunities provided at Expressions Arts and Entertainment Centre was 86% satisfaction compared to 85% in 2013 (90% target). Once again, this is likely the result of the new benchmark.

ECONOMIC DEVELOPMENT

Almost two thirds of respondents (63%) are satisfied with Council's role in supporting economic development, similar to 2013 but still falling short of the 85% target. Comments from those people dissatisfied inferred that Council should strategically target and encourage economic growth, and that Council should be proactive in filling empty shops, lowering rents and providing better service. Further comments included creating a new identity, and strengthening marketing.

Council will continue to increase its efforts in this area through our Economic Development Stimulus Policy, with the view to improving the balance between public satisfaction and level of expenditure.

Financial statements summary

The following information is a summary of the Upper Hutt City Council's financial statements that has been extracted from the Council's Annual Report 2013 – 2014.

The Statement of Financial Position (Table 2) is a summary of what the Parent (Council) and Group (Council controlled organisations such as Expressions) owns and what it owes to other parties as at 30 June 2014.

The Statement of Comprehensive Income (Table 3) is a summary of the financial performance of the Parent and Group for the 2013 – 2014 year.

Tables 2 – 3 also provide a comparison with the 2012 – 2013 year that ended on 30 June 2013.

Table 6 provides a summary of the Council's 5-year financial performance, including financial statistics and graphs.

Please refer to the main component of the Annual Report 2013 – 2014 for full financial details, including disclosure of accounting policies and notes to the accounts.

TABLE 1: RATE FUNDING REQUIREMENT FOR EACH ACTIVITY

	Actual 30 Jun 2014 (\$000)	Budget 30 Jun 2014 (\$000)	Variance 30 Jun 2014 (\$000)
AS AT 30 JUNE 2014			
Leadership	2,097	2,243	146
Land transport	4,479	5,200	721
Water supply	4,686	4,763	77
Wastewater	5,368	6,221	853
Stormwater	2,242	2,272	30
Solid waste	(480)	(443)	37
Planning and Regulatory Services			
City planning	1,112	1,262	150
Building and compliance services	1,230	705	(525)
Community Services			
Community development	602	602	0
Activation	250	241	(9)
Emergency management	502	560	58
Facilities			
Parks and Reserves	2,136	2,253	117
H ² O Xtream	1,327	1,411	84
City Library	2,380	2,257	(123)
Expressions Arts and Entertainment Centre	775	803	28
Property	70	23	(47)
Akatarawa Cemetery	7	(4)	(11)
Support Services	99	25	(74)
Economic development	936	1,050	114
Total rate funding requirement for each activity	29,818	31,444	1,626

	Actual 30 Jun 2014 (\$000)	Variance 30 Jun 2014 (\$000)
PLUS RATE FUNDED CARRYOVERS 2013 – 2014		
Stormwater model callibration	20	20
Sunbrae Drive – Stormwater Capital	50	50
Stormwater (Pinehaven Stream Study)	14	14
City planning (Maymorn Structure Plan)	42	42
City planning (Urban Growth Strategy)	49	49
City planning (Scheme Review)	8	8
Support services (GIS software, consultants)	61	61
Total rate funded carryovers 2013 – 2014	244	244
LESS RATE FUNDED CARRYOVERS 2014 – 2015		
City Planning (Urban Growth Strategy)	34	34
Brochures and promotional	15	15
City Planning Maymorn Structure Plan	122	122
Stormwater (Pinehaven Stream Study)	10	10
Wastewater main renewal	525	525
Wastewater flow monitoring	8	8
Stormwater Model Calibration	14	14
Minor improvements	56	56
Safety improvement bridges	104	104
Works contingency	30	30
Norbert Street bridge	91	91
Sealing Hutt River Trail	104	104
HAPAI Club	41	41
Building FAP claims	6	6
Support services (GIS software, consultants)	156	156
Total rate funded carryovers 2014 – 2015	1,316	1,316
TOTAL RATE FUNDED SURPLUS FOR 2013 – 2014		554

TABLE 2: STATEMENT OF FINANCIAL POSITION—SUMMARY

AS AT 30 JUNE 2014	Actual Parent 30 Jun 2014 (\$000)	Actual Parent 30 Jun 2013 (\$000)	Budget Parent 30 Jun 2014 (\$000)	Actual Group 30 Jun 2014 (\$000)	Actual Group 30 Jun 2013 (\$000)
Assets					
Current assets	9,860	8,725	11,124	10,169	8,951
Non-current assets	669,214	662,499	657,435	669,283	662,569
Total assets	679,074	671,224	668,559	679,452	671,520
Liabilities					
Current liabilities	8,758	23,286	8,151	8,909	23,405
Non-current liabilities	24,995	10,812	26,647	24,995	10,812
Total liabilities	33,753	34,098	34,798	33,904	34,217
Net assets/equity	645,321	637,126	633,761	645,548	637,303

This statement provides a summary of the comparative financial position for the Parent and Group for the 2013 – 2014 and 2012 – 2013 financial years under NZIFRS.

TABLE 3: STATEMENT OF COMPREHENSIVE INCOME—SUMMARY

YEAR ENDED 30 JUNE 2013	Actual Parent 30 Jun 2014 (\$000)	Actual Parent 30 Jun 2013 (\$000)	Budget Parent 30 Jun 2014 (\$000)	Actual Group 30 Jun 2014 (\$000)	Actual Group 30 Jun 2013 (\$000)
Total operating revenue	43,860	41,473	44,883	44,089	41,649
Total operating expenditure ⁷	45,779	44,323	48,713	45,958	44,439
Net operating surplus/(deficit)	(1,919)	(2,850)	(3,830)	(1,869)	(2,790)
Increase/decrease in asset revaluation reserves	10,114	11,346	6,900	10,114	11,346
Total comprehensive income as restated	8,195	8,496	3,070	8,245	8,556

This statement provides a summary of the comparative financial performance for the Parent and Group for the 2013 – 2014 and 2012 – 2013 financial years under NZIFRS.

NOTE

7. Finance cost – interest	1,324	1,485	1,483	1,324	1,485
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TABLE 4: STATEMENT OF CASH FLOWS—SUMMARY

YEAR ENDED	Actual Parent	Actual Parent	Budget Parent	Actual Group	Actual Group
30 JUNE 2013	30 Jun 2014	30 Jun 2013	30 Jun 2014	30 Jun 2014	30 Jun 2013
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Net cashflow from operating activities	8,252	8,648	6,517	8,363	8,674
Net cashflow from investing activities	(10,725)	(7,726)	(9,319)	(10,718)	(7,723)
Net cashflow from financing activities	840	(1,369)	3,039	840	(1,369)
Net cashflow (outflow) for the year	(1,633)	(447)	237	(1,515)	(418)

TABLE 5: STATEMENT OF CHANGES IN EQUITY—SUMMARY

	Actual Parent	Actual Parent	Budget Parent	Actual Group	Actual Group
	30 Jun 2014	30 Jun 2013	30 Jun 2014	30 Jun 2014	30 Jun 2013
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Equity at the start of the year	637,126	628,630	630,691	637,303	628,747
Total comprehensive income	8,195	8,496	3,070	8,245	8,556
Equity at the end of the year	645,321	637,126	633,761	645,548	637,303

These statements provide a summary of the comparative financial performance for the Parent and Group for the 2013 – 2014 and 2012 – 2013 financial years under NZIFRS.

TABLE 6: FIVE-YEAR FINANCIAL PERFORMANCE SUMMARY

	Actual 2013 – 2014 (\$000)	Actual 2012 – 2013 (\$000)	Actual 2011 – 2012 (\$000)	Actual 2010 – 2011 (\$000)	Actual 2009 – 2010 (\$000)	Budget 2013 – 2014 (\$000)
Rates	31,850	30,352	28,965	27,528	26,397	31,646
Net surplus/(deficit)	(1,919)	(2,850)	(4,264)	(1,444)	(3,052)	(3,830)
Working capital	1,102	(14,561)	(4,600)	(3,481)	(3,172)	2,973
Public debt	25,427	24,587	25,956	20,512	18,617	27,962
Total net assets	679,074	671,224	662,646	576,071	523,598	633,761

TABLE 7: FIVE-YEAR COUNCIL FINANCIAL STATISTICS

	Actual 2013 – 2014 (\$000)	Actual 2012 – 2013 (\$000)	Actual 2011 – 2012 (\$000)	Actual 2010 – 2011 (\$000)	Actual 2009 – 2010 (\$000)	Budget 2013 – 2014 (\$000)
Proportion of rates to total income	72.62%	73.18%	70.94%	68.58%	69.25%	70.5%
Average rates per rateable property	\$1,910	\$1,841	\$1,774	\$1,686	\$1,630	\$1,920
Total interest expense on net public debt	5.2%	6.0%	6.1%	7.8%	8.0%	5.3%
External net public debt to annual rates	79.8%	81.0%	86.9%	74.5%	70.5%	88.4%
External net public debt per rateable property	\$1,524	\$1,491	\$1,589	\$1,256	\$1,149	\$1,696
External net public debt to total equity	3.9%	3.9%	4.1%	3.6%	3.6%	4.4%

MAJOR ESTIMATE VARIATION

Explanations for major variations from Upper Hutt City Council's 2013 – 2014 Annual Plan are as follows.

Statement of comprehensive income

Operating Revenue was \$1,023,000 below estimate. The following are the main variances:

- Rates income was up by \$204,000 over estimate due to growth of subdivisions within the city.
- Fees and Charges were below estimate by \$860,000 for Council, the main lower components being:
 - permit and license fees down by \$374,000 due to building consents being down
 - property income was down \$1,468,000 due to a hold up in the development and sale of the Maidstone Terrace land
 - H²O Xtream's fee income was down by \$218,000 due to two pool closures
 - the library, parks and cemetery fee income was down by \$146,000
 - vested asset income was up by \$402,000.
- Development and financial contributions were lower by \$204,000 mainly due to rural road contributions.
- Subsidies and Grants were below estimate by \$383,000. This was solely due to a drop in community grants received by Council.

Operating Expenditure was \$2,934,000 below estimate. The following are the main variances:

- Depreciation was \$169,000 lower than budget. This reflects the impact of asset revaluations and depreciation of the wastewater project
- Bulk drainage levy was \$226,000 lower than expected
- Personnel costs were \$501,000 higher as actual personnel costs include costs allocated to projects

- Other costs were down from budget by \$2,936,000 and they comprised of:
 - insurance by \$136,000
 - printing and stationery by \$163,000
 - electricity/gas energy by \$86,000
 - land transport general maintenance by \$268,000
 - other operating expenses were down by \$3,076,000, which was largely due to payment of a weathertightness claim paid out in the 2012 – 2013 year.

Statement of financial position

Asset revaluation reserves have increased by \$12.553 million due to the revaluation of infrastructural assets.

Public debt at balance date was \$25.427 million. This compares with an estimate of \$27.962 million, the difference is due to the cancellation of NZTA subsidised projects (which had budgeted for Council's proportion to be funded by loan) and the weathertightness claim, which was settled at a lower value and was funded from the 2012 – 2013 financial year as it came in earlier than expected.

Capital expenditure

Capital expenditure fluctuated in accordance with the projects mentioned above and variations in other budgeted works over the past three years.

Statement of changes in equity

The major variations were unbudgeted revenue, expenditure, and operational asset revaluations as explained above.

COMPLIANCE INFORMATION

1. The Annual Report 2013 – 2014 (which includes the Council’s full financial statements) and the Annual Report 2013 – 2014 Summary (which contains the summary financial statements) will both be adopted by the Upper Hutt City Council at an Extraordinary Council meeting on 29 October 2014.
2. Upper Hutt City Council is a public benefit entity. The full financial statements have been prepared in accordance with NZ GAAP and include an explicit and unreserved statement of compliance with International Financial Reporting Standards.
3. The summary financial statements cannot be expected to provide as complete an understanding as provided by the full financial statements.
4. A copy of the Annual Report 2013 – 2014 (which includes the Council’s full financial statements) may be obtained from Upper Hutt City Council at:

838 – 842 Fergusson Drive,
Upper Hutt 5140,

or by visiting www.upperhuttcity.com

5. The full financial statements have been audited by Audit New Zealand and an unqualified opinion issued.
6. The presentation currency of this summary report is New Zealand dollars.
7. Between year-end (30 June 2014) and the signing of the financial statements (29 October 2014) there were nil subsequent events.

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 2014 fairly reflect the financial position, operations, and the non-financial performance of Upper Hutt City Council.



W N Guppy
MAYOR

C B Upton
CHIEF EXECUTIVE

I Johnson
DIRECTOR OF
CORPORATE SERVICES

Independent audit report

Independent Auditor's Report

To the readers of Upper Hutt City Council and group's summary annual report for the year ended 30 June 2014

The summary annual report was derived from the annual report of Upper Hutt City Council (the City Council) and group for the year ended 30 June 2014. We have considered whether the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report.

The annual report included full audited statements, and the summary annual report includes summary statements. We have audited the following summary statements reported in the summary annual report on pages 18 to 34:

- the summary statement of financial position as at 30 June 2014;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2014;
- the summary of Rate Funding requirement for each activity;
- the summary statement of service provision (referred to as Non-financial Levels of Service Objectives and Performance Measures) of the City Council and group; and
- the five year summaries of financial performance summary and Council financial statistics.

We expressed an unmodified audit opinion on the City Council and group's full audited statements in our report dated 29 October 2014.

Opinion

In our opinion:

- the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with FRS-43 (PBE): *Summary Financial Statements*.

Basis of opinion

Our audit was carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand), and in particular with the International Standard on Auditing (New Zealand) 810: *Engagements to Report on Summary Financial Statements*. These standards require us to carry out procedures to confirm whether the

summary annual report contains the information necessary, and at an appropriate level of aggregation, so as not to be misleading.

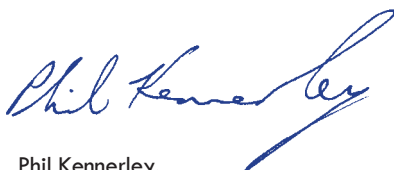
The summary statements do not contain all the disclosures required for full audited statements under generally accepted accounting practice in New Zealand. Reading the summary statements, therefore, is not a substitute for reading the full audited statements in the annual report of the City Council and group.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing the summary annual report so that it represents, fairly and consistently, the information regarding the major matters dealt with in the annual report. This includes preparing summary statements, in accordance with FRS-43 (PBE): *Summary Financial Statements*. The Council is also responsible for the publication of the summary annual report, whether in printed or electronic form.

We are responsible for expressing an opinion on whether the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report and whether the summary statements comply with FRS 43 (PBE): *Summary Financial Statements*.

Other than in our capacity as auditor we have no relationship with, or interest in, the City Council or any of its subsidiaries.



Phil Kennerley,
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand
29 October 2014



Upper Hutt City Council

838 – 842 Fergusson Drive
Private Bag 907
Upper Hutt 5140

T (04) 527 2169

E askus@uhcc.govt.nz

F [fb.com/upperhuttcitycouncil](https://www.facebook.com/upperhuttcitycouncil)

W upperhuttcity.com