

UPPER HUTT CITY

# Annual Report 2014 – 2015 Summary

1 JULY 2014 – 30 JUNE 2015





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# Upper Hutt City Council

## OUR MAYOR AND COUNCILLORS



MARY AMOUR   BLAIR GRIFFITHS   PAUL LAMBERT   GLENN MCARTHUR   JOHN GWILLIAM   WAYNE GUPPY   ANGELA MCLEOD   DEAN RABBITT   HELLEN SWALES   STEVE TAYLOR   DAVE WHEELER

### HIS WORSHIP THE MAYOR **Wayne Guppy, JP**

T (w): (04) 527 2189 | T (h): (04) 527 8331 | M: 027 277 1550

E: wayne.guppy@uhcc.govt.nz | F: www.facebook.com/mayor.wayneguppy

### DEPUTY MAYOR **John Gwilliam**

26D Chatsworth Road, Silverstream

T: (04) 527 9727 | M: 027 527 9727 | E: john@mainstreetlegal.co.nz

### **Mary Amour**

61 Lane Street, Wallaceville

T: (04) 527 0144 | M: 027 306 0559

E: maryarchibald@xtra.co.nz

### **Blair Griffiths**

18 Gloucester Street, Silverstream

M: 027 451 9561 | E: crblairgriffiths@gmail.com

### **Paul Lambert**

1296A Akatarawa Road

T: (04) 526 3660 | M: 022 130 1697

E: spellbound@xtra.co.nz

### **Glenn McArthur**

3 Streets Way

T: (04) 526 4184 | M: 027 542 9308

E: glmca@xtra.co.nz

### **Angela McLeod**

227C Whitemans Valley Road

T: (04) 528 2288 | M: 027 497 2761

E: angela.mcleod@vodafone.co.nz

### **Dean Rabbitt**

13 Black Beech Street, Birchville

M: 020 4095 0098 | E: deanusagirabbitt@gmail.com

### **Hellen Swales**

28D Marlborough Street, Silverstream

M: 027 528 6799 | E: hellen.swales@gmail.com

### **Steve Taylor**

25 Bristol Street, Trentham

M: 027 337 8371 | E: bassman42@vodafone.co.nz

F: www.facebook.com/SteveTaylorUH

### **Dave Wheeler**

37A Heretaunga Square, Heretaunga

T: (04) 528 2254 | M: 027 769 2390

E: wheeler.dave@xtra.co.nz

UPPER HUTT CITY COUNCIL, PRIVATE BAG 907, UPPER HUTT 5140

WWW.UPPERHUTTCITY.COM

# Foreword

## FROM HIS WORSHIP THE MAYOR AND THE CHIEF EXECUTIVE

We are very pleased to present to our Upper Hutt community this Annual Report, which highlights our efforts and performance as a Council over the past year measured against our Annual and Long Term Plans. It also tells a story of prudent economic management, planning for our future, and working to enable growth and success for our people and for our business community.

In preparing this year's Annual Report, it was very clear to see what our city has been able to achieve through working together: Our community has stood united on determining the fate of our future; stood shoulder to shoulder remembering our proud heritage of service in commemoration of the start of the First World War; we have sat side by side in workshops to collaboratively build opportunities for local economic success; and met face to face to share opinions, values, and ideas under various consultations.

As you take the time to read through this Annual Report you may find yourself reflecting, as we have, about just how lucky we are to call Upper Hutt 'home.'

We were also reminded of this when the proposed amalgamation of Councils in the Wellington region was tabled by the Local Government Commission. Widely panned by the region, Upper Hutt residents were immediately mobilised and remained a steadfast, collective voice throughout the process of consultation. Despite having the most to lose, our voice remained dignified and was heard loud and clear. Our city had the greatest number of participants in this regional process and the Local Government Commission decided not to proceed with the proposed amalgamation.

This process was long, involving exceptional commitment, effort, and drive from members of our community leading the charge. Perhaps the best thing to come out of the process is that Upper Hutt is now riding a wave of reinvigorated civic pride and a greater understanding and appreciation of who we are as a city, and what we like about being part of this community.

**We stood shoulder to shoulder remembering our proud heritage of service in commemoration of the start of the First World War.**

**Upper Hutt residents were immediately mobilised and remained a steadfast, collective voice throughout the process of consultation.**



This understanding helped Council to develop a strapline for our city—a bold statement that describes why Upper Hutt is a great place to live, work, and play. When our Long Term Plan was launched, we also launched *'Life. Leisure. Live it!'* And as our city continues to grow, it is clear that Upper Hutt is becoming a destination of choice for many businesses and families, and this statement helps to communicate what these people might expect here.

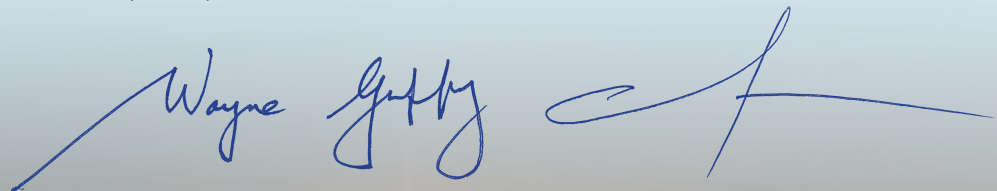
More and more people are realising the potential of our great city—that Upper Hutt is not just a city of beauty but also a city of opportunity. An opportunity for a better quality of life, fantastic outdoor leisure pursuits, and full of energy and optimism for a bright future. Some are already reaping the rewards of investing here, and many more have begun the journey of starting up or relocating their business to Upper Hutt.

**Our local business leaders are becoming the architects of Upper Hutt's economic future.**

Our local business leaders are becoming the architects of Upper Hutt's economic future. Our commercial landscape is constantly evolving and our boutique industries, such as technology and brewing, are setting the foundation for an optimistic future—one which we, as a Council, are working hard to support.

As a Council, our strategies are underpinned by a clear vision for our city, and our relationships with others are critical to our ability to get things done. Council works alongside our community, community groups, and other partners to ensure that our commitment to enhancing the life of our residents is delivered, with a clear understanding of the needs of our community. To these partners, agencies, and individuals who have contributed so significantly to this vision, we thank you.

We would also like to thank our residents – our neighbours, friends, and family who are so proud to call Upper Hutt home. It is the people of our city that makes this place special.



W N Guppy | MAYOR

C B Upton | CHIEF EXECUTIVE



# Our vision

## MEASURING OUR VISION/OUTCOMES

Our vision statements are focused 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 2014 – 2015 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.



## ENHANCING OUR ENVIRONMENT

### Love Food Hate Waste nationwide campaign

Upper Hutt City Council is part of the national *Love Food Hate Waste* campaign. The campaign aims to raise awareness about household food waste and the importance of planning food purchases and meals, being smart about food storage and being creative with leftovers. A recent study revealed that every year, the average family in the Wellington region throws away more than \$599 worth of edible food.



### Waste minimisation and sustainability

Upper Hutt City Council is signatory to the Wellington Regional Waste Management and Minimisation Plan (WMMP). Most of the actions undertaken have been from the Wellington Region Waste Minimisation Education Strategy. These have included funding Enviroschools, providing information on waste minimisation, and offering Zero Waste Fund grants to schools and community gardens to reduce their waste. In addition, the annual hazardous waste collection day was held in September 2014, and through Council's Eco Design Advice programme, almost 50 home energy audit visits were undertaken.







## Outdoor recreation

### STOPBANK TRAIL

The completed sealed trail along the stopbank from Moonshine Park to Poplar Grove, and into the city centre is proving to be a great success. The trail is almost 2.85 km long and provides a fun, safe route through to the city centre for recreational cyclists, walkers, and families.

### YOUTH IN PARKS

Once again the Activation team made full use of our parks during the summer months. Over 150 students, along with several 'brave' parents/caregivers attended a number of the *Youth in Parks* activities. The aim of the programme is to connect sports organisations and clubs, and to provide fun activities across our parks.



### PAWS IN THE PARK

Activation, along with Greater Wellington Regional Council and Hutt City Council held the first of the 2015 *Paws in the Park* events at Tunnel Gully in January. Following the walk through Tunnel Gully, the Upper Hutt Dog Agility School and A-Grade Animals Dog Training set up demonstrations and activities showcasing some amazing skills from dogs and their owners. Close to 200 participants (including dogs) enjoyed this very popular annual family outing.





## 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.



### STRENGTHENING OUR COMMUNITY

#### Community street clean-up

Streets in Timberlea were a hive of activity on Saturday 20 June 2015 as residents cleaned up their neighbourhood as part of the Together Our Place (TOP) Timberlea Safer Communities project. Several tonnes of rubbish were either recycled or sent to the landfill from the street clean-up.



#### Funding expo for community groups

Council hosted and facilitated a funding expo at Upper Hutt Central Library in May 2015. The activity was to increase awareness of the funding opportunities available and how community groups and organisations can apply. The expo was very well received.

#### Upper Hutt City Library

Upper Hutt City Library continues to offer a range of services and programmes for all ages, including *Stepping Up* (a computer support programme), *Cognitive Health and Wellbeing* workshops (focussing on stress and resilience), and school holiday activities.



The Central Library is also a vital community hub for a multitude of activities such as cheese-making classes, ukulele performances, and for groups such as *Unscripted* (an over 50's theatre sports group).





## Positive ageing week 2014

Positive ageing week offered 20 diverse events and programmes where residents over 50 could learn new skills while having fun and connecting with friends, family, whanau, community groups, and organisations.

### Activation

Activation hosts a vast range of activities. Among them is a programme for the Teen Parent Unit, designed to encourage mums and their families back into active recreation. The Growing Old Living Dangerously (GOLD) programme offers residents aged 50+ the opportunity to take part in adventurous activities. Adrenalin-fuelled events like whitewater rafting at Otaki Gorge and the aerial obstacle course at Adrenalin Forest offered like-minded people a chance to connect and were a huge success.



### Our Heritage

#### ANZAC DAY

To commemorate the centenary of the landings of our armed forces at Gallipoli a special service of dedication took place on Saturday 25 April 2015 in Upper Hutt. The service was attended by around 3,500 people who gathered in front of the civic buildings.



#### 'MEMORIES OF MAIN STREET' POP-UP MUSEUM

A very popular 'pop-up' museum, entitled *Memories of Main Street*, was set up in The Mall and ran from 24 – 27 September 2014, where photographs celebrating the history of Upper Hutt's city centre were displayed. A flatbed scanner was made available for visitors to add their own content. Feedback from the almost 900 visitors was extremely positive with several requests for something similar to be held again this year.





## 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.



## SUPPORTING OUR CITY CENTRE

### Working with retailers

#### PROFESSIONAL DEVELOPMENT SEMINARS AND WORKSHOPS

Council's commitment to supporting our retail community with practical advice, support, and promotional opportunities continued this year with increased participation from the retail community. A number of professional development seminars and workshops were organised by Council and included topics such as digital marketing and social media, retail promotions and advertising, merchandising, security, and digital commerce.



#### RETAIL EVENT PLANNING GROUP

This group helped shape the promotion activities and events within the city centre, and Council thanks them for their time and input.

### March Madness Fair 2015

The March Madness Fair 2015 built on the success of the previous year, with stall numbers exceeding 200. It was estimated that over 25,000 people attended the fair, many from outside of Upper Hutt.



### Improving the appearance of Main Street

Council has been working closely with landlords to enhance the visual appearance of the city centre. Several store frontages have been painted and signage updated, resulting in several of the previously vacant shops now being occupied.







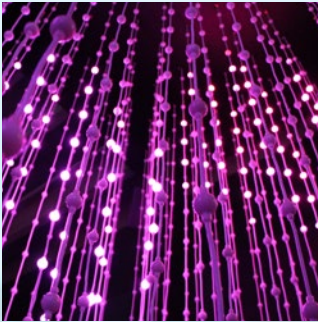
## Expressions Whirinaki Arts and Entertainment Centre

### NATIONAL GEOGRAPHIC 50 GREATEST PHOTOGRAPHS

Once again Expressions Whirinaki Arts and Entertainment Centre has put Upper Hutt on the map by bringing the globally recognised exhibition of the 50 Greatest Photographs of National Geographic to New Zealand.

◀ *Afghan Girl*, courtesy of National Geographic.

This was the first time The National Geographic had ever exhibited in New Zealand. The exhibition attracted over 20,000 visitors, many of whom had travelled from outside the region. Several schools took the opportunity to bring students of all ages to view the amazing photos. A number of people also came back to view the photos on more than one occasion.



### SUBMERGENCE

Another very popular attraction to Expressions Whirinaki this year was the interactive Submergence Exhibition, a large immersive walkthrough installation with thousands of points of light floating in the gallery. Once inside, visitors could walk around freely, completely surrounded by light, sound, and movement.





## 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.



## ENHANCING OUR ECONOMY

### Economic developments

#### EXPLORING OPPORTUNITIES

Council continued to work with businesses, developers, investors, and support organisations such as Grow Wellington which forms part of the Wellington Region Economic Development Agency (WREDA). Council's business development and marketing team hosted Grow Wellington on a tour of Upper Hutt businesses. The objective was to enable Grow Wellington to promote Upper Hutt as a viable place to set up business. The tour showcased some of the great success stories, industries, and opportunities here in our city.



#### ECONOMIC DEVELOPMENT STIMULUS PACKAGE

In October 2014, Council introduced a two-year trial of a new Economic Development Stimulus Package. The purpose of this package is to stimulate economic growth within Upper Hutt by encouraging development that would provide employment and GDP growth. The policy has already had a positive effect through the attraction, retention, or expansion of businesses in the Upper Hutt community.



### Communication improvements

This year Council launched its new, modern, easy to navigate, website. The main Council site ([upperhuttcity.com](http://upperhuttcity.com)) is the home of all Council related information and services, and also acts as a launchpad for the smaller, more specialised Council sites. One of these ([visit.upperhuttcity.com](http://visit.upperhuttcity.com)) was developed specifically to support visitor information, local activities, and promote our local retailers. Visitation to this site has been consistently growing since it launched.







## 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.

### SUPPORTING TRANSPORT OBJECTIVES

This year Council presented its first formal Infrastructure Strategy. This strategy outlines how the Council intends to manage its infrastructure assets over the next 30 years, with land transport making up a large section of infrastructure along with wastewater, stormwater, and water supply.

#### Roading and footpaths

A significant proportion of Council's expenditure is on roading asset renewals. In 2014 – 2015 this amounted to \$3.196 million, which comprised a wide range of activities including the resurfacing of almost 80,000 square metres of roads, and reconstruction of 4,975 square metres of footpath. In addition to the renewals programme, a further \$2.47 million was proportioned to roading maintenance which included street lighting, street cleaning, traffic services, drainage and general maintenance of the network.

Three key projects undertaken this financial year were:

- 1 Pinehaven/Wyndham Road intersection upgrade
- 2 Seismic strengthening of Totara Park Bridge
- 3 Akatarawa Road safety upgrades.

#### Upper Hutt train station upgrade

In accordance with the Annual Plan, Council made a one-off contribution to Greater Wellington Regional Council towards the replacement of the Upper Hutt train station. The new station will present a significantly enhanced, architecturally designed entrance to our city and key transport hub.





# Did you know?

## Parks and reserves

We know that the people of Upper Hutt value our wonderful outdoors. Here are a few interesting facts.

Within Upper Hutt there are:

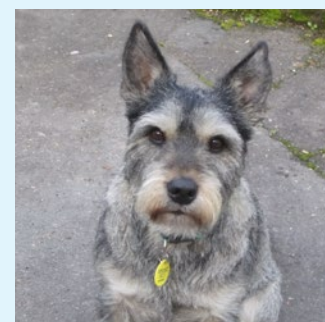
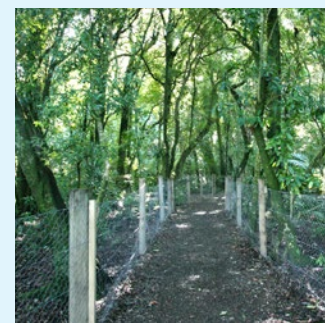
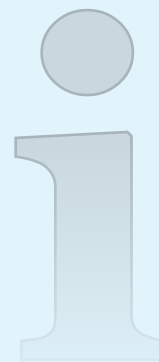
- ▶ 67 sports fields (26 for summer and 41 for winter sports)
- ▶ 32 regional and neighbourhood playgrounds
- ▶ 50 km of walking and cycling tracks – soon to be significantly increased
- ▶ 54 individual parks and reserves
- ▶ 380 hectares of parks and reserves. 220 hectares are bush covered, with 12.7 hectares of this being fenced off for conservation purposes
- ▶ public gardens covering a total area of 11.1 hectares
- ▶ mixtures of both exotic and native trees, and in terms of native regeneration; Barton's Bush and Domain Bush, within Trentham Memorial Park, are two areas of high significance
- ▶ approximately 50 new trees planted each year under the **Street Tree Planting Programme**. In addition, trees are also replaced and/or removed if they are unsafe or unhealthy. Trees are planted within reserves, based on their species, size, form, suitability to the area, and colour.

## Dog rangers

Council's dog rangers are kept very busy throughout the year with a total of 1,396 complaints received during the last 12 months. The majority of these calls involved barking dogs, stray dogs, and impounding dogs, along with general complaints and enquiries. Our very experienced dog rangers frequently offer excellent tips to dog owners on ways to distract dogs from repetitive barking or straying, as boredom or separation anxiety are two of the main causes of these behaviours.

## Heritage collections

UPPER HUTT RECOLLECT is the interactive database for the Upper Hutt City Library Heritage Collections. It provides easy online access to a rich store of heritage material relating to Upper Hutt City, its people, and events. The database is accessible from the City Library's home page [upperhuttlibrary.co.nz](http://upperhuttlibrary.co.nz)





## Doing business in Upper Hutt

Upper Hutt City Council takes a lead role in facilitating local business support through its own business website [biz.upperhuttcity.com](http://biz.upperhuttcity.com). Council's Economic Development Manager, Phil Gorman is the primary liaison for business owners and developers and supports local businesses to achieve excellence. Phil provides assistance for start-ups, advice about growth opportunities and navigating through Council processes.

## Consultation

Have you ever wondered what Council is consulting on? Visit [consultation.upperhuttcity.com](http://consultation.upperhuttcity.com) to find out more and 'Have your say.'



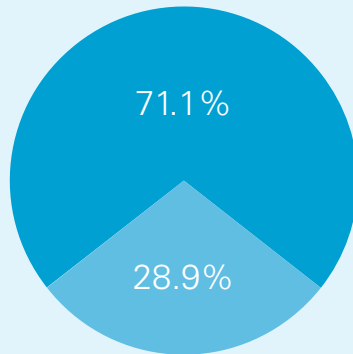
## THANK YOU FOR YOUR FEEDBACK

During the Long Term Plan (LTP) 2015 – 2025 consultation, a subject that generated a notable amount of interest was a request for the development of bridleways in Mangaroa/Whitemans Valley for keen horse riders. Forty three submitters supported a proposal from Upper Valley Horse Trails whose vision is 'To make Upper Hutt the best place in New Zealand to own a horse.' As a result, it was decided that Council will carry out a bridle path feasibility study in 2015 – 2016 with a view to investigating possible trails, costs, practicality, and safety aspects.

## A FEW STATISTICS ABOUT UPPER HUTT

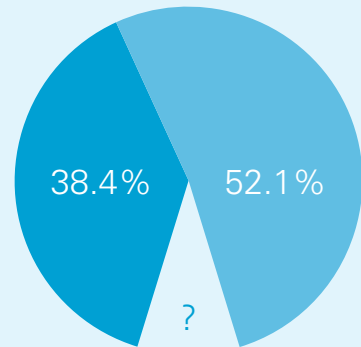
Here are some interesting facts from Statistics New Zealand (2013 Census) and Upper Hutt City Council.

UPPER HUTT WORKFORCE



Live here ■ ■ Live elsewhere

UPPER HUTT RESIDENTS



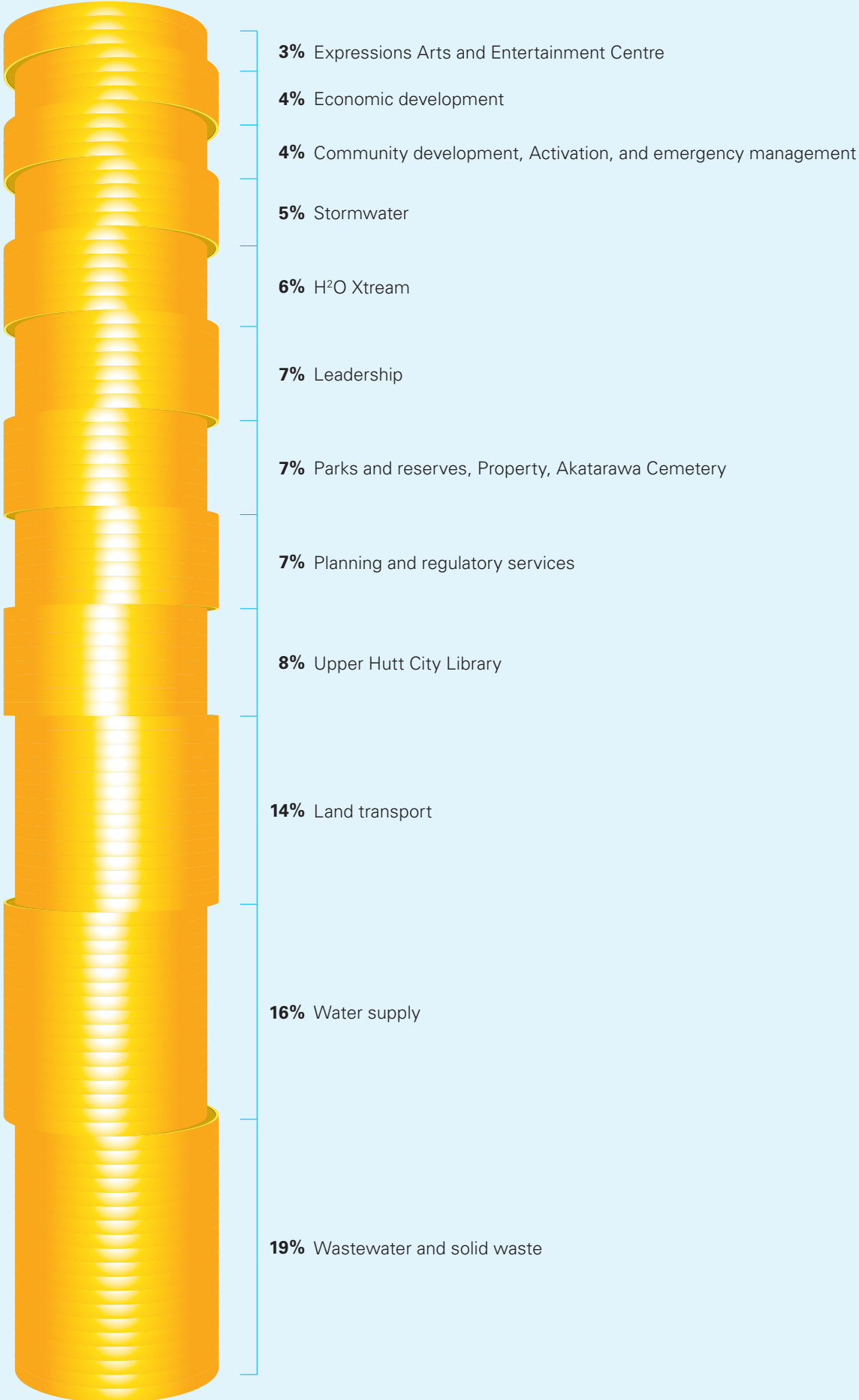
Work here ■ ■ Work elsewhere



Economic development stimulus



# WHERE YOUR RATES MONEY GOES



# Measuring performance

## **FINANCIAL LEVELS OF SERVICE OBJECTIVES AND PERFORMANCE MEASURES**

The overall rates funding requirement for the year was a surplus of \$2.777 million. After allowing for approved funding carryovers from the previous year to the next year, the effective result is a surplus of \$1.057 million.

The operating deficit (operating income less expenditure) was \$6.920 million compared to a budgeted surplus of \$655,000, an unfavourable variance of \$7.575 million.

Operating income was \$7.988 million lower than estimated. There were several components to this shortfall. Fees and charges were under budget with the main contributions being property sales, permit and licence fees and H<sup>2</sup>O Xtream charges. Subsidies and grants were \$454,000 under budget with the main shortfall being in roading subsidies. Development and financial contributions collected were \$391,000 less than expected mainly due to lower than expected roading levy contributions.

Operating expenditure was \$413,000 below budget. There were a number of items in this variance leading to depreciation being \$645,000 higher than expected and personal costs \$251,000 lower.

Term debt was less than expected, \$30.549 million, compared to the budgeted \$31.837 million. This resulted from several projects not being completed in the 2014 – 2015 period and being carried forward into 2015 – 2016. The current ratio (current assets: current liabilities) is 0.99:1 (in 2014 it was 1.213:1).

## **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 half-yearly basis. All of the key Council activities have set performance targets.



## Council performance results

The performance targets for the key Council activities are partly measured by the Annual Community Survey and partly measured by meeting external or internal requirements, often with timeframes.

Council has extremely high expectations for its performance, with the majority (77%) of its non-financial performance targets being at 90% or above. Each year we notice a growing public expectation of an enhanced level of service and amenity provision, yet just maintaining our base level of service/infrastructure takes up the majority of our spend. Finding the right balance between maintaining low rates at the same time as achieving 90% performance satisfaction levels is no easy feat.

The number of performance measures identified in the Long Term Plan 2012 – 2022 was 32. However, when subordinate measures are also included, the number of measures increases to 39. In addition there is one overarching performance measure that calculates the total percentage of performance measures met. Two of the 39 measures described in the Long term Plan 2012 – 2022 are unable to be determined, therefore the total number of performance measures considered in the overarching measure is 37.

Further information about the exclusion of the two performance measures pertaining to solid waste can be found on page 22.


Of the 37 evaluated performance measures, 23 (62%) were achieved this year. However, four of the measures not achieved were within 1% of the target. When compared to the previous year, 15 of the measures registered an improvement, 13 showed a decline (four of these were 2% or less), and 9 measures stayed the same.

Information is provided (following the performance measures table below) that explains the circumstances around each of the performance measures that were not met.

### Performance by measure

Council has met the majority of its 37 performance targets at year's end

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

**Performance:** 62% of performance measures were met—*not achieved* 


Community satisfaction with the provision of information by Council<sup>1</sup>

**Target:** 90% satisfaction

**Performance:** 86% satisfaction—*not achieved* 

Average smoothness of all city roads

**Target:** Less than or equal to 120 NAASRA counts

**Performance:** Average smoothness was 115 NAASRA counts—*achieved* 

#### NOTES:

1. This performance measure is directly related to the results of the Annual Community Survey, which was carried out in February 2015.

*Overall satisfaction shows the majority of respondents (93%) were satisfied with the Upper Hutt City Council in general across all services and facilities.*

*This is an increase from 89% satisfaction in 2014.*

Community satisfaction with the street lighting throughout the city <sup>2</sup>	<b>Target:</b> 90% satisfaction	<b>Performance:</b> 85% satisfaction— <i>not achieved</i>	
Community satisfaction with the cleanliness of the city's streets <sup>2</sup>	<b>Target:</b> 90% satisfaction	<b>Performance:</b> 89% satisfaction— <i>not achieved</i>	
Assessment of footpath conditions to mitigate dangerous surface conditions developing	<b>Target:</b> 90% have a defect value of 29 or less	<b>Performance:</b> 98%— <i>achieved</i>	
Compliance with NZ drinking water standard	<b>Target:</b> Maintenance of our existing A1a grading	<b>Performance:</b> Maintained A1a grading— <i>achieved</i>	
Community satisfaction with water supply service <sup>2</sup>	<b>Target:</b> 95% satisfaction	<b>Performance:</b> 94% satisfaction— <i>not achieved</i>	
Interruptions to the water supply	<b>Target:</b> 97% of individual consumers who experience unplanned water disruptions have the service restored within two hours	<b>Performance:</b> 91%— <i>not achieved</i>	
Minimise interruptions to the ability to use the wastewater system	<b>Target:</b> 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	<b>Performance:</b> 100%— <i>achieved</i>	
Minimise number of blockages on Council mains	<b>Target:</b> Less than two blockages reported per kilometre of pipeline	<b>Performance:</b> 0.5 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	<b>Target:</b> Zero reports of inhabited buildings being flooded	<b>Performance:</b> Zero reports— <i>achieved</i>	
Reduce the annual tonnage of waste collected and sent to the local landfill	<b>Target:</b> Maintain a compounding target of reducing the waste collected per household on average by 10% per annum	<b>Performance:</b> <i>Unable to be determined</i> (see explanation on page 22)	NA

**NOTE:**

- These performance measures are directly related to the results of the Annual Community Survey, which was carried out in February 2015.



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


**Target:** Annually increase the number of households that recycle on a regular basis

**Performance:** *Unable to be determined* (see explanation on page 22) NA

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Process resource consents within the statutory timeframes


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

**Performance:** 99.4% — *not achieved* 

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Community satisfaction with Council’s current resource management practices<sup>3</sup>

**Target:** 87.5% satisfaction

**Performance:** 59% satisfaction — *not achieved* 

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Community satisfaction with Council’s building and compliance services provided


**Target:** 92% satisfaction with the building consenting service

**Performance:** 94% satisfaction — *achieved* 

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Community satisfaction with the control of dog nuisances in the city<sup>3</sup>


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

**Performance:** 86% satisfaction — *achieved* 

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Community satisfaction with the enforcement of parking requirements within the city<sup>3</sup>


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

**Performance:** 89% satisfaction — *not achieved* 

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Process building consents within the statutory timeframes


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

**Performance:** 100% of building consents — *achieved* 

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Process LIMs within the statutory timeframes


**Target:** 100% of LIMs will be processed within statutory timeframes

**Performance:** 100% of building consents — *achieved* 

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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* 

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**NOTE:**

3. These performance measures are directly related to the results of the Annual Community Survey, which was carried out in February 2015.

Timeliness of response to complaints of excessive noise		
<b>Target:</b>	Respond within one hour to 90% of excessive noise reports being confirmed	
<b>Performance:</b>	99.7% — <i>achieved</i>	
Timeliness of initial response to reported dog attacks		
<b>Target:</b>	100% of reported dog attacks will receive an initial response within two hours of the complaint being received	
<b>Performance:</b>	100% — <i>achieved</i>	
Satisfaction with the level of community engagement by the Community Development team		
<b>Target:</b>	90% satisfaction	
<b>Performance:</b>	88% satisfaction — <i>not 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		
<b>Target:</b>	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)	
<b>Performance:</b>	Activation 100% — <i>achieved</i>	
	Community 92.7% — <i>achieved</i>	
Our community is increasingly prepared for a civil defence emergency <sup>4</sup>		
<b>Target:</b>	75% of households prepared	
<b>Performance:</b>	75% 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 <sup>2</sup> O Xtream <sup>4</sup>		
<b>Target:</b>	95% satisfaction	
<b>Performance:</b>	92% satisfaction — <i>not achieved</i>	
H <sup>2</sup> O Xtream will meet or exceed all required compliance standards for swimming pool operation		
<b>Target:</b>	PoolSafe Accreditation	
<b>Performance:</b>	<i>Achieved</i>	
H <sup>2</sup> O Xtream annual attendance figures		
<b>Target:</b>	Meet or exceed 230,000	
<b>Performance:</b>	182,170 visitors — <i>not achieved</i>	
Community satisfaction with the level of customer service provided by library staff <sup>4</sup>		
<b>Target:</b>	95% satisfaction	
<b>Performance:</b>	99% satisfaction — <i>achieved</i>	

**NOTE:**

4. These performance measures are directly related to the results of the Annual Community Survey, which was carried out in February 2015.



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

**Target 1:** Increase the number of issues from that of the previous year (558,973 issues)

**Performance:** 502,131 issues—*not achieved*



**Target 2:** Increase the number of physical visits from that of the previous year (409,966 visits)

**Performance:** 310,118 visits—*not achieved*



**Target 3:** Increase the number of website visits from that of the previous year (47,972 visits)

**Performance:** 45,950 website visits—*not achieved*



Community satisfaction with the range and number of arts opportunities provided at Expressions Arts and Entertainment Centre<sup>5</sup>

**Target :** 90% satisfaction

**Performance:** 94% satisfaction—*achieved*



Number of visitors to Expressions Arts and Entertainment Centre

**Target :** 65,000 visitors

**Performance:** 133,000 visitors—*achieved*



Community satisfaction with the level of provision of open space, amenities, and gardens<sup>5</sup>

**Target :** 95% satisfaction

**Performance:** 98% of respondents were satisfied or very satisfied—*achieved*



Community satisfaction with the level of support provided to support economic development<sup>5</sup>

**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 10 (as at June 2014)

**Performance:** Number of vacant shops reduced from 10 to 6—*achieved*



## Understanding why targets were not achieved

### PROVISION OF INFORMATION BY COUNCIL ON COUNCIL AFFAIRS

86% of respondents were satisfied with the provision of information by the Council on Council affairs, an 11% increase from 2014.

#### NOTE:

5. These performance measures are directly related to the results of the Annual Community Survey, which was carried out in February 2015.

## **CLEANLINESS OF THE CITY'S STREETS, AND SATISFACTION WITH THE WATER SUPPLY**

Both of these performance measures were within 1% of achieving the set target. Theoretically the measures were not achieved; however the results are within the statistical margin of error of 4.87%.

## **INTERRUPTIONS TO THE WATER SUPPLY**

While most interruptions to the water supply were restored within 2 hours, a number marginally exceeded the target time, due to the nature of the repair. There were no major incidents caused as a result of this. The total number of unplanned shutdowns however is well under target, continuing a decreasing trend over the last three years.

## **SOLID WASTE**

The only annual tonnage data currently available to Council through its refuse collection is that collected from council refuse bags. This tonnage only represents a minor part (possibly less than 10%) of the total waste collected from the Upper Hutt area as there are a number of other private waste collectors available to the Upper Hutt householders. Obtaining accurate data from the private companies is often somewhat unreliable, making it difficult to accurately report on this performance measure. A reduction or increase in the Council refuse bags does not necessarily mean there was a corresponding reduction or increase at the landfill as the householder may simply have employed another method of waste disposal. As such, this performance measure has been deemed 'unable to be measured.'

## **RECYCLING**

Although Council can have a role in promoting recycling, the target of increasing participating households still relies heavily on non-Council (private) companies, and is not strictly within Council's control. As with solid waste, Council is reliant on the data supplied by the private companies, the accuracy of which cannot be verified.

## **PROCESSING RESOURCE CONSENTS WITHIN THE STATUTORY TIMEFRAMES**

Of the 163 consents processed this year, one consent was not processed within the statutory timeframe.

## **COMMUNITY SATISFACTION WITH COUNCIL'S CURRENT RESOURCE MANAGEMENT PRACTICES**

In the 2015 Annual Community Survey, only respondents (or their families) who have dealt with the Council in respect to land use and subdivision matters were further questioned about their 'satisfaction with current resource management planning practices.' This resulted in only 48 respondents (14% of the total) answering the question. Satisfaction levels in this area are often impacted by legislatively enforced processes and controversial planning projects, including plan changes, which attract differing views leading to decreased satisfaction.

## **SATISFACTION WITH PARKING ENFORCEMENT**

This is another performance measure that only missed its target by one percent. However a significant improvement of 8% was achieved compared to the



previous year. 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.

### **SATISFACTION WITH THE LEVEL OF COMMUNITY ENGAGEMENT BY THE COMMUNITY DEVELOPMENT TEAM**

Out of 200 community groups who were invited to take part in the *2015 Community Services Survey*, only 60 answered this question, with only 10% reporting unsatisfactory engagement experiences.

### **H<sup>2</sup>O XTREAM SATISFACTION**

Whilst the satisfaction level did increase by 3% compared to the previous year's result, it has not met the target since this question was first asked in 2007. This is likely a result of having a target that needs to be reviewed.

### **H<sup>2</sup>O XTREAM ATTENDANCE FIGURES**

Closure of the pool for maintenance during August and September 2014 impacted on the annual attendance figures.

### **CITY LIBRARY – ITEMS ISSUED**

Council ceased aiming to increase items issued and this measure has been removed from the Long Term Plan 2015 – 2025. The number has been collected and reported on internally, but it is no longer relevant as a performance target as physical issues across the library sector worldwide are reducing, with libraries being used as community hubs rather than book suppliers.

### **CITY LIBRARY – PHYSICAL VISITS**

A door counter provides the exact number of visitors entering and exiting the Library. The actual count was 344,576 but due to the inability of the counting mechanism to determine unique individual visitations, a 10% downward adjustment has been made.

### **CITY LIBRARY – WEBSITE VISITS**

The introduction of a new reporting method which counts a different level of activity has impacted on the website visit number not being achieved.

### **SATISFACTION WITH THE LEVEL OF SUPPORT PROVIDED TO SUPPORT ECONOMIC DEVELOPMENT**

Considering that the wider community has limited involvement in business specific activities that Council undertakes, it is unlikely that they would be able to rate this measure accurately. In saying this Council has increased its efforts significantly around the level of support it provides in our business community. It is proposed that this measure, going forward, will be targeted specifically to business owners and decision makers in the business community.

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 2014 – 2015.

The Statement of Financial Position (Table 1) 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 2015.

The Statement of Comprehensive Revenue and Expenses (Table 2) is a summary of the financial performance of the Parent and Group for the 2014 – 2015 year.

Tables 1 and 2 also provide a comparison with the 2013 – 2014 year that ended on 30 June 2014.

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

Please refer to the main component of the Annual Report 2014 – 2015 for full financial details, including disclosure of accounting policies and notes to the accounts.





## TABLE 1: STATEMENT OF FINANCIAL POSITION—SUMMARY

AS AT 30 JUNE 2015	Actual Parent 30 Jun 2015 (\$000)	Actual Parent 30 Jun 2014 (\$000)	Budget Parent 30 Jun 2015 (\$000)	Actual Group 30 Jun 2015 (\$000)	Actual Group 30 Jun 2014 (\$000)
Assets					
Current assets	13,614	9,860	8,327	13,971	10,169
Non-current assets	700,606	669,214	664,534	700,683	669,283
<b>Total assets</b>	<b>714,220</b>	<b>679,074</b>	<b>672,861</b>	<b>714,654</b>	<b>679,452</b>
Liabilities					
Current liabilities	13,635	8,758	8,469	13,807	8,909
Non-current liabilities	27,532	24,995	30,413	27,532	24,995
<b>Total liabilities</b>	<b>41,167</b>	<b>33,753</b>	<b>38,882</b>	<b>41,339</b>	<b>33,904</b>
<b>Net assets/equity</b>	<b>673,053</b>	<b>645,321</b>	<b>633,979</b>	<b>673,315</b>	<b>645,548</b>

This statement provides a summary of the comparative financial position for the Parent and Group for the 2014 – 2015 and 2013 – 2014 financial years under PBE IPSAS. There are no major changes with the IPSAS transition.

## TABLE 2: STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES—SUMMARY

YEAR ENDED 30 JUNE 2015	Actual Parent 30 Jun 2015 (\$000)	Actual Parent 30 Jun 2014 (\$000)	Budget Parent 30 Jun 2015 (\$000)	Actual Group 30 Jun 2015 (\$000)	Actual Group 30 Jun 2014 (\$000)
Total operating revenue	42,493	43,860	50,481	42,841	44,089
Total operating expenditure <sup>7</sup>	49,413	45,779	49,826	49,726	45,958
<b>Net operating surplus/(deficit)</b>	<b>(6,920)</b>	<b>(1,919)</b>	<b>655</b>	<b>(6,885)</b>	<b>(1,869)</b>
Increase/decrease in asset revaluation reserves	34,652	10,114	(689)	34,652	10,114
<b>Total comprehensive revenue and expenses as restated</b>	<b>27,732</b>	<b>8,195</b>	<b>(34)</b>	<b>27,767</b>	<b>8,245</b>

This statement provides a summary of the comparative financial performance for the Parent and Group for the 2014 – 2015 and 2013 – 2014 financial years under PBE IPSAS.

### NOTE

7. Finance cost – interest	1,412	1,324	1,691	1,412	1,324
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### TABLE 3: STATEMENT OF CASH FLOWS—SUMMARY

YEAR ENDED	Actual Parent 30 Jun 2015 (\$000)	Actual Parent 30 Jun 2014 (\$000)	Budget Parent 30 Jun 2015 (\$000)	Actual Group 30 Jun 2015 (\$000)	Actual Group 30 Jun 2014 (\$000)
30 JUNE 2015					
Net cashflow from operating activities	8,447	8,252	5,227	8,493	8,363
Net cashflow from investing activities	(9,200)	(10,725)	(10,637)	(9,228)	(10,718)
Net cashflow from financing activities	5,122	840	5,804	5,122	840
<b>Net cashflow (outflow) for the year</b>	<b>4,369</b>	<b>(1,633)</b>	<b>394</b>	<b>4,387</b>	<b>(1,515)</b>

### TABLE 4: STATEMENT OF CHANGES IN EQUITY—SUMMARY

	Actual Parent 30 Jun 2015 (\$000)	Actual Parent 30 Jun 2014 (\$000)	Budget Parent 30 Jun 2015 (\$000)	Actual Group 30 Jun 2015 (\$000)	Actual Group 30 Jun 2014 (\$000)
Equity at the start of the year	645,321	637,126	634,013	645,548	637,303
Total comprehensive revenue and expenses	27,732	8,195	(34)	27,767	8,245
<b>Equity at the end of the year</b>	<b>673,053</b>	<b>645,321</b>	<b>633,979</b>	<b>673,315</b>	<b>645,548</b>

These statements provide a summary of the comparative financial performance for the Parent and Group for the 2014 – 2015 and 2013 – 2014 financial years under PBE IPSAS.



**TABLE 5: FIVE-YEAR FINANCIAL PERFORMANCE SUMMARY**

	<b>Actual 2014 – 2015 (\$000)</b>	<b>Actual 2013 – 2014 (\$000)</b>	<b>Actual 2012 – 2013 (\$000)</b>	<b>Actual 2011 – 2012 (\$000)</b>	<b>Actual 2010 – 2011 (\$000)</b>	<b>Budget 2014 – 2015 (\$000)</b>
Rates	33,112	31,850	30,352	28,965	27,528	32,831
Net surplus/(deficit)	(6,920)	(1,919)	(2,850)	(4,264)	(1,444)	655
Working capital	(22)	1,102	(14,561)	(4,600)	(3,481)	(142)
Public debt	30,549	25,427	24,587	25,956	20,512	31,837
Total assets	714,220	679,074	671,224	662,646	576,071	672,861

**TABLE 6: FIVE-YEAR COUNCIL FINANCIAL STATISTICS**

	<b>Actual 2014 – 2015 (\$000)</b>	<b>Actual 2013 – 2014 (\$000)</b>	<b>Actual 2012 – 2013 (\$000)</b>	<b>Actual 2011 – 2012 (\$000)</b>	<b>Actual 2010 – 2011 (\$000)</b>	<b>Budget 2014 – 2015 (\$000)</b>
Proportion of rates to total income	77.9%	72.6%	73.18%	70.94%	68.58%	70.5%
Average rates per rateable property	\$1,985	\$1,910	\$1,841	\$1,774	\$1,686	\$1,920
Total interest expense on net public debt	4.6%	5.2%	6.0%	6.1%	7.8%	5.3%
External net public debt to annual rates	92.3%	78.8%	81.0%	86.9%	74.5%	88.4%
External net public debt per rateable property	\$1,831	\$1,524	\$1,491	\$1,589	\$1,256	\$1,696
External net public debt to total equity	4.5%	3.9%	3.9%	4.1%	3.6%	4.4%

## MAJOR ESTIMATE VARIATION

Explanations for major variations from Upper Hutt City Council's 2014 – 2015 Annual Plan are as follows.

### Statement of comprehensive revenue and expense

Operating Revenue was \$7,988,000 below estimate. The following are the main variances:

- Rate income was up by \$281,000 over estimate due to growth of subdivisions within the city
- Fees and Charges were below estimate by \$7,688,000 for Council
- The main lower components being:
  - permit and license fees down by \$599,000 reflecting current market conditions
  - other charges down \$5,424,000 due to a hold up in the development and sale of Maidstone Terraces housing
  - \$191,000 H2O Xstream revenue down due to maintenance closure
  - \$81,000 library income due to lower demand, free internet usage, and technology changes
  - vested asset income down by \$1,843,000 due to market conditions.
- Development and financial contributions were lower by \$391,000 mainly due to rural road contributions due to market conditions
- Subsidies and Grants were below estimate by \$373,000. This was solely due to a drop in roading subsidies as projects not completed
- Operating Expenditure was \$413,000 below estimate.

The following are the main variances:

- Depreciation was \$645,000 higher than budget. This reflects the impact of asset revaluations and depreciation of the Wastewater project
- Personnel costs were \$251,000 lower for actual personnel costs as a higher turnover of staff created unfilled vacancies for a number of weeks
- Other costs were down from budget by \$586,000 mainly comprised of:
  - Insurance (\$182,000)
  - Rental (\$50,000)
  - Printing and stationary (\$146,000)
  - Loss on sale of assets (\$130,000)
  - Land transport general maintenance (\$81,000).

## Statement of financial position

Asset revaluation reserves have increased by \$45.217 million due to the revaluation of Infrastructure assets.

Public debt at balance date was \$30.549 million. This compares with estimate of \$36.837 million; the difference is due to projects being incomplete and carried forward into the following year.

## Capital expenditure

Capital Expenditure has fluctuated in accordance with projects being incomplete and carried forward.

## 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 2014 – 2015 (which includes the Council’s full financial statements) and the Annual Report 2014 – 2015 Summary (which contains the summary financial statements) will both be adopted by the Upper Hutt City Council at an Extraordinary Council meeting on 28 October 2015.
- 2 The full financial statements of Upper Hutt City Council have been prepared in accordance with the requirements of Local Government Act 2002: Part 6, section 98 and Part 3 of Schedule 10, which include the requirement to comply with New Zealand’s generally, accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with IPSAS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities, in accordance with Tier 1 PBE accounting standards.

These financial statements are the first financial statements presented in accordance with the new PBE accounting standards. The material adjustments arising on transition to the new PBE accounting statements are explained in Note 33 in the Financials section of the full Annual Report.

- 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 2014 – 2015 (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 online at [www.upperhuttcity.com](http://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 2015) and the signing of the financial statements (28 October 2015) there was 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 2015 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

# 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 2015

The Summary Annual Report was derived from the Annual Report of the Upper Hutt City Council (the City Council) and group for the year ended 30 June 2015. 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 16 to 29:

- the summary statement of financial position as at 30 June 2015;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2015;
- 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's full audited statements in our report dated 28 October 2015.

### 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 PBE FRS-43: *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 PBE FRS-43: *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 PBE FRS 43: *Summary Financial Statements*.

Other than in our capacity as auditor 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  
28 October 2015







**Upper Hutt City Council**

838 – 842 Fergusson Drive

Private Bag 907

Upper Hutt 5140

**T** (04) 527 2169

**E** [askus@uhcc.govt.nz](mailto:askus@uhcc.govt.nz)

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

**W** [upperhuttcity.com](http://upperhuttcity.com)