

UPPER HUTT CITY

# Annual Report 2015 – 2016 Summary

1 JULY 2015 – 30 JUNE 2016





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# Foreword

## FROM HIS WORSHIP THE MAYOR AND THE CHIEF EXECUTIVE

We are proud to present Upper Hutt City's Annual Report for 2015 – 2016. This document demonstrates Council's commitment to our community, and the extent of our hard work to respond to community needs and to deliver quality leadership, infrastructure and support services to residents, community groups, and businesses alike.

When it came time for our community to have its say on two new proposed projects under the Annual Plan 2016 – 2017, Council received more submissions than ever. Our residents were very clear in their support for the trial of a recycling drop off station. The second proposed project, to develop bridleways in Mangaroa and Whitemans Valleys will be reviewed as a result of the feedback received during consultation.

Consistent feedback via the Long Term Plan and Annual Plan processes has highlighted that the city centre is of paramount importance to our residents, and because of this economic development remains a key focus for Council. The benefits of Council's strategic planning and policies were visible over the last financial year with exciting development and growth in the city centre. Upper Hutt is one of the only areas in the region where the number of 'To Let' signs in windows is actually reducing and the changing face of our city centre is building on our vibrancy and vitality.

This has had a flow-on effect through our commercial sector, which has built greater resilience and a renewed optimism, which has been enhanced by the impressive upgrade to the Upper Hutt Station last December, and will be cemented by continued housing growth and future infrastructure upgrades.

Vibrancy is also achieved through expression of heritage and identity, and through the installation of several striking murals throughout the city, our community's aspect has been enhanced. We are pleased to showcase some of these excellent artworks throughout this year's Annual Report, which are a credit to the successful collaboration between Council, local artists and community groups, delivered under the Painted Environment initiative.

Finally, in 2016 we celebrate fifty years since Upper Hutt officially became a city. Upper Hutt has transformed over those fifty years, with each year adding new, unique milestones and memories to our proud and rich history. Over this time one thing has remained unchanged - Upper Hutt is a scenic playground immersed in natural beauty, and our Council continues to provide a quality service to residents and visitors alike.



  
W N Guppy | MAYOR

  
C B Upton | CHIEF EXECUTIVE

# Life. Leisure.

*Live it!*

## 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 nine major activity areas. Key projects and initiatives undertaken by Council in 2015 – 2016 are identified under each of the following five vision pillars.

Environment



Community



City Centre



Economy



Infrastructure



## Environment

We're immersed in natural beauty, we love our river, our stunning parks, and we feel alive in our great outdoors.

*We're Upper Hutt. We're a scenic playground.*



### ENHANCING OUR ENVIRONMENT

#### The painted environment

Several eye catching, painted murals appeared in various spots around Upper Hutt over the past year. Funding was provided by Council and through Ministry of Youth Development's Youth Partnership Fund.

Two groups of young people, 50 aged 12 to 24, and 30 aged 9 to 13, contributed hundreds of hours of their own time to carry out this work, facilitated by Council's Community Development team.

Several examples of the new murals are overleaf.



#### River restoration project

As mentioned in the Sustainability Strategy "Poor water quality and toxic algae impact upon the environment, recreational and wider amenity values of our waterways," and "a remediation plan would include activities like riparian planting."

In partnership with some property owners adjacent to the Mangaroa River, specific areas have been identified for riparian planting and with the assistance of Forest and Bird and several volunteers, planting has begun. Council has provided funding for the coordination and the plants.











### **Assisting Forest & Bird**

Volunteers from Upper Hutt Forest & Bird do an amazing job all year round, planting thousands of plants grown in their local nursery, clearing streams of dumped rubbish, and clearing weeds. This year several Council staff assisted Forest and Bird on two occasions for half a day.

### **Maidstone Park new tennis courts**

A superb new asset was added to the already busy sports centre at Maidstone Park in the form of four illuminated, artificial tennis courts during the year. Tennis can now be played throughout the year, including night games.

The ongoing development of Maidstone Sports Centre to include many new sports has significantly increased the liveliness of Park Street, particularly on weekends. It has become a thriving community hub where residents and visitors of all ages come together to take part in various sporting activities or support friends and family.



### **Water conservation**

Aquarius, the water saving demonstration machine, has been widely used in the city, promoting conservation and the water cycle to the public. Events last year included the Home Ideas Centre Expo, the Home & Garden Show, Kids Connect 4 Enviroschools and the March Madness Fair.

## Community

We celebrate our heritage, culture, heroes, and uniqueness.  
We're a caring, safe, and healthy community.

*We're Upper Hutt. We're family.*



### STRENGTHENING OUR COMMUNITY

## 2016 MARKS 50 YEARS SINCE UPPER HUTT ACHIEVED CITY STATUS

This milestone is significant for Upper Hutt. We remain New Zealand's youngest city and smallest city by population. Council has embraced this milestone by coordinating several events and celebrations to mark the occasion.



### Upper Hutt Heroes exhibition

As part of our 50th Anniversary, Expressions Whirinaki Arts and Entertainment Centre presented the Upper Hutt Heroes exhibition from 13 May to 10 July. The exhibition showcased 50 of Upper Hutt's finest heroes over the last 50 years, celebrating the people and personalities that make our city great (see overleaf).



### 'Our Neighbourhood' campaign

Celebrating local people is a central theme in marking our 50th Anniversary. The *Our Neighbourhood* campaign, launched in June 2016, gives our local residents the opportunity to become ambassadors of Upper Hutt, sharing what it is about our great city, community and lifestyle that they love. Flags have been installed around the city to launch the campaign and a website is now live hosting the stories at [myupperhutt.nz](http://myupperhutt.nz)





# UPPER HUTT HEROES





Presented by Expressions Whirinaki Arts and Entertainment Centre 13 May – 10 July 2016





## Our Heritage

Activation was part of the organising committee for the World War One Re-enactment March from Featherston, over the Rimutaka Hill to the Trentham Army Camp on 27 September 2015. The walk paid tribute to the 60,000 or so men who made the trek 100 years ago.

## Cheers to our volunteers

During the National Volunteer Week (19 – 25 June 2016), Council ran a campaign 'Cheers to our volunteers' in recognition of, and to give our heartfelt thanks to, all of the many amazing volunteers within our community. Volunteering is of huge benefit to the wellbeing of our city and involves a significant amount of work for those who give up their time.



## New splash pad in Harcourt Park

Families with young children will now have an added reason to visit the already very popular Harcourt Park paddling pool. With the installation of the new splash pad earlier this year, it is now ready to go at the first hint of summer. A new shade sail has also been installed as part of the upgrade.

## Citizenship ceremonies

The Mayor and Council hosted four citizenship ceremonies at Expressions Whirinaki Arts and Entertainment Centre this year. In total, 333 people became New Zealand citizens in Upper Hutt, bringing vibrant and diverse cultures into our community from 27 different countries.



## City centre

Our city centre is alive, attractive and vibrant.

*We're Upper Hutt. We're a centre for opportunity.*



### SUPPORTING OUR CITY CENTRE

#### Working with retailers

Council's dedicated Retail Coordinator has partnered with the city's retailers, resulting in increased collaboration between the retailers and Council. Several workshops for retailers have been held during the year to help enhance resilience in our business community. The workshops included: ways to transform businesses; how to create a business website; and a hands-on practical session on Facebook strategy and its potential, to name a few.



#### Our city centre is rapidly filling up

A recent report stated that Upper Hutt city centre was the only area in the region, outside of Wellington City CBD, to see a steady decrease in retail vacancy. Our city centre retail vacancy was around 12% at the time of the report.



#### Improving the look of Main Street

Have you noticed the new signage as you enter the north end of Main Street from the island on Fergusson Drive? This is one of the many new or improved features that were implemented in the last 12 months.

#### Expressions Whirinaki Arts and Entertainment Centre

The team at Expressions have continued to bring many exciting exhibitions to Upper Hutt, drawing outside visitors not only to Expressions but also into the city centre.





## Economy

We attract new investment and offer opportunities for people and businesses to prosper.

*We're Upper Hutt. We're enabling growth and success.*

### ENHANCING OUR ECONOMY



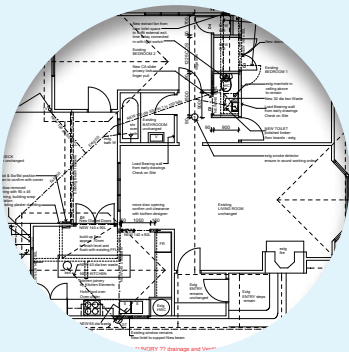
#### Economic Development Stimulus Policy

During the course of the year, Council's Economic Development Stimulus Policy (EDSP) contributed to the introduction of new retail and improved retail premises within the city, giving confidence to those considering establishing businesses in Upper Hutt.

In the last 12 months we have seen the arrival of 26 new businesses in the city, as well as improved store presentation/frontage and several brand new store fit-outs, lifting the standard and giving the Main Street a more up-to-date feel.

#### Working with Wellington Regional Economic Development Agency (WREDA)

Council continues to work with Positively Wellington Tourism, which are part of the WREDA group, to assist with tourism promotion for Upper Hutt, particularly in the international market.



#### Building consents

This year the number of building consent applications on new dwellings increased by 15% compared to the previous year - 137 applications compared to 119. The total value of new dwellings increased by 9% on the previous year. This is a positive indication that the economy is strengthening in Upper Hutt.

#### Promoting Upper Hutt shopping

The Upper Hutt City Centre Facebook page was established in September 2015. This has created a central point to promote the opening of new businesses and events, as well as enabling retailers to co-ordinate promotions and increase visibility.





## Infrastructure

Built on stable foundations we have reliable and efficient networks supporting growth opportunities.

*We're Upper Hutt. We're connected.*



### SUPPORTING INFRASTRUCTURE OBJECTIVES

#### Bridge Road Bridge

Following the unexpected collapse of the Bridge Road Bridge during a torrential downpour in October 2015, Council teamed up with other community groups to visit all residents by going door-to-door and then maintained contact over the ensuing weeks through email, phone, social media, and the Council website. An alternative, temporary road was delivered swiftly to provide access for residents.



#### Raising the Eastern Hutt Rail Bridge

Due to the restricted height clearance of 4.15 metres, a number of trucks have hit the rail bridge causing considerable disruption for traffic using this road. The clearance has now been increased to 4.5 metres with the costs being met by KiwiRail, Greater Wellington Regional Council, and Upper Hutt City Council.





## Land transport projects undertaken this financial year

- 1 Continuing safety improvements on Akatarawa Road
- 2 Rural roads upgrades around Whitemans Valley
- 3 The first year of the LED street light upgrade programme was completed

## Roading, footpaths and bridges

A significant proportion of Council expenditure is on roading asset renewals. In 2015 – 2016 this amounted to \$4.59 million. This included a wide range of activities such as the resurfacing of almost 82,000 square metres of roads, and reconstruction of 7,200 square metres of footpath. In addition to the renewals programme a further \$2.72 million was allocated to roading maintenance, which included street lighting, street cleaning, traffic services, drainage, and general maintenance of the network.



## Opening of the new Upper Hutt Station

Jointly funded by the NZ Transport Agency, Greater Wellington Regional Council, and Upper Hutt City Council, the new Upper Hutt Station, was officially opened on 12 December 2015.

## Gateway signage

Commuters from the south are now being welcomed to the city by our brand new gateway sign. The sign, an abstract form of the tail of a piwakawaka (fantail), was completed and blessed in January. The landmark also features selective mood lighting to creatively illuminate it at night.





# Other key initiatives



## CIVIL DEFENCE EMERGENCY MANAGEMENT

The Wellington Region Emergency Management Office (WREMO) manages civil defence emergency management services in support of the nine councils of the Wellington region. All nine councils fund WREMO and its activities, as well as oversee WREMO through governance provided by a joint committee and coordinating executives group.

Depending on the type and scale of an emergency, our Emergency Operations Centre may be activated in Upper Hutt. Council staff receive monthly training to enable an effective local response to civil defence emergencies.

In order to build resilience across the region, Council also sells water storage tanks to local residents at a discounted rate. Council is able to acquire these tanks at a wholesale price and pass the savings on to our customers.



## SOCIAL MEDIA

The Upper Hutt City Council Facebook page is where you will find out about activities, events, services and highlights of what is happening in our great city. If you haven't already, like and share our page to assist with the promotion of the many wonderful businesses, attractions and events in Upper Hutt.

[www.facebook.com/UpperHuttCityCouncil](http://www.facebook.com/UpperHuttCityCouncil)

## LAND USE STRATEGY

Council adopted the Land Use Strategy after the 2015 – 2016 year end. The Land Use Strategy sets the direction for future development in Upper Hutt over the next 30 years. It supercedes the 2007 Urban Growth Strategy, encompassing both urban and rural development across the city. Council consulted widely with the community in both urban and rural areas in order to prepare the strategy. The Land Use Strategy supports Council's five priority areas (Environment, Community, City centre, Economy, and Infrastructure) to help realise our 'Life. Leisure. *Live it!*' city vision.



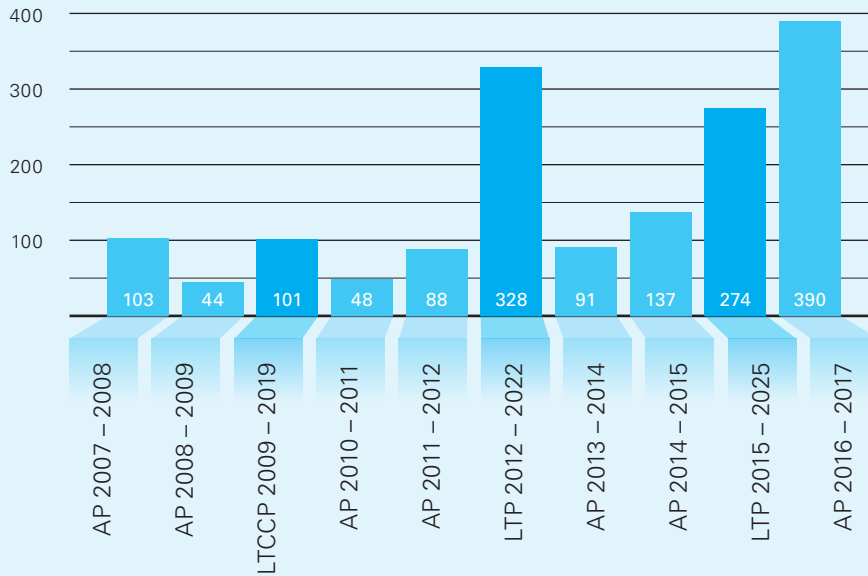
## CONSULTATION

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

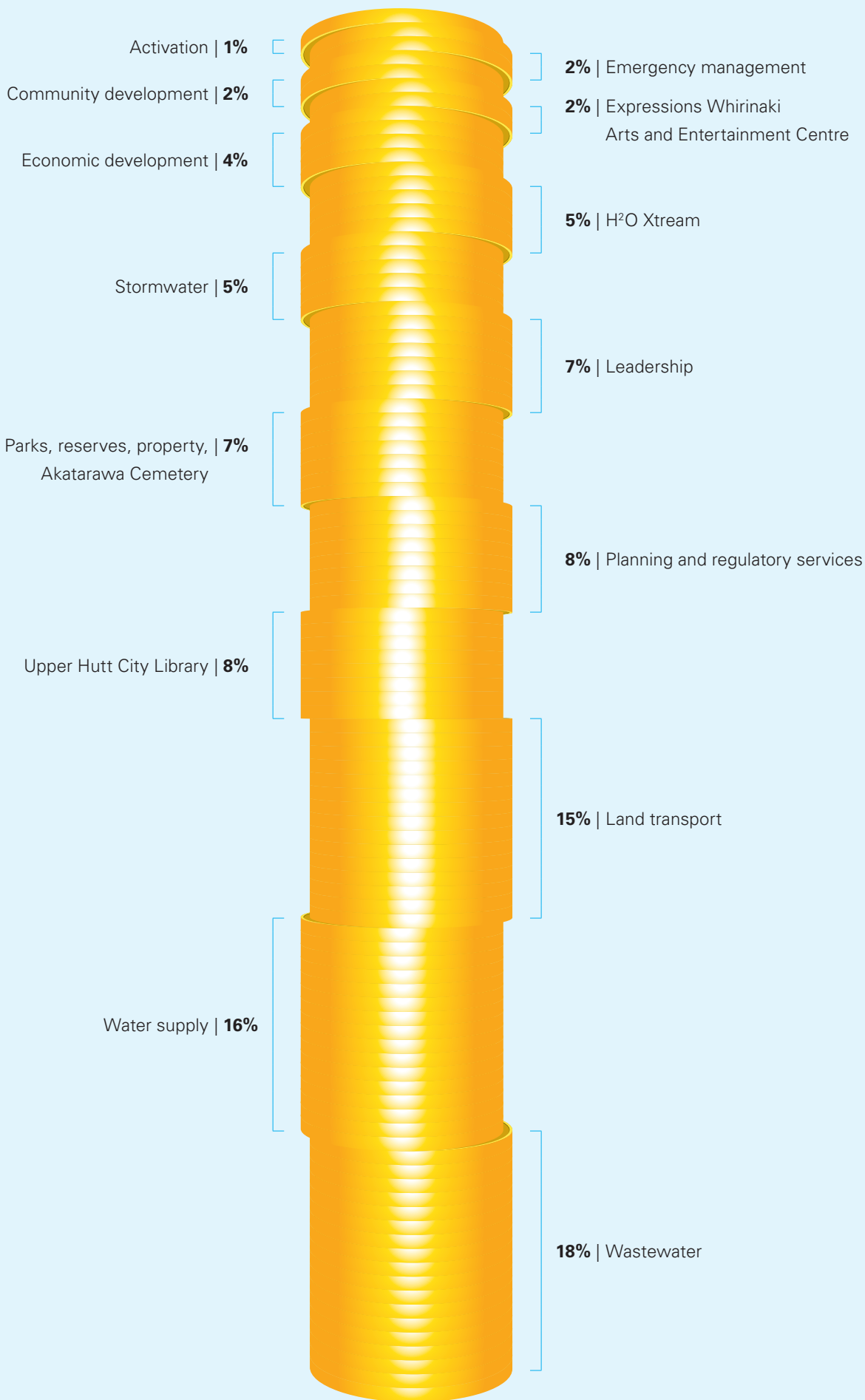
During the consultation period for the Annual Plan 2016 – 2017 we received the highest number of submissions ever. Council officers and Councillors alike were extremely encouraged to see so many people taking an interest in shaping our community. The graph below shows the number of submissions received each year since 2007 – 2008.



Each year we consult with our community on multiple city developments and policy changes, driven largely through online interactions. In 2016 we received record numbers of online submissions for our Annual Plan consultation, which told us our community is passionate about our region and invested in its future.



# 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 \$1.315 million. After allowing for approved funding carryovers from the previous year to the next year, the effective result is a surplus of \$1.075 million.

The operating surplus (operating income less expenditure) was \$1.719 million compared to a budgeted surplus of \$650,000, a favourable variance of \$1.069 million.

Operating income was \$2.860 million above that estimated. There were several components to this increase. Fees and charges were above budget with the main contributions being metered water charges by \$133,000 and vested assets by \$5.206 million. Subsidies and grants were up by \$1 million above budget due to roading subsidies for Bridge Road. Development and financial contributions collected were \$266,000 more, covering increased subdivisions due to market conditions.

Operating expenditure was \$1.791 million above budget. There were a number of items in this variance leading to depreciation being \$224,000 higher than expected and personal costs \$232,000 higher. Loss on disposal of \$1.546 million mainly reflects the writedown of the Bridge Road bridge.

Term debt was less than expected, \$32.456 million, compared to the budgeted \$39.222 million. This resulted from several projects not being completed in the 2015 – 2016 period and being carried forward into 2016 – 2017. The current ratio (current assets: current liabilities) is 0.69:1 (in 2015 it was 0.99:1).

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

Council is legally obligated to have a system that ensures Council's performance is regularly monitored and reported on. 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 throughout the year.

Local Government introduced several new mandatory performance measures on 30 July 2014. The objective of the new measures is to enable residents and ratepayers to compare levels of service between local authorities. The new mandatory measures, incorporated in the Long Term Plan (LTP) 2015 – 2025, fall within the Land transport, Stormwater drainage, Wastewater, and Water supply activities.

Additionally, during the development of the LTP, Council carried out a complete review of existing performance measures. Some have been omitted, some replaced and some adjusted. For example, increasing the target number of visitors to Expressions per year from 65,000 to 90,000. The results are being reported for the first time in this Annual Report.

To gain deeper insight into the business and retail community, Council engaged an external survey company to measure the satisfaction of businesses actively engaged with the economic development team. Two separate surveys were conducted with outstanding results.

Performance targets are measured via a combination of the Annual Community Survey, internal monitoring and third party assessments.

The results that we are presenting show that 45 of the 61 non-financial performance targets were achieved (74%). It is interesting to note that four of the measures not achieved were within 1% of the target.



## Performance measure results

Context has been provided in the table below in relation to each of the performance measures that were not met.

To see how the remaining performance targets are measured please see the 'Activities' section of the full Annual Report.

### LEADERSHIP

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Council is meeting a high proportion of its performance measures

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



**Performance:** 74% of Council's performance measures were met—*not achieved*

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Community satisfaction with the ease of accessing Council information<sup>1</sup>

**Target:** 80% of the community agree that Council information is easy to access



**Performance:** 87% respondents were satisfied or very satisfied—*achieved*

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Community satisfaction with the ease of navigating and using the Council website<sup>1</sup>

**Target:** 80% of the community agree the Council website is easy to navigate and use



**Performance:** 82% of respondents were satisfied or very satisfied—*achieved*

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### LAND TRANSPORT

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Community satisfaction with the street lighting throughout the city<sup>1</sup>

**Target:** 90% of respondents rate street lighting as satisfactory or better



**Performance:** 84% satisfaction—*not achieved*

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*There have been a number of circuit faults during the year that are outside of Council's control. Council has responded to improving the street lighting by providing funds for a 10 year programme to upgrade to LED lanterns which give a whiter light with more illumination. The programme commenced after the annual community survey was completed.*

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Community satisfaction with the cleanliness of the city's streets<sup>1</sup>

**Target:** 90% of respondents rate street cleanliness as satisfactory or better



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

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*If there has been a high leaf fall or a particular stormy month that coincides with the timing of the survey, this may impact Council's performance in this area. In general it is considered that the street cleanliness is satisfactory.*

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**NEW** Road safety—the change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number

**Target:** Zero change from the previous year



**Performance:** Zero change in the number of fatalities and serious injury crashes.

2015 – 2016: 5 serious crashes resulting in fatalities or serious injury

2014 – 2015: 6 serious crashes resulting in fatalities or serious injury—*achieved*

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### NOTES

1. Performance measures that are directly related to the results of the 2016 Annual Community Survey.

**NEW** Indicates a mandatory new or updated performance measure or target.

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**NEW** Road conditions—the average quality of ride on a sealed local road network, measured by smooth travel exposure.

Target: 83%

Performance: 82% — *not achieved*



*This target is weighted for vehicle kilometers travelled and shows 86% on rural roads, 81% on urban roads and excludes the State Highway.*

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**NEW** Road maintenance—the area of the sealed local road network that is resurfaced.

Target: 93,000 m<sup>2</sup>

Performance: 82,291 m<sup>2</sup> — *not achieved*



*Different road surface treatments to those originally planned were required to give the best level of service. As a result, taking into account the cost of the new surfaces, it was necessary to adjust the area of roads originally planned to be resurfaced.*

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**NEW** Footpaths—the percentage of footpaths within Upper Hutt that fall within the level of service or service standard for the condition of footpaths that is set out in the Council's relevant document (such as its Annual Plan, Long Term Plan, activity management plan, asset management plan or annual works programme).

Target: 93%

Performance: 98% of footpaths fall within the level of service or service standard — *achieved*



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**NEW** Response to service requests—the percentage of customer service requests relating to roads and footpaths to which Council responds within the timeframe specified in the Long Term Plan.

Target: 90% of requests are initially responded to within 3 days

Performance: 97% compliant — *achieved*



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## WATER SUPPLY

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**NEW** Safety of drinking water (section 69A Health Act 1956)—the percentage to which the local authority's drinking water supply complies with part 4 and 5 of the drinking-water standards—bacteria compliance criteria and protozoal criteria.

Target: 100% bacterial compliance

Performance: 100% — *achieved*



Target: 100% protozoal compliance

Performance: 100% — *achieved*



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**NEW** Maintenance of the reticulation network—the percentage of real water loss from the local authority's networked reticulation system.

Target: Less than 17%

Performance: 21.3% — *not achieved*



*Minimum night flows are tracking higher than previous years. This is being actively pursued through additional leak detection work and checks of meters, boundary valves, commercial meter data, and wastewater flows.*

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## NOTES

**NEW** Indicates a mandatory new or updated performance measure or target.

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**NEW** Fault response times—where the local authority (LA) attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured from the time notification is received to the time that service personnel reach the site.

**Target A:** Attendance to urgent call-outs—60 minutes

**Performance:** 38 minutes—*achieved*



**Target B:** Resolution of urgent call-outs—4 hours

**Performance:** 3.88 hours—*achieved*



**Target C:** Attendance for non-urgent call-outs—36 hours

**Performance:** 24.12 hours—*achieved*



**Target D:** Resolution of non-urgent call-outs—5 days

**Performance:** 3.54 days—*achieved*



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**NEW** Customer satisfaction—the total number of complaints received about drinking water clarity, taste, odour, pressure or flow, or continuity of supply (expressed per 1,000 connections).

**Target:** ≤ 140 complaints per 1,000 connections

**Performance:** 8.4 complaints per 1,000 connections—*achieved*



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**NEW** Demand management—the average consumption of drinking water per day per resident

**Target:** 335 litres per person per day

**Performance:** 357 litres per person per day—*not achieved*



*Water consumption was higher this year due to an extended dry period into March resulting in more outdoor use. Night flows also tracked above previous years. Summer water conservation programmes are in place and additional leak detection work is being undertaken to manage water demand.*

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**NEW** Interruptions to the water supply

**Target:** The number of unplanned supply cuts per 1,000 connections < 4

**Performance:** 2.6 unplanned supply cuts per 1000 connections—*achieved*



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## WASTEWATER

**NEW** System and adequacy—the number of dry weather sewerage overflows from the TA's sewerage system expressed per 1,000 sewerage connections to the sewerage system.

**Target:** Zero dry weather sewerage overflows

**Performance:** One dry weather sewerage overflow—*not achieved*



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### NOTES

**NEW** Indicates a mandatory new or updated performance measure or target.

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**NEW** Discharge compliance—breaches of resource consents for discharge from its sewerage system.

**Target A:** Zero abatement notices for discharges from wastewater system (section 322 of RMA 1991)

**Performance:** Zero abatement notices—*achieved*



**Target B:** Zero infringement notices for discharges from wastewater system (issued under 343C of RMA 1991)



**Performance:** Zero infringement notices—*achieved*

**Target C:** Zero enforcement orders for discharges from wastewater system



**Performance:** Zero enforcement orders—*achieved*

**Target D:** Zero convictions for discharges from wastewater system (of an offence under section 343C of RMA 1991) received by the Council in relation to the resource consents.



**Performance:** Zero convictions—*achieved*

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**NEW** Fault response times—where the Council contractor attends to sewerage overflows, resulting from blocked or other faults in the sewerage system, the following median response times will be measured:

**Target A:** Median attendance time ≤ 60 minutes (from the time that notification is received to the time that service personnel reach the site).



**Performance:** 38 minutes—*achieved*

**Target B:** Median resolution time ≤ 6 hours (from the time that notification is received to the time that service personnel confirm resolution of the blockage or other fault).



**Performance:** 1.43 hours—*achieved*

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**NEW** Customer satisfaction—the total number of complaints received about, sewage odour, sewerage system faults, sewerage system blockages, and Council's response to the sewerage system issues.

**Target:** ≤ 30 complaints per 1,000 connections to Council's sewerage system.



**Performance:** 7.18 complaints—*achieved*

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## STORMWATER

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**NEW** System adequacy—(A) the number of flooding events that occur and, (B) for each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the stormwater system).

**Targets A, B:** Trend yet to be determined (Wellington Water Limited Statement of Intent target: zero)

**Performance:** Zero flooding events—*achieved*



**Performance:** Zero habitable floors affected—*achieved*



**NEW** Discharge compliance—compliance with the Council's resource consents for discharge from its stormwater system.

**Target A:** Zero abatement notices received by Council in relation those resource consents.



**Performance:** Zero abatement notices—*achieved*

**Target B:** Zero infringement notices received by Council in relation those resource consents.



**Performance:** Zero infringement notices—*achieved*

**Target C:** Zero enforcement orders received by Council in relation those resource consents.



**Performance:** Zero enforcement orders—*achieved*

**Target D:** Zero convictions received by Council in relation those resource consents.



**Performance:** Zero convictions—*achieved*

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## NOTES

**NEW** Indicates a mandatory new or updated performance measure or target.

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**NEW** Response times—Number of complaints along with the median response time to attend a flooding event.

**Target A:** ≤ 50 complaints per 1,000 stormwater connections.

**Performance:** 0.16—*achieved*



**Target B:** Median response time ≤ 60 minutes (from the time that Council received notification to the time that service personnel reach the site).



**Performance:** 47 minutes—*achieved*

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## SOLID WASTE

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**NEW** Promote the reduction of waste collected and sent to the local landfill

**Target:** Achieve an annual reduction in the waste collected from the Council refuse bags collections



**Performance:** Total tonnage of refuse collected from Council bags has reduced from 808 tonnes in the 2014 – 2015 year to 754 tonnes in the 2015 – 2016 year—*achieved*

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

**Target:** Promote recycling with a goal of increasing the number of participating households who recycle on a regular basis



**Performance:** The number of those participating households who recycle using a recycling service provider has increased from 3,580 to 3,745 over the 2015 – 2016 financial year—*achieved*

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## PLANNING AND REGULATORY SERVICES

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Consents will be processed efficiently and within statutory timeframes.

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



**Performance:** 100%—*achieved*

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Community satisfaction with Council's current resource management practices<sup>1</sup>

**Target:** 75% of respondents are satisfied or very satisfied with the resource management service



**Performance:** 58% satisfaction—*not achieved*

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*Satisfaction levels are often impacted by legislatively enforced processes and controversial planning projects, including plan changes, which attract differing views leading to decreased satisfaction.*

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Community satisfaction with Council's building and compliance services provided<sup>1</sup>

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



**Performance:** 73% satisfaction—*not achieved*

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*The decrease in satisfaction levels is attributed to the tightening of processes and procedures resulting from accreditation requirements. This, coupled with an increase in volumes, has resulted in timeframes for both consents and inspections increasing.*

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**Target:** 85% satisfaction with the control of dog nuisances in the city<sup>1</sup>



**Performance:** 82% of respondents were satisfied or very satisfied—*not achieved*

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*Enforcement of Dog Control Act requirements often involves opposing parties and is frequently complex and controversial.*


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## NOTES

**NEW** Indicates a mandatory new or updated performance measure or target.

1. Performance measures that are directly related to the results of the 2016 Annual Community Survey.

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**Target:** 90% satisfaction with the enforcement of parking requirements within the city centre <sup>1</sup> 


**Performance:** 89% of respondents were satisfied or very satisfied—*not achieved*

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*Enforcement of parking requirements in the city is an activity that is inherently likely to attract more negative than positive comment as the most visible outcome is the issuing of infringements.*

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Process building consents within the statutory timeframes

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

**Performance:** 100%—*achieved*

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Process LIMs within the statutory timeframes

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


**Performance:** 95% processed within statutory timeframes—*not achieved*

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*The number of LIM applications significantly increased by 20% this year compared to 2014 – 2015. Several applications were complicated by the fact they required multiple building consents, land use consents, and subdivision consents.*

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Timeliness of food and hairdresser premises inspections

**Target:** Complete annual inspection of 100% of premises requiring health inspection for the future year by 30 June 

**Performance:** All premises were inspected—*achieved*

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Timeliness of response to complaints of excessive noise

**Target:** Respond within one hour to 90% of excessive noise reports being confirmed 

**Performance:** After an initial 30-minute stand down period, all noise complaints were attended within one hour—*achieved*

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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:** There is often a delay in reporting attacks, but we achieved 100% for those reported—*achieved*

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## COMMUNITY

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Satisfaction with the level of community group engagement by the Community Development team

**Target:** 90% satisfaction 

**Performance:** 100% of respondents were satisfied or very satisfied—*achieved*

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Community satisfaction with the level of customer service provided by library staff <sup>1</sup>

**Target:** 95% of respondents are satisfied or very satisfied 

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

---

## NOTES

1. Performance measures that are directly related to the results of the 2016 Annual Community Survey.

**NEW** Visits to library facilities in the 12 months to 30 June 2016

**Target:** Minimum of 350,000 visitors

**Performance:** 345,000 visitors—*not achieved*



*More people are choosing to access Library services online as reflected in the large increase in digital engagement.*

**NEW** Level of digital engagement with the library in the 12 months to 30 June

**Target:** Minimum of 700,000 digital connections made

**Performance:** 1,206,418 digital connections made—*achieved*



**NEW** Satisfaction with the quality of library programmes delivered

**Target:** 95% of respondents are satisfied or very satisfied

**Performance:** 95% of respondents are satisfied or very satisfied—*achieved*



Our community is increasingly prepared for a civil defence emergency<sup>1</sup>

**Target:** 80% of households are prepared for a civil defence emergency

**Performance:** 79% of households are prepared for a civil defence emergency—*not achieved*



*During the development of the Long Term Plan this target increased from 75% to 80%. Following the Christchurch earthquake in 2011 residents became more diligent around being prepared for a civil defence emergency however it would appear that people are becoming more complacent as time goes on.*

## RECREATION

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>1</sup>

**Target:** 95% of respondents are satisfied or very satisfied

**Performance:** 91% satisfaction—*not achieved*



*Further resource has been allocated to focus on improving this specific measure*

H<sup>2</sup>O Xtream will meet or exceed all required compliance standards for swimming pool operation

**Target:** PoolSafe Accreditation

**Performance:** PoolSafe Accreditation maintained—*achieved*



H<sup>2</sup>O Xtream annual attendance figures

**Target:** At least 230,000 people visit over the year

**Performance:** 203,714—*not achieved*



*Attendance figures remain stable and relative to the previous two financial years. There were 182,170 attendees in 2014 – 2015 (the pool was closed for six weeks during this period) and 204,678 attendees in 2013 – 2014.*

Community satisfaction with the range and quality of events and exhibitions provided at Expressions Arts and Entertainment Centre.<sup>1</sup>

**Target:** 90% of respondents are satisfied or very satisfied

**Performance:** 97% satisfaction—*achieved*



## NOTES

**NEW** Indicates a mandatory new or updated performance measure or target.

1. Performance measures that are directly related to the results of the 2016 Annual Community Survey.

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Number of visitors to Expressions Arts and Entertainment Centre.

**Target:** 90,000 visitors per annum



**Performance:** 148,000—*achieved*

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Community satisfaction with the level of provision of open space, amenities, and gardens.<sup>1</sup>

**Target:** 95% of respondents are satisfied or very satisfied



**Performance:** 95% satisfaction—*achieved*

---

Level of satisfaction with the range and quality of local initiatives and programmes delivered by Activation to meet the needs of the Upper Hutt community.

**Target:** 80% of programme participants rate the initiatives as being satisfactory or better at meeting the specific needs of the community. (5 key programmes will be evaluated).



**Performance:** 97.5% satisfaction—*achieved*

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## ECONOMIC DEVELOPMENT

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**NEW** Engaged business: satisfaction with the level of Council support in relation to economic development

**Target:** 75% of respondents are satisfied or very satisfied



**Performance:** 93% of respondents were satisfied or very satisfied with Council's support in relation to economic development—*achieved*

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**NEW** City centre retailers' satisfaction with the level of support provided to build vibrancy in our city centre

**Target:** 85% of respondents are satisfied or very satisfied



**Performance:** 91% of respondents were satisfied or very satisfied with the level of support from Council in building a vibrant city centre—*achieved*

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### NOTES

**NEW** Indicates a mandatory new or updated performance measure or target.

1. Performance measures that are directly related to the results of the 2016 Annual Community Survey.



# 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 2015 – 2016.

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 2016.

The Statement of Comprehensive Revenue and Expense (Table 2) is a summary of the financial performance of the Parent and Group for the 2015 – 2016 year.

Tables 1 and 2 also provide a comparison with the 2014 – 2015 year that ended on 30 June 2015.

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 2015 – 2016 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 2016	Actual Parent 30 Jun 2016 (\$000)	Actual Parent 30 Jun 2015 (\$000)	Budget Parent 30 Jun 2016 (\$000)	Actual Group 30 Jun 2016 (\$000)	Actual Group 30 Jun 2015 (\$000)
Assets					
Current assets	11,917	13,614	12,126	12,315	13,971
Non-current assets	704,343	700,606	698,430	704,451	700,683
<b>Total assets</b>	<b>716,260</b>	<b>714,220</b>	<b>710,556</b>	<b>716,766</b>	<b>714,654</b>
Liabilities					
Current liabilities	17,128	13,635	8,269	17,299	13,807
Non-current liabilities	27,258	27,532	37,678	27,258	27,532
<b>Total liabilities</b>	<b>44,386</b>	<b>41,167</b>	<b>45,947</b>	<b>44,557</b>	<b>41,339</b>
<b>Net assets/equity</b>	<b>671,874</b>	<b>673,053</b>	<b>664,609</b>	<b>672,209</b>	<b>673,315</b>

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

YEAR ENDED 30 JUNE 2016	Actual Parent 30 Jun 2016 (\$000)	Actual Parent 30 Jun 2015 (\$000)	Budget Parent 30 Jun 2016 (\$000)	Actual Group 30 Jun 2016 (\$000)	Actual Group 30 Jun 2015 (\$000)
Total operating revenue	53,802	42,493	50,942	54,168	42,841
Total operating expenditure <sup>1</sup>	52,083	49,413	50,292	52,401	49,726
<b>Net operating surplus/(deficit)</b>	<b>1,719</b>	<b>(6,920)</b>	<b>650</b>	<b>1,767</b>	<b>(6,885)</b>
Increase/decrease in asset revaluation reserves	(2,898)	34,652	9,397	(2,873)	34,652
<b>Total comprehensive income as restated</b>	<b>(1,179)</b>	<b>27,732</b>	<b>10,047</b>	<b>(1,106)</b>	<b>27,767</b>

### NOTE

1. Finance cost – interest	1,535	1,412	1,892	1,535	1,412
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**TABLE 3: STATEMENT OF CASH FLOWS—SUMMARY**

YEAR ENDED	Actual Parent 30 Jun 2016 (\$000)	Actual Parent 30 Jun 2015 (\$000)	Budget Parent 30 Jun 2016 (\$000)	Actual Group 30 Jun 2016 (\$000)	Actual Group 30 Jun 2015 (\$000)
30 JUNE 2016					
Net cashflow from operating activities	9,639	8,447	8,769	9,653	8,493
Net cashflow from investing activities	(13,559)	(9,200)	(13,661)	(13,550)	(9,228)
Net cashflow from financing activities	104	5,122	4,604	104	5,122
<b>Net cashflow (outflow) for the year</b>	<b>(3,816)</b>	<b>4,369</b>	<b>(288)</b>	<b>(3,793)</b>	<b>4,387</b>

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

	Actual Parent 30 Jun 2016 (\$000)	Actual Parent 30 Jun 2015 (\$000)	Budget Parent 30 Jun 2016 (\$000)	Actual Group 30 Jun 2016 (\$000)	Actual Group 30 Jun 2015 (\$000)
Equity at the start of the year	673,053	645,321	654,562	673,315	645,548
Total comprehensive income	(1,179)	27,732	10,047	(1,106)	27,767
<b>Equity at the end of the year</b>	<b>671,874</b>	<b>673,053</b>	<b>664,609</b>	<b>672,209</b>	<b>673,315</b>

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

	<b>Actual 2015 – 2016 (\$000)</b>	<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>Budget 2015 – 2016 (\$000)</b>
Rates	34,394	33,112	31,850	30,352	28,965	34,153
Net surplus/(deficit)	1,719	(6,920)	(1,919)	(2,850)	(4,264)	650
Working capital	(5,211)	(22)	1,102	(14,561)	(4,600)	3,857
Public debt	32,456	30,549	25,427	24,587	25,956	39,222
Total net assets	716,260	714,220	679,074	671,224	662,646	664,609

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

	<b>Actual 2015 – 2016 (\$000)</b>	<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>Budget 2015 – 2016 (\$000)</b>
Proportion of rates to total income	63.93%	77.9%	72.62%	73.18%	70.94%	67.0%
Average rates per rateable property	\$2,045	\$1,985	\$1,910	\$1,841	\$1,774	\$2,024
Total interest expense on net public debt	4.7%	4.6%	5.2%	6.0%	6.1%	4.8%
External net public debt to annual rates	94.4%	92.3%	79.8%	81.0%	86.9%	114.8%
External net public debt per rateable property	\$1,930	\$1,831	\$1,524	\$1,491	\$1,589	\$2,324
External net public debt to total equity	4.8%	4.5%	3.9%	3.9%	4.1%	5.9%

## MAJOR ESTIMATE VARIATION

Explanations for major variations from the Council 2015 – 2016 Annual Plan (LTP 2015 – 2025 Year 1) are as follows.

### Statement of comprehensive income

Operating Revenue was \$2,860,000 above estimate. The following are the main variances:

- Rate income was up by \$241,000 over estimate due to growth of subdivisions within the city.
- Fees and Charges were below estimate by \$1,278,000 for Council. The main components being:
  - permit and license fees down by \$140,000 reflecting current market conditions.
  - metered water charges are up by \$133,000 due to higher usage.
  - other income down \$3,785,000 due to a hold up in the development and sale of Maidstone Terraces housing.
  - \$102,000 library income down due to lower demand, free internet usage, and technology changes.
  - vested asset income up by \$5,206,000 due to market conditions of increased subdivisions.
- Development and financial contributions were up by \$266,000 mainly covering increased subdivisions to market conditions.
- Subsidies and grants were up by an estimate of \$1,000,000. This was solely due to an increase in roading subsidies for the Bridge Road.

Operating expenditure was \$1,791,000 above estimate. The following are the main variances:

- Depreciation was \$224,000 higher than budget. This reflects the impact of asset revaluations and depreciation of the Wastewater project.
- Personnel costs were \$232,000 above budget due to restructures in city planning, policy and reporting, marketing, city promotion, H<sup>2</sup>O Xstream, and Upper Hutt City Library.
- Finance costs for interest expenses were lower than budget by \$357,000 for two reasons:
  - lower interest rate percentages during the year against budget expectations.
  - not all projects have been completed, thus new loan funding has not been drawn down to incur interest costs.
- Bulk drainage levy down by \$126,000. Expenditure by joint project is lower than expected.
- Other costs were above budget by \$1,858,000 and they mainly comprised of:
  - land transport general maintenance—Bridge Road emergency and preventive costs were up \$1,219,370.
  - Loss on disposal of \$1,546,000. This mainly reflects the writedown of the Bridge Road bridge.
  - weathertightness and non-weather tightness payments and cost associates with these payments \$621,989 above budget.

## Statement of financial position

Asset revaluation reserves have increased by \$12.990 million due to the revaluation of Infrastructural assets.

Public debt at balance date was \$32.457 million. This compares with estimate of \$39.222 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 2015 – 2016 (which includes the Council’s full financial statements) and the Annual Report 2015 – 2016 Summary (which contains the summary financial statements) will both be adopted by the Upper Hutt City Council at an Extraordinary Council meeting on 31 October 2016.

**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.

**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 2015 – 2016 (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 unmodified opinion issued.

**6** The presentation currency of this summary report is New Zealand dollars.

**7** Between year-end (30 June 2016) and the signing of the financial statements (31 October 2016) 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 2016 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

# Our Council

## 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

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# Independent audit report

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

## Independent Auditor's Report

### To the readers of Upper Hutt City Council and group's summary annual report for the year ended 30 June 2016

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 2016. 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 22 to 36:

- the summary statement of financial position as at 30 June 2016;
- 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 2016;
- the notes to the summary financial statements that include accounting policies and other explanatory information; 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 31 October 2016.

### 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 interest in, the City Council.



Mari-Anne Williamson  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand  
31 October 2016



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