

Matters relating to the electronic presentation of the audited financial statements, non-financial performance information and the other requirements

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

The audit report refers only to the financial statements, non-financial performance information and the other requirements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements, non-financial performance information and the other requirements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements, non-financial performance information and the other requirements as well as the related audit report dated 23 October 2012 to confirm the information included in the audited financial statements, non-financial performance information and the other requirements presented on this website.

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

HOME IS WHERE THE HUTT IS

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**YOU DON'T HAVE TO
TRAVEL FAR TO HEAR
HOW PROUD WE ARE
OF OUR CITY...**



NORTH

T A S

S E

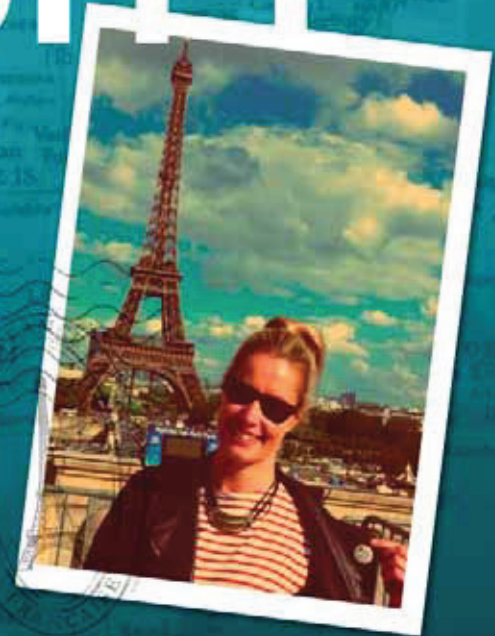
Karamoa
Bight
Seddonville
Grange
Westport
C. Foulkes
Nelson
Lyell Rd
Glenhope
Butler
Murchison
Richmond
Tasman
Blenheim
Seddon
C. Campbell
Whararua
Wellington
Hutt
Eastbourne
Aorangi
M¹
C. Palliser
MARLBOROUGH
Nelson
Tasman
Whararua
Seddon
C. Campbell
Whararua

**BUT IF YOU DO,
THE VOICE IS LOUD
AND CLEAR**





WE ♥ HUTT CITY





SNAPSHOT OF THE YEAR TO 30 JUNE 2012



Hutt City Council had a rewarding year and developed a number of new initiatives that supported the vision of a city that is a great place to live, work and play. Residents voted Hutt City as a great place to live in a NRB Communitrak Survey and the Long Term Plan for the city laid out a balanced portfolio of projects designed to improve community services while considering infrastructure and other needs.

Prudent management resulted in the lowest average rate rise across New Zealand. A Baldrige Gold award for Business Excellence was conferred on the council, the first for any local authority in New Zealand. The excellent financial management of the city was commented on by the international credit rating agency Standard & Poor's which reaffirmed the council's AA "very strong" credit rating. The agency also noted that Hutt City had implemented measures to control growth in operating expenditure and reduce debt relative to peer councils.

Council also received a public awareness award for the publication, It's Easy – Get prepared for an emergency, a Wellington region civil defence initiative. Other awards during the year recognised council efforts to assist deaf customers, and acknowledgement that Stage Two of the Silverstream landfill was an outstanding project.

The city moved to embrace science and technology while encouraging new enterprise within the city through the introduction of a business stimulus package designed to grow prosperity and create jobs.

The city population was boosted with settlement of 700 migrants and refugees reflecting Hutt City's diverse multicultural community while resource consent was issued for a community and sport centre in Taita incorporating the existing Walter Nash Stadium.

The council performed strongly through the year and will continue to carefully manage the city's resources for the year ahead.

Read on for more highlights of the year to 30 June 2012.



Ray Wallace

Mayor
Ray Wallace



Tony Stallinger

Chief Executive
Tony Stallinger

A GREAT PLACE TO LIVE

- North East Magic initiative was launched to improve social and economic quality of life for communities in the northern and eastern wards
- Council worked with other councils on sharing services to save money
- Wellington Region Emergency Management Office was established with operational support team based in Lower Hutt
- Three-year Black Creek flood protection project was completed and Kelson stormwater system upgraded
- More than 700 migrants and refugees were assisted with settlement support, and 1000 new citizens swore an oath of allegiance to New Zealand
- Integrated vision for the city identified opportunities for development and growth of each community
- Urban growth strategy started, to set growth targets and outline how the city will develop over the coming decades
- Hutt City Council (Graffiti Removal) Bill moved through Parliament
- Time capsule buried to celebrate the opening of the Civic Square beside the Dowse Art Museum
- Council's customer service centre handled 27,000 inquiries
- Online grants management system established for community funding schemes
- Welfare preparedness plan adopted by eight Hutt Valley marae
- Upgrade of paving and seating around Scott Court shopping centre completed



Wainuiomata
BUSH FIRE FORCE moved
into new headquarters

Naenae computer clubhouse celebrated its second anniversary with an open day, and hosted **ROBOTICS REGIONAL CHAMPIONSHIPS**



WATER CONSERVATION and efficiency plan was developed, and children and young people's plan for 12 to 24 year olds adopted



A GREAT PLACE TO WORK

- Regional economic development promoted through participation in the Wellington Regional Strategy
- Revised earthquake-prone building policy adopted to improve public safety
- Outcome monitoring framework introduced to ensure progress towards making Hutt City a great place to live, work and play
- Increase in city's GDP despite small declines in employment and business numbers
- Increased focus on the high-technology sector, and good growth in the city's export businesses
- Riverside promenade project gained momentum as part of the CBD Making Places project
- District Plan changes supported businesses and developers
- Spotlight on Seaview showcased 60 businesses in the Seaview industrial area



NIGHT MARKET
added vibrancy to the CBD
over the summer months

Hutt City Council
recognised among the
TOP PERFORMING
organisations in NZ with a Gold
Business Excellence award



SIGNIFICANT INTERNATIONAL INVESTMENTS made in long
standing businesses in the city



A GREAT PLACE TO PLAY

- Resource consent issued for a community and sport centre in Taita that will incorporate the Walter Nash Stadium, Taita library and community hall and include a library, community meeting spaces, café, community gym and five indoor sports courts
- Multi-court playground developed at Walter Mildenhall Park, Naenae
- Reserve property purchased in Horoeke Street, Stokes Valley
- SMART regional library card and combined catalogue introduced
- Automated sorter, one of only six in the world, installed at War Memorial Library to manage the 64,000 returns received each month
- Hutt City libraries introduced e-books and e-audiobooks, and also free Wi-Fi at War Memorial Library
- A total of 204,000 people visited the Dowse Art Museum and Petone Settlers Museum, with 18,000 students attending education programmes
- Community Facilities Trust established to develop the Taita community centre and Fraser Park Sportsville
- Australasian Police and Emergency Services Games hosted by Hutt City
- Avalon Park upgrade plan drafted for consultation



Over **386,000** participants attended recreational, holiday and KiwiSport programmes

PLAYGROUND replaced and toilet installed at Bishop Park, Eastbourne



Hutt **INDOOR SPORTS** facility opened



HOW WE PERFORMED IN 2011/12

Council uses five key performance indicators to assess its overall performance:



Budget management	●	2011/12 is the second year council has had a negative result compared to budget. This was caused by a downturn in activity and revenue from landfill operations, and one off adjustments for leaky homes. Some capital projects were delayed as a result.
Customer satisfaction	●	In total, 91.68% of customers were satisfied or very satisfied with council services, equalling the best ever results achieved in 2010/11.
Staff perceptions	●	The performance index of 68.2% is similar to the local government performance index of 68.7%.
Project completion	●	In total, 84% of projects were completed on time, below the target of 90% completion, mainly because projects were delayed to assist Council's budget and debt positions.
Compliance	●	There were no significant instances of non-compliance with the law, contracts, consents, employment agreements, health and safety requirements and council policy.

Council is structured into five groups undertaking 18 core activities, each of which has performance targets.

GROUP PEOPLE

Libraries	●	Performance measures covered use of libraries, satisfaction, number of physical and internet visits, and library stock turnover. The target of 1.2 million physical visits for the year fell slightly short at 1.18 million, but there were almost 357,000 online visits compared with a target of 200,000, and all other performance measures were achieved.
Museums	●	All performance measures were achieved covering number of visits, satisfaction, and education programme attendance and satisfaction.
Aquatics and Recreation	●	All performance measures were achieved covering satisfaction with and use of pools and Leisure Active programmes and events, holiday programme and pool accreditation, and cost per visit.
Parks and Reserves	●	All performance measures were achieved covering satisfaction with sportsgrounds, parks, reserves, gardens and cemeteries; sports field standards; area of parks and reserves; use of parks, reserves and gardens; and maintenance standards.
Community Development	●	Performance measures were achieved covering resident perceptions of safety in their neighbourhood during the day and after dark, and in the city centre during the day; and satisfaction with graffiti removal; and new settlers' satisfaction with support, advice and training. Community organisations' satisfaction with support, advice and funding was down on previous years. A total of 68% of residents felt safe in the city centre after dark compared with a target of 81%.
Property	●	All performance measures were achieved covering tenant satisfaction, resident satisfaction with halls and public toilets, and occupancy of council rental housing.

GROUP UTILITY SERVICES

Roading and Traffic	●	All performance measures were achieved covering satisfaction with street lighting, litter on roads, traffic control, footpaths, roads and parking; road condition; road roughness; and the rate of fall in accident numbers.
Water Supply	●	All performance measures were achieved covering satisfaction, compliance with national drinking water standards, water quality, reliability of supply, response to disruptions and average unmetered water consumption.
Wastewater	●	All performance measures were achieved covering satisfaction, compliance with resource consents, reliability of the service and response to disruptions.
Stormwater	●	All performance measures were achieved covering satisfaction, reliability of the service, water quality at main recreational beaches and response to disruptions.
Solid Waste	●	Two out of three performance measures were achieved covering satisfaction with refuse disposal and compliance with resource consents. Satisfaction with rubbish collection was 1% below the target of 93%, but the number of 'not very satisfied' responses was on a par with peer council and national averages.

GROUP ENVIRONMENT

Environmental Management	●	Thirteen out of 14 performance measures were achieved covering satisfaction with animal, parking and environmental health services; compliance with processing times for LIMs, building consents, PIMs, resource consents, fire/replace applications, solar panel applications, premises and code compliance certificates; monitoring of resource consents; dog pound opening hours; and response to dog and noise complaints. In total, 99% or 227 of 230 requests for service were acknowledged within 24 hours. The target was 100%.
Emergency Management	●	All performance measures were achieved covering household preparedness for civil defence emergencies, and response to emergencies and rural fires.

GROUP ECONOMY

Local Urban Environment	●	All performance measures were achieved covering satisfaction with the overall look and feel of the city, satisfaction with litter control and recycling, use of the recycling service, access to recycling facilities and volume of material recycled.
Economic Development	●	All performance measures were achieved covering satisfaction with the i-SITE visitor information centre and Hutt City's economic performance.

GROUP ORGANISATION

Elected Members	●	Two out of three performance measures were achieved covering satisfaction with the mayor's and councillors' performance and the way rates are spent. Satisfaction with public consultation was 89%; the target was to improve on last year's result of 90%.
Advice and Support	●	All performance measures were achieved covering councillor, community board and community committee satisfaction with formal advice received and responses to requests for help from staff.
Managing Services	●	All performance measures were achieved covering staff turnover, compliance with legal and policy requirements, and work-related accidents.

FINANCIAL PERFORMANCE

The Summary Statement of Comprehensive Income summarises the financial performance of Council and the group (the group consists of the "Council" and its interests in its subsidiaries Seaview Marina Limited and Urbanplus Limited (both 100% owned), Silverstream Gas Joint Venture (7% owned) and associate Capacity Infrastructure Services Limited). The summary shows the operating revenue and expenditure as well as other transactions that have impacted on the Council's and the group's wealth.

Council made a deficit after tax of \$1.609 million compared with a budgeted surplus after tax of \$1.740 million. The operating result was therefore \$3.349 million worse than budget. Revenue of \$126.120 million is lower than budget of \$130.672 million with less user fees and charges, mainly in solid waste and environmental management activities. Expenditure of \$127.729 million is lower than budget of \$128.932 million, across all expenditure classes. This resulted from holding staff numbers, good management of operating costs, interest rates being held lower for longer than budgeted, and depreciation lower with the capital works programme not fully completed.

Other Comprehensive Gains and Losses:

Council revalued its property and infrastructure assets as at 31 December 2011, resulting in a gain on revaluation of \$102 million. A loss of \$1.975 million was incurred in the fair value of interest rate swaps. The Council had budgeted a gain of \$0.800 million in the expectation of a rise in interest rates over the year.

SUMMARY STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2012

ALL FIGURES: \$000'S	COUNCIL			GROUP	
	ACTUAL 2012	BUDGET 2012	ACTUAL 2011	ACTUAL 2012	ACTUAL 2011
Revenue	126,120	130,672	125,783	130,066	127,189
Expenditure (excluding finance costs)	123,484	124,577	118,629	127,460	121,187
Finance costs	4,245	4,355	4,640	4,655	4,951
Share of associate's surplus/(deficit)	-	-	-	32	(14)
Surplus before income tax	(1,609)	1,740	2,514	(2,017)	1,037
Income tax expense/(benefit)	-	-	-	31	(620)
Surplus (Deficit) after income tax	(1,609)	1,740	2,514	(2,048)	1,657
Other comprehensive income					
Gain/(Loss) on revaluation of financial instruments	(1,975)	800	(607)	(1,975)	(607)
Gain on property revaluations	101,740	-	-	101,740	4,579
Impairment of property plant and equipment	-	-	-	(110)	-
Deferred tax on revaluation	-	-	-	-	(620)
Total comprehensive income	98,156	2,540	1,907	97,607	5,009

SUMMARY STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2012

ALL FIGURES: \$000'S	COUNCIL			GROUP	
	ACTUAL 2012	BUDGET 2012	ACTUAL 2011	ACTUAL 2012	ACTUAL 2011
Equity at the beginning of the year	1,149,105	1,147,910	1,147,198	1,151,909	1,146,900
Total comprehensive income	98,156	2,540	1,907	97,607	5,009
Equity at the end of the year	1,247,261	1,150,450	1,149,105	1,249,516	1,151,909

*The group consists of the "Council" and its interests in its subsidiaries Seaview Marina Limited and Urbanplus Limited (both 100% owned), Silverstream Gas Joint Venture (7% owned) and associate Capacity Infrastructure Services Limited

The following table provides a summary of the Council and group financial position (that is what they own and owe) at the end of each financial year.

The following are significant variances in the Statement of Financial Position:

Property plant and equipment is \$107 million higher than budget due mainly to a revaluation of assets at 31 December 2011. This has also increased net equity by a similar amount. Cash and cash equivalents is \$6 million higher than budget due to timing of the last rates instalment. Net debt ended the year at \$67.4 million compared to a budgeted position of \$60 million due to less asset sales taking place, lower revenues from landfills and payments related to leaky home settlements.

SUMMARY STATEMENT OF FINANCIAL POSITION

As at 30 June 2012

ALL FIGURES: \$000'S	COUNCIL			GROUP	
	ACTUAL 2012	BUDGET 2012	ACTUAL 2011	ACTUAL 2012	ACTUAL 2011
Total current assets	23,332	16,443	18,912	22,175	23,860
Total non-current assets	1,337,424	1,229,684	1,239,472	1,351,688	1,250,806
Total assets	1,360,756	1,246,127	1,258,384	1,373,863	1,274,666
Total current liabilities	57,709	63,044	63,582	68,510	77,042
Total non-current liabilities	55,786	32,633	45,697	55,837	45,715
Total liabilities	113,495	95,677	109,279	124,347	122,757
Net assets / equity	1,247,261	1,150,450	1,149,105	1,249,516	1,151,909

The following table provides a summary of the Council and group cash flows during the respective financial years.

The following are significant variances in the Statement of Cashflows:

Net cash from operating activities is lower than budget due to less revenue from user fees and charges related to landfills and consents. Net cash from investing is comparable to budget. Net cash from financing is lower than budget due to less loans repaid than budgeted. Reduced asset sales and less cash from user fees and charges also contributed to this.

SUMMARY STATEMENT OF CASH FLOWS

For the year ended 30 June 2012

ALL FIGURES: \$000'S	COUNCIL			GROUP	
	ACTUAL 2012	BUDGET 2012	ACTUAL 2011	ACTUAL 2012	ACTUAL 2011
Net cash flows from operating activities	27,726	31,853	26,781	30,207	25,516
Net cash flows from investing activities	(26,251)	(26,633)	(17,548)	(26,567)	(21,764)
Net cash flows from financing activities	(1,140)	(9,218)	(6,032)	(3,240)	(632)
Net cash flow for the year	335	(3,998)	3,201	400	3,120

Notes

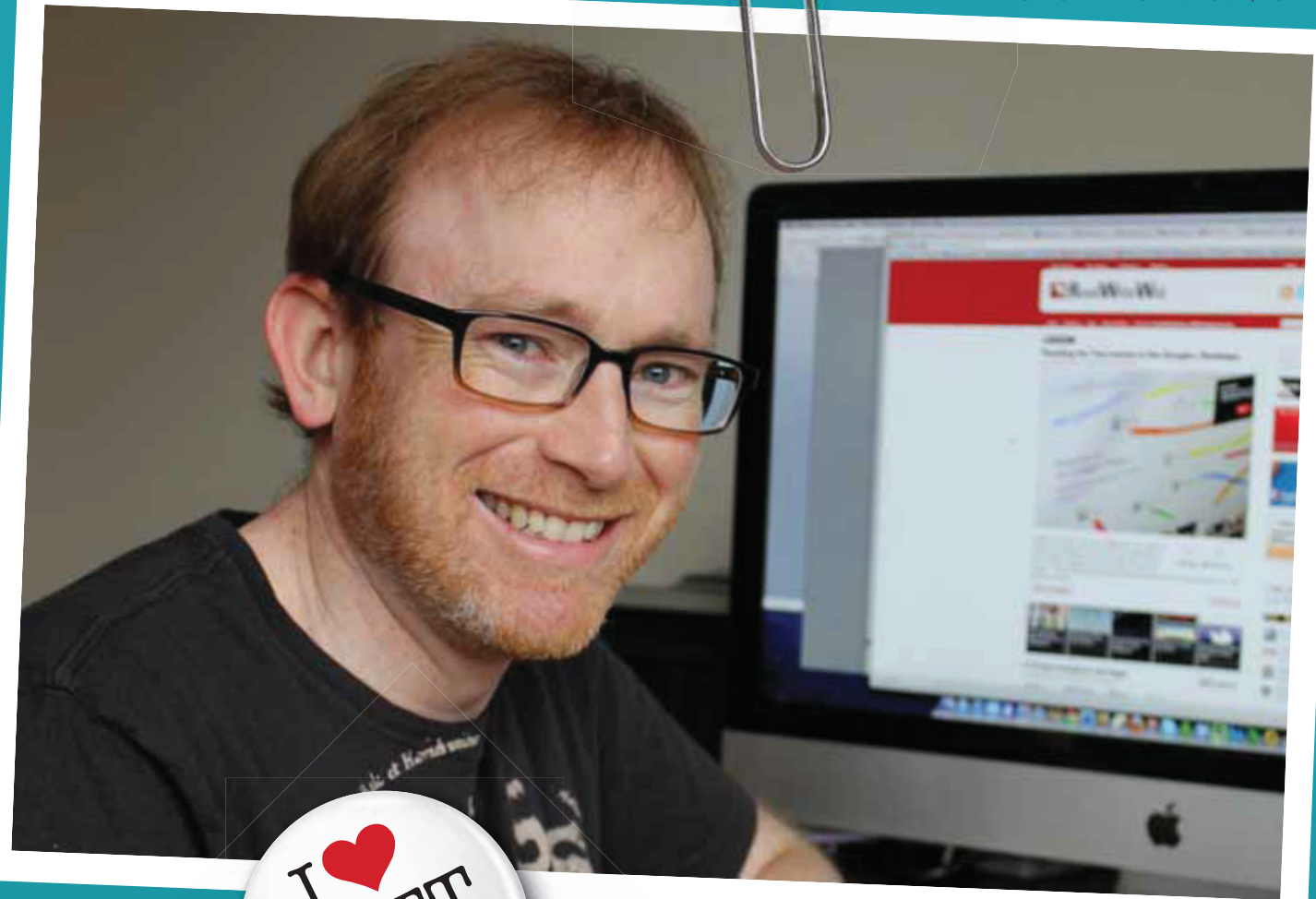
1. Part 6 s 98(b) of the Local Government Act 2002 requires Council to make publicly available a summary of information contained in its Annual Report.
2. The specific disclosures included in the summary financial report have been extracted from the full financial report. Both reports were adopted on 23 October 2012. This summary has been prepared in accordance with FRS-43: Summary Financial Statements.
3. The summary financial report has been presented in New Zealand dollars.
4. The summary financial report cannot be expected to provide as complete an understanding as provided by the full financial report. The full financial report dated 23 October 2012 has received an unmodified audit report. A copy of the financial report may be obtained from the Council's website www.huttcity.govt.nz.
5. This summary financial report has been examined by the auditor for consistency with the full financial report. An unmodified auditor's report is included in this summary.
6. In the full financial report the Council has complied with New Zealand equivalents to the International Financial Reporting Standards as applicable for public benefit entities and has made a statement to that effect.

I LOVE HUTT CITY BECAUSE ...

It's home," says Richard MacManus, founder of technology website ReadWriteWeb, which he sold to United States digital publishing firm SAY Media late last year for an undisclosed sum said to be in the millions. The Naenae-raised computer wiz (and former Hutt News delivery boy) continues to help run the website, one of the world's most popular technology sites, from his home in Petone. He moved there three years ago and fell in love with the suburb, buying his turn-of-the-century villa 18 months later.

"Petone is a beautiful little part of the city and very laid back. The beach is round the corner, the cafes are just up the road – in fact, I can get to my favourite café in less than 15 minutes. I can also walk from here to friends. And if I feel like it, there are plenty of arts and craft shops along Jackson Street to browse in."

"People are often surprised to learn that ReadWriteWeb was run for a long time out of the Hutt, but I couldn't have imagined doing it anywhere else."



VISION FOR HUTT CITY

Our vision is to make Hutt City a great place to live, work and play. The Annual Plan 2011-2012 outlined our plans for the year that contribute to this vision. Here we report on our performance for the year against the targets set in the Annual Plan.

HUTT CITY COUNCIL

Hutt City Council was established in 1989 and covers the city of Lower Hutt.

Its purpose is to enable democratic local decision-making in order to promote the social, economic, environmental and cultural wellbeing of the city and its residents in the present and for the future.

Its roles include:

- Providing leadership for the city.
- Advocating with other agencies on behalf of the local community.
- Administering relevant legislation.
- Ensuring the sustainable development of local resources.
- Managing local infrastructure sustainably.
- Managing the environment.
- Planning for the future needs of the city and its people by developing a strategic vision.
- Being responsible and accountable for the direction and control of council activities while pursuing the outcomes the community has identified as priorities.

COUNCIL GOVERNANCE

Hutt City Council is governed by a mayor and 12 councillors, with the mayor elected on a city-wide basis and the councillors elected to represent their respective wards, though also required to exercise their powers in the best interests of the city as a whole. There are six wards - Northern, Eastern, Central, Western, Harbour and Wainuiomata – each with two councillors.

COMMUNITY BOARDS AND COMMUNITY COMMITTEES

Council also works with three community boards covering Eastbourne, Petone and Wainuiomata, and four community committees covering the Northern, Eastern, Central and Western wards.

Each community board has six members elected by the community, plus two councillors from that ward appointed by Council. The only exception is Eastbourne Community Board, which has agreed to have only five elected members.

The role of a community board is to:

- Represent and act as an advocate for the interests of its community.
- Consider and report on any matter referred by Council and any issues of interest.
- Make an annual submission to Council on projects and expenditure in the community.
- Maintain an overview of services provided by Council within the local community.
- Be a channel of communication between the community and Council.
- Undertake any other responsibilities delegated by Council.

The community committees appointed by Council are non-statutory bodies with similar roles to those of community boards. Each committee has four members appointed from the community plus the two ward councillors. Members are appointed according to their skills and experience, including their ability to support existing residents' associations and similar community groups in their areas and engage positively with Council.

COUNCIL'S MANAGEMENT STRUCTURE

The elected members of Council set the broad strategic direction and policies for the chief executive and staff to implement, and audit the results.

The chief executive is the sole employee of the elected members of Council, and in turn is the employer of all other council staff members. He is responsible to Council for:

- Implementing its decisions.
- Advising Council, community board and community committee members.
- Ensuring all functions delegated to staff are carried out.

Council monitors the chief executive's performance through a series of performance measures and the chief executive is accountable to Council through a quarterly reporting process.

In the past year, Council's Strategic Leadership Team focused on four priority areas:

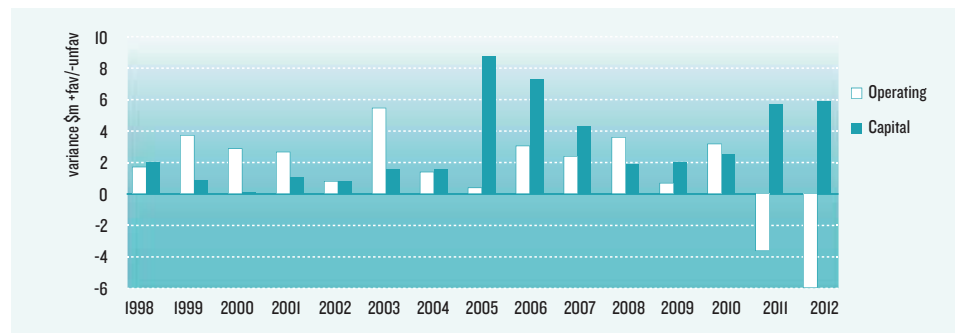
PRIORITY AREA	ORGANISATIONAL OBJECTIVES
Services	Delivering excellent and innovative services that provide value for money
Staff	Providing staff with the environment, skills, information and tools they need to do their jobs
Growth	Leading the city's growth and development to ensure a vibrant and thriving Hutt City
Environment	Taking action in response to the communities' changing economic, environmental, social and cultural needs

There are five key performance indicators for these areas, which are in addition to the performance measures and targets for each of the 18 core activities.

KEY PERFORMANCE INDICATORS

Budget management

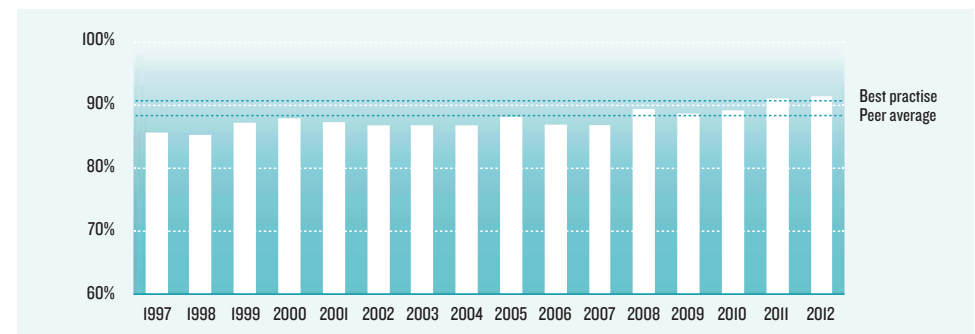
This key performance indicator compares results with budget targets. All activities are expected to operate within their net capital and operating budgets. Council has delivered operating and capital surpluses compared with budget every year from 1998 to 2010. 2011-2012 is the second year Council has had a negative result compared to budget. Operational surpluses were not achieved with a downturn in activity and revenue from landfill operations. One off adjustments for leaky homes contributed to the negative result. Some capital projects were delayed in response to the adverse result to minimise an adverse cash position. Council continues on its financial strategy and has met the target of keeping the increase in rates income to no more than 0.5% above the rate of inflation.



Customer satisfaction

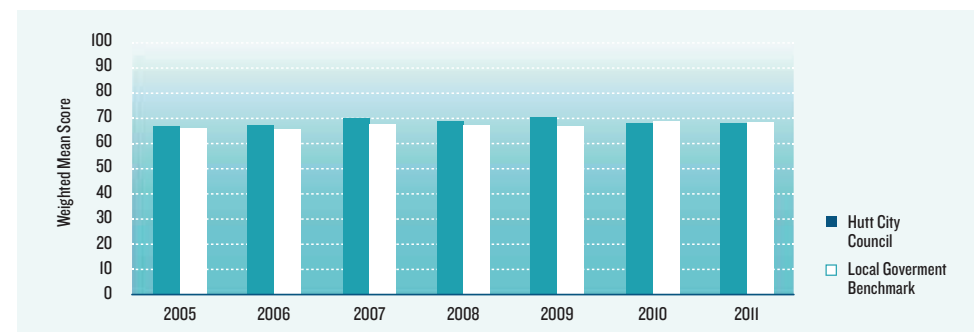
Council monitors customer satisfaction levels through an independent annual survey, and the target of achieving 90% satisfaction was achieved for the first time in 2011 and maintained in 2012. The results are above the average of our peer councils, and Council is committed to sustaining this high level of satisfaction.

See the reports on each activity for a breakdown of customer satisfaction results.



Staff perceptions

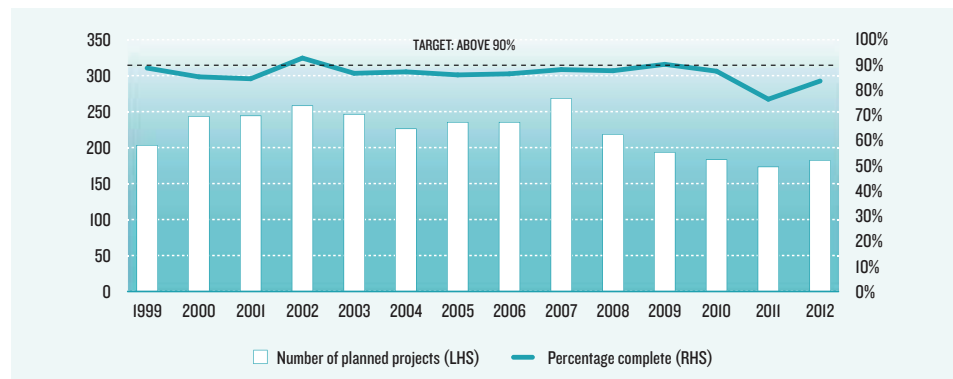
Council measures staff perceptions using the Kenexa Best Workplaces Survey. The graph below depicts Council's overall performance index score (68.2%) compared with the overall local government performance index score (68.7%). Current initiatives to support staff include enhancing the leadership and management capability, a strong internal communications strategy, learning and development opportunities, and health and wellbeing initiatives.



Project completion

Every year Council commits to as many as 300 projects through the Annual Plan. Inevitably, some cannot be completed in time and are usually carried over to the next financial year for completion. For this reason the completion target is at least 90% of projects scheduled for the financial year.

In 2011-2012 a number of projects were not completed. Some were deferred until 2012-2013 to keep the debt level down at year end, the most significant being Wainuiomata Catchment Sewer Renewals, Dowse Drive Stormwater Improvements and IT System Upgrade. Other projects deferred due to project delays included McKenzie Pool Replacement, Avalon Park Improvements, Memorial Park Artificial Turf, Trunk DBO Type A Network Development, Vista Grove Sewer Replacement, Silverstream Landfill Stage 2 and Seaview Gracefield Development. Some projects involving improvements and maintenance of buildings were not completed. These included the Administration Building, due to proposals to upgrade the building, and various Community Halls, pending the outcome of proposals for the development of community hubs.



Compliance

It is vital for staff, contractors and other businesses associated with Council to comply with the law, contracts, consents, employment agreements, health and safety requirements and council policy.

Council monitors this compliance on a monthly basis, and has a target of no significant cases of non-compliance. This has been achieved every year since 2004. While there have been some minor breaches, these have been fixed with no significant impact on council operations.

YEAR	NON-COMPLIANCE INSTANCES	
	INSIGNIFICANT	SIGNIFICANT
2004	9	–
2005	6	–
2006	1	–
2007	3	–
2008	1	–
2009	1	–
2010	1	–
2011	2	–
2012	4	–

ACTIVITIES

The council organisation is divided into five groups –

Group People – primarily focused on making Hutt City a great place to play.

Group Utility Services and Group Environment – contributing to making the city a great place to live.

Group Economy – making the city a great place to work.

Group Organisation – reporting on Council’s internal activities that contribute to all community outcomes.

Each group is divided into the core activities that make up that group.

Group Organisation Performance Summary

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Elected Members	Two out of three performance measures were achieved covering satisfaction with the mayor’s and councillors’ performance and the way rates are spent. Satisfaction with public consultation was 89%; the target was to improve on last year’s result of 90%.
Advice and Support	All performance measures were achieved covering councillor, community board and community committee satisfaction with formal advice received and responses to requests for help from staff.
Managing Services	All performance measures were achieved covering staff turnover, compliance with legal and policy requirements, and work-related accidents.

Group Organisation Financial Summary

	(DEFICIT)/SURPLUS BEFORE TAX			RATE REQUIREMENT PER RESIDENT
	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000	ACTUAL 30 JUNE 2012 \$000
Elected Members	(1,945)	(2,035)	(1,911)	19.91
Advice and Support	(4,140)	(4,087)	(4,020)	42.37
Managing Services *	3,189	3,254	2,103	(32.64)
* The rate requirement figures are shown excluding total rate income.	Note: The (Deficit)/Surplus before tax shows the net cost of the Council’s activities for the year in comparison to the 2011-2012 Annual Plan and the previous year.		Note: The rate requirement per resident shows the average cost to each individual in the city for the listed Council activities. A negative value in this column indicates that the activity produced a net financial benefit to each individual.	

GROUP ORGANISATION

ELECTED MEMBERS

What we do

Elected members of Hutt City Council have an important role in the community. They:

- provide a governance role for the city
- set Council's strategic direction, including determining the activities we undertake (within legal parameters)
- monitor our performance on behalf of the city's residents and ratepayers.

Our governance structure includes community boards and community committees, which provide local input into our decision-making.

Why we do it

The Elected Members activity ensures sound governance and robust decision-making within Hutt City.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Residents' satisfaction with the Mayor's and councillors' performance: ≥ 90% of those expressing an opinion	95%	96%	87%	96% of residents who expressed an opinion were satisfied. 6% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with the way we spend their rates: ≥83% of those expressing an opinion	86%	88%	81%	89% of residents who expressed an opinion were satisfied. 8% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with our public consultation: Improvement	90%	90%	N/A	89% of residents who expressed an opinion were satisfied. 4% of residents did not express an opinion.	NRB Communitrak Survey

Note: Survey percentages quoted exclude those who responded 'Don't Know'.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	6	-	6	9
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	-	-	-	-
Other Revenue	-	-	-	-
Vested Assets	-	-	-	-
Gain/(Loss)	-	-	-	-
Total Revenue	6	-	6	9
EXPENDITURE				
Employee Costs	-	-	-	266
Support Costs	841	817	(24)	766
Operating Costs	1,106	1,218	112	884
Finance Cost	-	-	-	-
Depreciation	4	-	(4)	4
Total Expenditure	1,951	2,035	84	1,920
DEFICIT BEFORE TAX	(1,945)	(2,035)	90	(1,911)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(1,945)	(2,035)	90	(1,911)
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	(1,945)	(2,035)	90	(1,911)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	-	-	-	-
Capital Expenditure - Improving Services	-	-	-	-
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	4	-	4	4
Total Loan Funding Requirement	4	-	4	4
TOTAL FUNDING REQUIREMENT	(1,941)	(2,035)	94	(1,907)

Significant Operating Variations from LTCCP

Operating expenditure was under budget due to savings in elected members meeting fees and training costs.

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

There were no significant asset acquisitions or replacements or variations from the LTCCP.

ADVICE AND SUPPORT

What we do

This activity comprises the processes that support our decision-making, such as strategic planning, policy development and monitoring and reporting.

Why we do it

Professional advice and support are necessary to help us and community boards and committees to make informed decisions on behalf of our community.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Councillors are satisfied or more than satisfied with the formal advice they receive from officers: 80% of those expressing an opinion	88%	88%	N/A	100%	Survey of Elected Members
Councillors are satisfied or more than satisfied with responses to requests for help from officers: 80% of those expressing an opinion	88%	95%	N/A	100%	Survey of Elected Members
Community board and community committee members are satisfied or more than satisfied with the formal advice they receive from officers: 80% of those expressing an opinion	88%	88%	N/A	90%	Survey of Elected and Appointed Members
Community board and community committee members are satisfied or more than satisfied with responses to requests for help from officers: 80% of those expressing an opinion	88%	95%	N/A	80%	Survey of Elected and Appointed Members

Note: Survey percentages quoted exclude those who responded 'Don't Know'.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	-	-	-	-
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	-	-	-	-
Other Revenue	-	-	-	164
Vested Assets	-	-	-	-
Gain/(Loss)	-	-	-	-
Total Revenue	-	-	-	164
EXPENDITURE				
Employee Costs	-	-	-	23
Support Costs	4,025	4,064	39	3,824
Operating Costs	115	23	(92)	337
Finance Cost	-	-	-	-
Depreciation	-	-	-	-
Total Expenditure	4,140	4,087	(53)	4,184
DEFICIT BEFORE TAX	(4,140)	(4,087)	(53)	(4,020)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(4,140)	(4,087)	(53)	(4,020)
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	(4,140)	(4,087)	(53)	(4,020)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	-	-	-	-
Capital Expenditure - Improving Services	-	-	-	-
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	-	-	-	-
Total Loan Funding Requirement	-	-	-	-
TOTAL FUNDING REQUIREMENT	(4,140)	(4,087)	(53)	(4,020)

Significant Operating Variations from LTCCP

Operating expenditure was over budget due to additional costs from by elections.

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

There were no significant asset acquisitions or replacements or variations from the LTCCP.

MANAGING SERVICES

What we do

'Managing Services' incorporates the organisational support functions that help us to provide our other activities efficiently and effectively.

Why we do it

The Managing Services activity supports all our activities by providing business, legal and support services and tools.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Staff turnover: Less than 12%	3.5%	11.37%	N/A	9.58%	Monthly Management Reports
Legal and policy requirements: No significant instances of non-compliance	No significant instances of non-compliance	No significant instances of non-compliance	N/A	No significant instances of non-compliance	Monthly Compliance Reports
Work-related accidents: Fewer than six resulting in time off work	Seven work-related accidents resulted in time off work	Four work-related accidents resulted in time off work	N/A	Four work-related accidents resulted in time off work	Monthly Management Reports

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	85,455	85,384	71	82,649
User Charges	1,408	1,384	24	1,066
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	257	350	(93)	335
Other Revenue	195	124	71	204
Vested Assets	-	-	-	-
Gain/(Loss)	(51)	-	(51)	2
Total Revenue	87,264	87,242	22	84,256
EXPENDITURE				
Employee Costs	8,972	9,205	233	8,459
Support Costs	(14,225)	(14,821)	(596)	(13,969)
Operating Costs	1,555	1,587	32	2,697
Finance Cost	(11)	220	231	166
Depreciation	2,329	2,413	84	2,151
Total Expenditure	(1,380)	(1,396)	(16)	(496)
SURPLUS BEFORE TAX	88,644	88,638	6	84,752
RATES FUNDING REQUIREMENT				
Surplus Before Tax	88,644	88,638	6	84,752
Add Capital Contributions	-	-	-	-
Rate Funded Debt Repayment	-	3,536	3,536	-
Total Rates Funding Requirement	88,644	92,174	3,530	84,752
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(1,083)	(1,395)	312	(1,097)
Capital Expenditure - Improving Services	(651)	(905)	254	(1,200)
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	2,312	2,413	(101)	2,151
Total Loan Funding Requirement	578	113	465	(146)
TOTAL FUNDING REQUIREMENT	89,222	92,287	3,065	84,606

Operating Projects

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Quality of Life Study	-	40	40
Research - Monitoring & Evaluation of Outcomes	46	70	24
Internet Design	25	25	-

Significant Operating Variations from LTCCP

Revenue was close to budget. Employee costs were under budget mainly as a result of vacancies and a management restructure. Operating costs were under budget due to savings and deferral of some IT project work which has been carried over to 2012/2013. The Quality of Life Project was not carried out this year. Finance costs variance relates to landfills aftercare which has been charged directly to the Solid Waste activity where there are similar overspends.

Capital Projects Acquisitions And Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Network Storage/Server Hardware and PC Replacement Programme	365	375	10
System Maintenance	209	325	116
System Upgrades	224	550	326
Telecommunications	285	145	(140)
Core Business Application Enhancement	156	115	(41)
Digitisation of Council Core Information	260	260	-
Mobile Devices	70	170	100
Other (IT) Projects	81	280	199
Internet Online Services	84	80	(4)

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

Due to changed priorities there was a need to find savings in some projects in order to offset higher costs in other projects. However most planned work was able to be completed apart from system upgrades where some work has been deferred and will be completed in 2012/2013. There was a major upgrade of the telecommunications system involving full replacement of the 15 year old telephony system for the Administration Building, Pavilion, Dowse Art Museum and War Memorial Library. Additional features have been included into the system to allow for vacating the Administration Building without interruption of services which resulted in an over spend of the budget. The digitisation of Council's core information continued with work being completed within budget. By financial year end 65% of the PC and laptop fleet had been upgraded to Windows 7, using internal resources only, which led to a significant saving against the planned cost for that work. Work on mobility in the field is continuing but some business processes were changed and aligned to working smarter with mobile devices, which led to a reduced spend in this area.

COUNCIL-CONTROLLED ORGANISATIONS

Council operates three council-controlled organisations: Seaview Marina Ltd, Urban Plus Ltd (formerly named Hutt Holdings Ltd and trading as UrbanPlus) and Capacity Infrastructure Services Ltd (trading as Capacity).

These organisations help Council achieve community outcomes by independently managing facilities, delivering services and undertaking developments.

SEAVIEW MARINA LTD

Extent to which Council’s policies and objectives in regard to ownership and control of the organisation have been implemented

Council’s objective for this company is for it to own and operate Seaview Marina. The company has operated successfully in this capacity during the year.

Nature and scope of its activities

Council expects this company to own and operate the Seaview Marina as a facility for the enjoyment of the Hutt City community without compromising its commercial objectives and environmental responsibilities.

KEY PERFORMANCE TARGETS	LEVEL OF ACHIEVEMENT
Complete an approved asset management plan within agreed timeframe	Not Achieved - Work on the asset management plan has been held up while a new marina management system is implemented, including loading asset management software with base data. This is partially completed and due for final completion by the end of 2012. Action continues in the meantime on major maintenance programmes.
Deliver budgeted capital projects for the 2011-2012 financial year within agreed timeframes and budget	Not Achieved – The timing of the major development projects for the year could not be achieved and these are rescheduled for the 2012-2013 financial year.
Deliver budgeted operating and maintenance activities for Seaview Marina Ltd as detailed in the 2011-2012 operational plan	Achieved –The key maintenance activities were achieved. A five-year programme of pontoon maintenance was begun including upgrading metal components on the piers. All other building and facility maintenance was completed as detailed in the operational plan.
Manage and operate Seaview Marina Ltd within its 2011-2012 budget as approved by the board	Not Achieved – The financial downturn has had a significant impact on occupancy rates and activity on the hardstand. The lower-than-budgeted income meant budgeted profit was not achieved.
Provide an agreed return on investment to the Hutt City Council of 5% in the 2011-2012 year	Not Achieved – While the target of 5% was not achieved, the result of 3.34% was a substantial improvement on the previous financial year. The impact of the flat market, especially during the first six months, resulted in lower incomes.
Implement payments module of MMS by 31 December 2011	Not Achieved - After discussions with Council, it was agreed that it was better to leave payment processing with Seaview Marina. The company’s board approved the change.
Achieve targeted marina berth, trailer park and hardstand occupancy rates, and improvement in monthly boat haul out performance	Not Achieved – Berth occupancy achieved 94% compared with a target of 96%. Trailer park occupancy achieved 96% compared with a target of 98%. Hardstand activity was also lower than budgeted as boat owners held off doing scheduled maintenance work, resulting in less demand for the travel lift and fewer vessels using the hardstand. However, there was a significant improvement in the second half of the year.
Achieve more than 85% customer satisfaction, including all licensees, casual users of the marina and general public	Achieved - Licensees were surveyed on the full extent of Seaview Marina Ltd’s operation, and all services were ranked around 95%. Casual users of the marina and the public were not surveyed. A second survey targeting Seaview businesses was done to determine the extent of knowledge of Seaview Marina Ltd activities.
Full compliance with financial, technical and regulatory standards	Achieved
Develop a five year capital development plan to support recreational use of the marina by the public	Achieved
Work with Council to develop a strategy to encourage public use of the beach, and monitor and report back to Council on that use	Achieved - Planning and approval for the first part of the internal walkway linking the Eastern Bays Walkway with the Hutt River Trail was completed, and seating and rubbish bins purchased.
Develop a business case for possible widening of the marina dockway and dredging of the marina seabed to allow use by larger vessels	Not Achieved –The business case was not deemed as important as other development projects requiring business cases. Postponed until 2012-2013 year.

URBAN PLUS LTD

Extent to which Council’s policies and objectives in regard to ownership and control of the organisation have been implemented

This company was re-established in 2007 as a Council-Controlled Trading Organisation.

Council’s objective for this company is for it to own and operate a portfolio of rental housing, develop property in preparation for sale or lease and manage council property and building assets. The company has operated successfully in this capacity during the year.

Nature and scope of its activities

Until May 2007, the company was essentially non-trading. In December 2006 Council resolved to transfer its social housing assets and property management functions to the company and to re-establish the company for this purpose. The transfer of the assets was completed in May 2007.

KEY PERFORMANCE TARGETS	LEVEL OF ACHIEVEMENT
Property management Net capital and operational expenditure within budget	Achieved Note: Lower staffing costs than targeted were achieved due to vacancies.
Achieve a gross return of 20% on expenses	Achieved a return of 134% on expenses. Note: Allocation of costs is being reviewed for future years.
Resident satisfaction with public halls equal to or greater than peer average, subject to council funding	Achieved 96% Peer average 93% Note: 96% of residents who expressed an opinion were satisfied. 30% of residents did not express an opinion.
Resident satisfaction with public toilets equal to or greater than peer average within five years, subject to council funding	Achieved 77% Peer average 74% Note: 77% of residents who expressed an opinion were satisfied. 27% of residents did not express an opinion.
Tenant satisfaction with council-owned community buildings equal to or greater than 90%	Achieved 100%
Council satisfaction with building management 90%	Achieved 88%
Rental housing Net capital and operational expenditure within budget	Not Achieved – There were higher levels of maintenance due to much higher levels of routine and reactive expenditure arising from tenants vacating. Inability to repay debt led to higher debt and interest costs as a result and an impairment of \$110,289.
A gross return of 5% before interest and depreciation expenses	Not Achieved – 3.91% higher returns from rents did not offset higher interest and maintenance. An increase in insurance also contributed to this lower return.
Tenant satisfaction with the provision of the company’s rental housing equal to or greater than 90%	Achieved 94%
Percentage of total housing units occupied by the elderly/ socially disadvantaged equal to or greater than 85%	Achieved 93%
Property development Net capital and operational expenditure within budget	Not Achieved – Interest costs were higher than budgeted as slower sales delayed loan repayment and a writedown of inventory by \$950,318 to realisable value.
A minimum return in any one year of not less than 5% with an average over three years of not less than 10% on the value of assets held for development	Not Achieved – A negative return resulted with the writedown of property held for development. No positive return was made for the past three years.

CAPACITY INFRASTRUCTURE SERVICES LTD

Extent to which Council’s policies and objectives in regard to ownership and control of the organisation have been implemented

Council’s objective for this company is for it to manage the provision of water services to Hutt City Council and Wellington City Council. The company has operated successfully in this capacity during the year.

Nature and scope of its activities

Council expects the company to manage, for the long term, the water, wastewater and stormwater assets of the shareholding councils and to operate as a successful business, managed on a non-profit basis.

KEY PERFORMANCE TARGETS	LEVEL OF ACHIEVEMENT
Measures included in Water Supply, Wastewater and Stormwater activities (see pages 45-51)	Achieved
Number of dwelling flood notifications received as a result of a 1:50 year flood (or less)	Achieved zero notifications
Completion of approved asset management plan within agreed timeframe	Achieved
Complete report by December 2011 of action plan for supply of water following an emergency event	Achieved
Trend of the operating cost of delivering water supply, wastewater and stormwater services relative to a national average	Achieved
Deliver operating projects within budget and timeframes	Achieved
Deliver capital projects within budget and timeframes	Achieved
Manage Capacity within budget	Achieved
Full compliance with relevant standards, resource consents and legislation	Mainly Achieved - Minor technical non-compliance relating to Wastewater reporting; Stormwater awaiting outcome of compliance report

COMMUNITY PARTNERSHIPS

Council has forged close, productive working relationships with people and groups in the community, including:

- Businesses and their representative organisations.
- Local mana whenua and marae.
- Local and central government agencies.
- Volunteer organisations.
- Contractors, service suppliers, consultants and advisors.
- Community groups.



PARTNERSHIPS WITH MAORI

Wāiho i te toipoto, kaua i te toiroa
Let us keep close, not far apart

Council has an obligation to take into account the principles of Te Tiriti o Waitangi and to recognise and provide for the special relationships between Maori and their culture, traditions, land and taonga.

The Local Government Act 2002 acknowledges the Crown's responsibilities under the Treaty of Waitangi and the responsibility to maintain and improve opportunities for Maori to contribute to local government decision-making processes.

The obligation to consult includes recognising those who have mana whenua status. Within Hutt City, this rests with Taranaki Whanui, represented by the Port Nicholson Block Settlement Trust.

Council will also consult the Wellington Tenth's Trust as a Mana Whenua Trust and with Te Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui as a mana whenua organisation.

In fulfilling its obligations, Council will also consult other Maori within Hutt City, including the city's seven marae – Koraunui Marae, Te Mangungu Marae, Wainuiomata Marae, Te Kakano o te Aroha Marae, Waiwhetu Marae (also known as Arohanui ki te tangata), Te Tatau o te Po Marae and Keriana Olsen-Kokiri Marae.

Council has a memorandum of understanding with the Port Nicholson Block Settlement Trust. This memorandum confirms the strategic relationship between the parties and the opportunity for the Trust to contribute to Council decision-making and be a provider of leadership with Council for the city.

The memorandum provides the following guiding principles for the Trust and Hutt City Council:

- The parties work together in partnership to ensure the mutual benefit and success of the relationship.
- The sustainable prosperity of Hutt City is important to both parties.
- Each party recognises the autonomy, authority and responsibilities of the other to represent its communities' interests.
- The Trust acknowledges the autonomy, authority and responsibilities of Council when acting in its regulatory capacity and when discharging its legislative obligations.
- The principles embodied in the Treaty of Waitangi will guide this relationship. In practical terms this means:

Partnership - Acting reasonably, honourably and in good faith to ensure the strategic relationship has integrity and respect, in the present and for the future of Hutt City

Participation - Recognising that both parties can contribute, for mutual benefit, in deciding the future of the city – working towards and achieving the parties' visions, and

Protection - Actively protecting the taonga of Taranaki Whanui and safeguarding cultural concepts, values and practices to be celebrated and enjoyed for all Hutt City residents.

The memorandum also provides specifically for engagement between the Trust and Hutt City Council on:

Council planning and policy processes – The Trust will have input into the various planning processes of Council, in particular the Annual Plan and Long Term Plan.

The Trust will make significant contributions to reviewing the District Plan of Council. This will include commentary on all matters relating to mana whenua representation, sites of significance and rules, protocols, objectives and measures that are required.

Resource Management Act 1991 and other legislation – The parties will work together to achieve the purpose of legislation in relation to local government decision-making.

Council will ensure matters are presented to the Trust in a timely and informative manner, which in turn will assist the Trust in the exercise of its Kaitiakitanga for Hutt City.

Culture and heritage – Council will ensure ceremonial, interpretation and naming opportunities are presented to the Trust so as to retain and protect Maori culture and heritage throughout Hutt City, as deemed by the Trust to be of significance.

The Trust, as the mana whenua representative, will provide cultural support to the mayor, councillors, chief executive and other staff as mutually agreed.

While Council will take special care in its relationship with mana whenua, it must also reach out to the wider Maori community and provide opportunities for Maori to contribute to Council’s decision-making.

The key to this will be to foster and maintain strong relationships with Maori organisations within the city – in particular, Te Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui and the city’s seven marae.

The foundation of these relationships will be built on:

- Open and honest communication between Council and Maori.
- Promoting tikanga Maori (Te Atiawa protocol) throughout Council.
- Providing opportunities for Maori to contribute to Council decision-making.
- Providing quality advice and support for capacity and capability strengthening.
- Maintaining the right of tangata whenua to be represented and vote at meetings of Council committees and subcommittees.

There are three priority areas for improving engagement with Maori in the next five years:

- Fully engaging with and fostering Council’s new strategic relationship with the Port Nicholson Block Settlement Trust.
- Involving mana whenua and local Maori organisations earlier in the decision-making process. For example, engaging mana whenua on Council’s Annual Plan before finalisation for public consultation and engaging local marae early on issues into which they have insight and on which they can help Council determine solutions.
- Getting Maori in general involved in the decision-making process, including looking at ways of engaging that make it easier and more appealing for Maori to have their say.



I LOVE HUTT CITY BECAUSE ...

The housing is more affordable in many areas," says Tribhuvan Shresta, who moved into his Fairfield home with his wife and two adult children in September last year.

Tribhuvan spent more than three years in Wellington and then six in Wainuiomata – which he found very similar to his native Kathmandu Valley – before buying in Fairfield.

Tribhuvan came to Wellington in 1999 on a fellowship sponsored by the Nepalese and New Zealand governments. He completed a master's degree in public management at Victoria University before returning home and applying for residency.

A real plus of living in Hutt City is its central location, he says: Wairarapa and the Kapiti Coast are easy drives and Wellington itself is 20 minutes away by car.

He and the family find many of their social needs met in the Hutt – he is vice-president of the Hutt Multicultural Committee and a member of the committee organising this year's Race Unity Day event. He also regularly attends the Hindu temple established in Alicetown two years ago.

New Zealand, all his family agree, is a quieter place to live than Kathmandu, but there is clean air and land – and brighter prospects for the future.



COUNCIL'S VISION:

HUTT CITY WILL BE A GREAT PLACE TO LIVE

THIS MEANS PEOPLE ARE PROUD TO LIVE HERE

Hutt City is compact, vibrant and diverse, offering the best of city living while being safe, friendly and easy to get around. There is quality education and healthcare, with a choice of housing options from apartments to family homes on the hillsides, in the valleys or near the coast.

Residents have identified these community outcomes that contribute to making the city a great place to live:

- Continual upgrade and provision for growth to make Hutt City interesting and attractive.
- Maintenance and continual upgrade of services to allow for security and growth.
- Developing the uniqueness of Hutt City including its history and culture.
- A city that is friendly and welcoming where people experience a sense of belonging.
- Encouraging community involvement and engagement with civic life.
- More celebration of tangata whenua and multiculturalism in the city.
- Migrants are well adapted to New Zealand way of living.
- Residents have a high standard of living.
- Good telecommunications systems.
- A more attractive Hutt City.
- Having clean air, water and land.
- Continued protection and conservation of our natural environment.
- Efficient use and conservation of energy resources.
- A city that is safe.
- Good information on how to be prepared for an emergency.
- A built environment that is attractive, safe and healthy.
- Roading, water and waste (including recycling) services are accessible to all.
- Effective and efficient public transport that results in increased use of public transport.
- Enhanced roading systems, particularly State Highway 2, Cross Valley Link, State Highway 1 and the Hutt CBD.
- More investment in sustainable transport solutions – public transport, car pools, bicycle lanes.
- Everyone has access to a wide range of excellent education services.
- Everyone has affordable access to services that improve health.
- There is a seamless integration of health services.
- Everyone has a quality standard of affordable housing.

All council groups contribute to these outcomes and are working towards making Hutt City a more vibrant and exciting place.

Here's some of the work that contributed to achieving community outcomes in 2011-2012

Integrated vision for Hutt City

Public consultation took place early in 2012 on an integrated vision for Hutt City. The document merges existing visions, strategies and policy documents developed over the years into one broad vision for the city. It is made up of four key areas: leisure and wellbeing, the economy, the environment and infrastructure. Developing the unique features of the city's neighbourhoods is a key focus of the vision, which identifies opportunities for the development and growth of each community.

Hutt City is a great place to be

Hundreds of people attended Waitangi Day celebrations at Te Whiti Park, underlining the strong sense of community felt by residents. Council staff manned a display at the event, providing a giant message board for visitors to record why they love living in the city.

Comments covered a wide spectrum, including the opportunity to get out and enjoy the city's beaches, river, bush trails and cycleways. The friendliness of people also featured, as did a strong community spirit, ease of getting about and variety of things to do.

Urban growth strategy

Council began work on an urban growth strategy that will establish the city's growth targets and outline how the city will develop over coming decades. Results from consultation on urban growth questions included in the draft Long Term Plan strongly favoured taking a more aggressive approach to encouraging growth in the city. This is likely to be reflected in the draft plan put out for consultation as part of the 2013-2014 Annual Plan.

Healthy and prosperous communities

Council is giving priority to improving socio-economic outcomes in communities affected by poverty. Research shows the most difficult social problems are inextricably linked, so Council has established a partnership with government departments, health sector organisations and local groups to improve social and economic conditions in Naenae, Taita, Waiwhetu North, Epuni East and Delaney. These are diverse communities with passionate people and considerable strengths. However, they also face entrenched poverty and challenges, including poor school attendance and achievement, poor health, unemployment, low incomes and areas of high crime.

The North East Magic initiative was established as a long-term programme to improve the social and economic quality of life in these communities. The initiative began work on initial practical steps as well as longer-term measures.

Safe city

All residents and visitors deserve to feel safe and be safe while in the city. To this end, Council has continued to work with police and others to make Lower Hutt as safe as possible. Initiatives continued during the year included support for the Safe Hutt Valley coalition as well as key volunteer safety co-ordination activities under the Hutt Safe City Group and promotion of voluntary community patrols, closed circuit television monitors and neighbourhood support groups. Council continued to provide street safety guardians, and to work with police and health officers to promote the safe consumption of alcohol in bars and clubs.

Graffiti vandalism is another area of concern for Council, which continued its efforts to remove graffiti as quickly as possible.

Council may soon be in a better position to deal with graffiti after the Hutt City Council (Graffiti Removal) Bill passed its first reading in Parliament in February 2012. The bill would allow council staff to enter private property to remove graffiti after having served a notice on the owner 10 working days beforehand and subject to the owner's agreement. The bill passed its second reading in August 2012 and is expected to pass into law in late 2012.

Welcoming new migrants and refugees



Learning curve: Jane Orsman from Careers NZ gives a presentation to migrants.

The Ministry of Business, Innovation and Employment contracted Council to provide settlement support services for newcomers to the Hutt Valley and support employers who take on overseas staff. The Department of Labour previously contracted Council to deliver the services, which include providing information and a referral service to Hutt Valley migrants and refugees who are new to the country. During the year, Council provided workshops and seminars to 700 newcomers covering aspects of life in New Zealand such as the health and education systems, taxation, renting and buying a house, job search and interview skills and emergency preparedness. Help was also provided via information packs and advice on Council’s website.

Citizenship ceremonies

Council conducted six citizenship ceremonies during the year, at which about 1,000 new citizens swore an oath of allegiance to New Zealand. Each person receives a certificate of citizenship and a kowhai seedling, representing growth and permanence in his or her new country.

Community funding

An online grants management system for community funding applications began during the year. The system makes it easier for community organisations to apply for funding. It also enables better tracking of spending. Council’s community grants officer promoted the system through libraries and also held workshops and worked closely with individual community groups.

Children and young people’s plan

A children and young people’s plan was prepared and approved by Council. The plan, for those aged between 12 and 24, sets out ways to help young people achieve their potential, as well as how youth can become more involved and represented in council decision-making. Work also began during the year on a plan for those up to the age of 11. This plan will examine, among other things, the provision of early-childhood education.

Deaf award for council

Hutt City Council became only the second council to win recognition for efforts in helping deaf customers when it received the public service award at the New Zealand Sign Language in Action Awards. Deaf people at Council’s Laings Road reception can access the internet, webcam and video phone to communicate with staff from the national organisation Deaf Aotearoa. Counter staff have also received basic training in sign language.

Sister city exchange

Four Hutt students participated in this year’s student exchange scheme with one of Council’s sister cities, the high-technology centre of Tempe in the US state of Arizona. Every year the Hutt Sister City Foundation contributes towards four students’ airfares for a five-week homestay in the city. Council signed a sister-city agreement with Tempe in 1981. It also has sister-city relationships with the Japanese city of Minoh and the Chinese cities of Taizhou and Xi’an.



Online services



Helping hand: Terry Stock, secretary of the Hutt Valley branch of the New Zealand Society of Genealogists, checks a photocopied document against entries in the original register, watched by archivist Jennie Henton. During the year, about a dozen branch members volunteered their services to help get the last batch of cemetery records online. About 20,000 entries will eventually be put into an electronic database. The cemeteries search tool can be accessed at www.cemeteries.huttcity.govt.nz.

Council made good progress with implementation of its Smarter City programme, which aims to provide more services online. During the year, it introduced online payment of rates, parking fines, dog registration renewals and health and trade waste licences. By the end of the financial year, about 20% of parking fines were being paid online. It also became possible to check cemetery records online and for dog owners to receive texts reminding them that reregistration was due. Most cemetery records became available online during the year, and Council expects to complete that work in 2012-2013. The change has already resulted in a marked reduction in cemetery-related phone inquiries. It will also eventually be possible to book council facilities and classes online. Another aspect of the programme involves the testing and

introduction of hand-held devices for staff so they can download council records and data while in the field, and also – eventually – to input data and reports while out of the office. Extensive trialling began during the year, most notably with trade waste inspectors. The intention is to save staff time and make internal processes more efficient.

Water conservation and efficiency plan

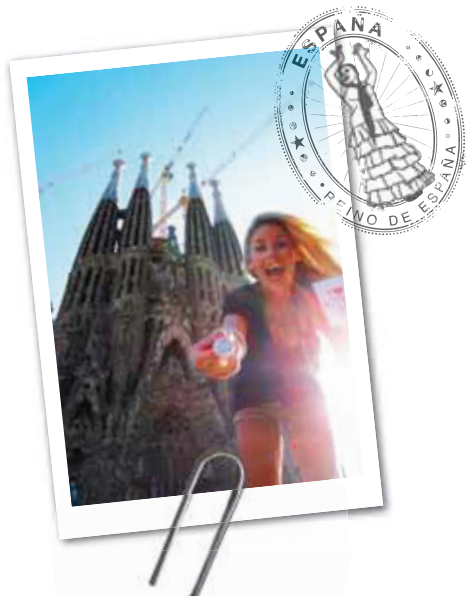
Population growth and climate changes are forecast to put pressure on water resources. Council approved a water conservation and efficiency plan to improve the city's ability to do more with less. Among the measures in the plan are: public education, investigating ways for commercial users to reduce their water use, and encouraging retailers to raise the profile of water-efficient products.

Environmental sustainability initiatives



Council is seen as a leader in environmental sustainability by 88% of residents – and that is a figure it has worked hard to increase. During the year, it maintained its ISO 14001 environmental accreditation, and also approved a revised fleet vehicle policy intended to improve sustainability and operational efficiency. It also signed a revised contract with WelTec to reduce waste from local businesses, as well as maintaining a contract with Earthlink to increase recycling, particularly at the Silverstream landfill. In addition, it completed a recycling trial in Korokoro, and continued its Enviroschools programme, which gives young people the opportunity to explore real-life challenges in sustainability and apply solutions to those problems. By the end of the year, 17 schools had joined the programme. Another noteworthy initiative was the setting up by staff of an organic vegetable garden near War Memorial Library, with produce from the garden given to a food bank.

Setting an example: Sustainable living educator Natalie Hormann has been offering council-backed workshops to the city's residents. Natalie frequently runs the workshops in an informal setting such as one participant's living room, kitchen or garden or, in some cases, a local school or church hall. Workshops are very hands-on. Participants get practical tips on saving money, reducing waste, eating healthily on a budget, spending less and wasting less, learning ways to save energy and get about without a car, choosing products that are kind on the planet, wise water consumption, growing their own food, composting and even environmentally friendly financial investments.



Home advice



Advice that pays: Eco design advisor Sarah Fleet checks on progress of a home under construction.

Council provides an eco design advisor service to the public. The council officer who runs the service offers, among other things, free advice to people looking to make their homes warmer, drier and healthier. During the past 12 months, the officer conducted 140 in-home consultations, which consist of a two-hour health check of the home, as well as providing advice on such things as energy-efficient appliances and heating systems, ways to save money on energy bills, how to improve insulation and information on subsidised schemes to install insulation and other energy-saving products.

Council waives building and resource consent fees if owners install self-sufficient energy systems (such as solar or heat pump hot water systems, wetbacks connected to pellet stoves, rainwater tanks and so on) or double-glaze pre-2000 homes.

Shared services

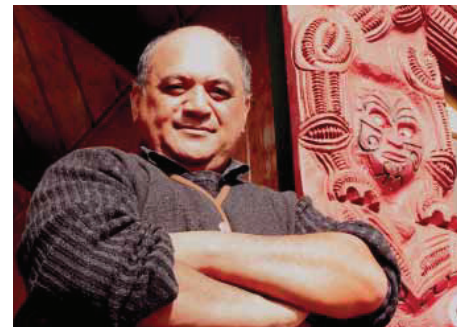
Where possible, Council combines services with other councils in the region. Most of these arrangements are with Upper Hutt, and cover Silverstream landfill, Akatarawa cemetery, the Hutt Valley Trunk Wastewater network including the Seaview treatment plant, environmental inspections, noise control and dog control.

Regional initiatives pursued during the year include:

- Completion of a joint waste management and minimisation plan.
- A single emergency management structure for the region, taking effect from 1 July 2012. The structure of the Wellington Region Emergency Management Office was the result of three years of consultation and negotiation. The new organisation has 20 staff.
- A SMART card collaboration among libraries in Lower Hutt, Porirua, Kapiti and Masterton as well as WelTec and Whitireia Community Polytechnic libraries. New Zealand's only tertiary and public library collaboration has proved highly successful, and involves standardised cataloguing, loan, renewal and borrowing policies, shared training and technical expertise, and a region-wide technical troubleshooting protocol. The 2011-2012 year saw reservation charges dropped throughout the region.
- Joint procurement contracts for such things as stationery, printing, photocopiers, insurance, property valuations and geospatial information tools, which have produced cost savings.

- Examination of a common online building consent process. Council staff throughout the region have been working on options for this initiative, which will take into account the fact that the Ministry of Business, Innovation and Employment is also looking at introducing a national online building consent process.

Marae adopt emergency preparedness plan



Helping hand: Joe McLeod outside the Te Kakano o te Aroha Marae in Randwick Road, Moera.

Eight marae in the Hutt Valley, along with the Newlands-based Nga Hau e Wha o Paparangi Association, formally adopted a welfare centre preparedness plan during the year. The Civil Defence plan was adopted with the support of Council and the Ministry of Maori Development in response to the Christchurch earthquakes. In the case of Te Kakano o te Aroha Marae in Moera, upgrade work began to handle an influx of displaced people. Adoption of the plan means the marae will have the necessary processes in place to deal with a large-scale emergency. The other marae to adopt the plan were in Seaview, Hutt Road, Hikoikoi Reserve, Wainuiomata, Stokes Valley, Naenae and Upper Hutt.

Wainuiomata Bush Fire Force headquarters

The Wainuiomata Bush Fire Force took over a former bottle store owned by the Wainuiomata Licensing Trust in The Strand last year and refitted it, with help from Council. Vehicles and equipment are now housed in a modern area that includes separate toilets, administration rooms and training facilities. The National Rural Fire Authority provided a grant toward the refit.

Stokes Valley upgrade

An upgrade of public areas around Scott Court shopping centre in Stokes Valley was completed during the year. Work included installing good-quality pavers, seating and rubbish bins. The work complements upgrading of an adjacent area completed in 2009 and will make the shopping centre a more attractive place to visit.

Road maintenance and improvements

Council had a capital maintenance budget of \$7.1 million, of which \$6.4 million was spent on resealing, strengthening and smoothing work on the 480 km road network. This work was subsidised by the New Zealand Transport Agency at a rate of 47%.

About half of the \$1.2 million capital improvement budget was spent on cycleway construction, including an extension of the Eastern Bays shared path in York Bay and lighting the off-road (Ava/Hutt River rail bridge) route between Whites Line West and Wakefield Street. The New Zealand Transport Agency subsidised this work at a rate of 57%. The Connolly Street road component of the Greater Wellington Regional Council Boulcott stopbank project was fully subsidised by the New Zealand Transport Agency and Greater Wellington Regional Council.

Kelson stormwater renewal project

Heavy rain in March and May 2011 resulted in flooding in the Kelson area. It particularly affected four properties in Major Drive, Timaru Grove and Haast Close. A number of other nearby property owners reported water flowing across yards and driveways. Council took immediate action, but the resulting work forced the deferral of other scheduled projects.

Black Creek flood protection project

This three-year project, completed during the year, was undertaken in response to potential flooding in Wainuiomata. The project included widening the stream, replacing pedestrian overbridges, and constructing pedestrian bridges in Frederick Wise Park and Rata Street, as well as constructing a Fitzherbert Road bridge. The project also included landscaping, planting and walkway work.

Silverstream landfill

The continuing development of stage two of the Silverstream landfill received a merit award from the Association of Consulting Engineers New Zealand in recognition of an "outstanding project". Development of the landfill presented a number of technical problems that were successfully overcome. The landfill will continue to be developed over the next 30 to 40 years, providing an environmentally safe place to dispose of the Hutt Valley's rubbish.

Requests for service

Council's customer call centre received 26,954 inquiries during the year, broken down as follows:

After hours	32
Animal services	4,173
Building/plumbing and drainage inspections	155
Environmental inspections	1,752
Hazardous substances	73
Health	248
Internet inquiry	91
Miscellaneous	8
Noise complaint	4,880
Parking control	508
Parks services	1,646
Planning and resource management	242
Property maintenance	1,658
Road maintenance and construction	3,767
Stormwater	558
Traffic lights, signs, road markings	1,958
Wastewater	1,118
Water supply	4,087
Total	26,954

You can also see the report on Council's key performance indicators from page 19 and the reports that follow on the core activities that primarily contribute to making Hutt City a great place to live.

ACTIVITIES

The council organisation is divided into five groups:

Group People – primarily focused on making Hutt City a great place to play.

Group Utility Services and Group Environment – contributing to making the city a great place to live.

Group Economy – making the city a great place to work.

Group Organisation – reporting on Council’s internal activities that contribute to all community outcomes.

Each group is divided into the core activities that make up that group.

Group Utility Services Performance Summary

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Roading and Traffic	All performance measures were achieved covering satisfaction with street lighting, litter on roads, traffic control, footpaths, roads and parking; road condition; road roughness; and the rate of fall in accident numbers.
Water Supply	All performance measures were achieved covering satisfaction, compliance with national drinking water standards, water quality, reliability of supply, response to disruptions and average unmetered water consumption.
Wastewater	All performance measures were achieved covering satisfaction, compliance with resource consents, reliability of the service and response to disruptions.
Stormwater	All performance measures were achieved covering satisfaction, reliability of the service, water quality at main recreational beaches and response to disruptions.
Solid Waste	Two out of three performance measures were achieved covering satisfaction with refuse disposal and compliance with resource consents. Satisfaction with rubbish collection was 1% below the target of 93%, but the number of ‘not very satisfied’ responses was on a par with peer council and national averages.

Group Utility Services Financial Summary

	(DEFICIT)/SURPLUS BEFORE TAX			RATE REQUIREMENT PER RESIDENT	
	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000		ACTUAL 30 JUNE 2012 \$000
Roading and Traffic	(12,531)	(13,201)	(13,485)		128.26
Water Supply	(11,074)	(11,406)	(10,988)		113.35
Wastewater	(15,629)	(15,777)	(14,739)		159.97
Stormwater	(6,416)	(6,592)	(5,398)		65.67
Solid Waste	2,324	5,462	4,417		(23.79)
	Note: The (Deficit)/Surplus before tax shows the net cost of the Council’s activities for the year in comparison to the 2011-2012 Annual Plan and the previous year.			Note: The rate requirement per resident shows the average cost to each individual in the city for the listed Council activities. A negative value in this column indicates that the activity produced a net financial benefit to each individual.	

GROUP UTILITY SERVICES

ROADING AND TRAFFIC

What we do

Our 'Roading and Traffic' activity includes:

- the professional and technical work involved in managing the city's roading network
- the improvement and day-to-day operation and maintenance of footpaths, road pavement/reconstruction/upgrades, traffic signals, signs, street lighting, parking services, bridge maintenance and various road safety activities.

We support this work through policy development, forward planning, road safety coordination, and various quality and safety management systems.

Why we do it

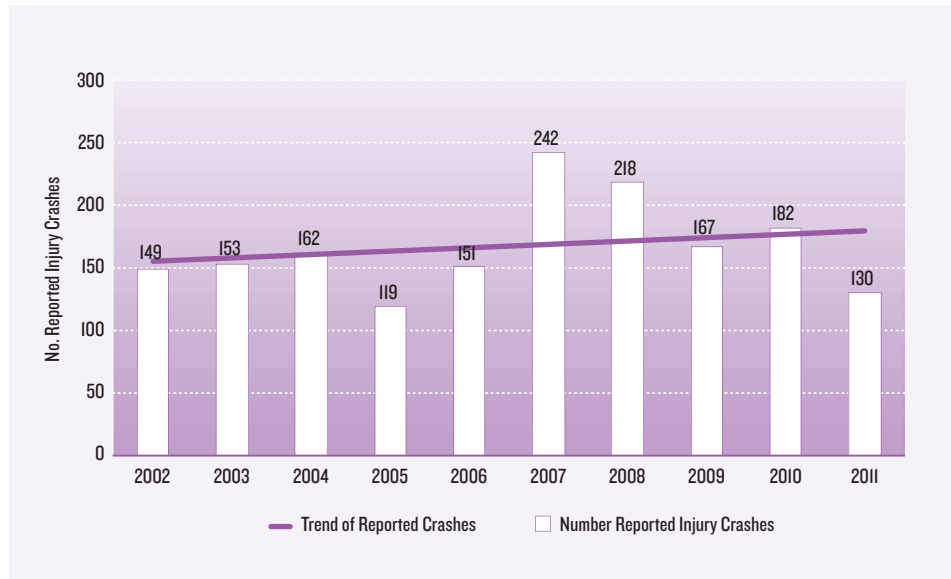
Having the road corridor in public ownership ensures that all our residents have appropriate access to property and freedom of travel throughout Hutt City. We provide sealed roads, footpaths and streetlights so that motor vehicles, bicycles and pedestrians can travel efficiently and safely.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Residents' satisfaction with street lighting: ≥88% of those expressing an opinion	88%	91%	89%	90% of residents who expressed an opinion were satisfied. 1% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with roads and gutters being free of litter: ≥87% of those expressing an opinion	87%	87%	82%	94% of residents who expressed an opinion were satisfied. 1% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with traffic control: ≥83% of those expressing an opinion	88%	88%	N/A	92% of residents who expressed an opinion were satisfied. 3% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with footpaths: ≥79% of those expressing an opinion	80%	84%	80%	87% of residents who expressed an opinion were satisfied. 1% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with roads: ≥78% of those expressing an opinion	80%	86%	80%	87% of residents who expressed an opinion were satisfied. 1% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with parking in and around Hutt City: ≥73% of those expressing an opinion	79%	81%	63%	85% of residents who expressed an opinion were satisfied. 4% of residents did not express an opinion.	NRB Communitrak Survey
'Road Condition Index', which measures the condition of the road surface: Hold or improve rating Note: A lower number indicates an improved rating.	2.0	1.7	N/A	1.7 Note: As half the city is surveyed in alternate years, the 2011/12 figure needs to be compared with 2009/10	Data from the Road Assessment and Maintenance Management System (RAMM)
'Smooth Travel Exposure', which is a nationally accepted measure of road roughness: Hold or improve rating Note: A higher percentage indicates an improved rating. Average network roughness measured in NAASRA counts: Hold or improve rating Note: A lower number indicates an improved rating.	82% 117.4	74% 110.1	N/A	Data not available 114.1 Note: As half the city is surveyed in alternate years, the 2011/12 figure needs to be compared with 2009/10	Data from RAMM Note: Due to problems experienced by local authorities extracting reliable vehicle kilometres travelled from RAMM, we have reverted to the historical measure of average network roughness as recorded by National Association of Australian State Road Authorities (NAASRA) counts
Accident trend: Contribute to a reducing trend over 10 years	See graph on next page	See graph on next page	N/A	See graph on next page	Data from NZTA

Note: Survey percentages quoted exclude those who responded 'Don't Know'

Injury Crashes within Lower Hutt excluding State Highways



Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	3,643	3,286	357	3,208
Operating Contributions	3,288	3,387	(99)	3,409
UHCC Operating Contribution	-	-	-	-
Capital Contributions	4,906	5,024	(118)	3,853
Finance Revenue	-	-	-	-
Other Revenue	494	493	1	516
Vested Assets	7	200	(193)	433
Gain/(Loss)	-	-	-	-
Total Revenue	12,338	12,390	(52)	11,419
EXPENDITURE				
Employee Costs	1,213	1,200	(13)	1,174
Support Costs	2,043	2,094	51	2,142
Operating Costs	10,229	10,499	270	10,352
Finance Cost	1,603	1,603	-	1,509
Depreciation	9,781	10,195	414	9,727
Total Expenditure	24,869	25,591	722	24,904
DEFICIT BEFORE TAX	(12,531)	(13,201)	670	(13,485)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(12,531)	(13,201)	670	(13,485)
Add Capital Contributions	(4,906)	(5,024)	118	(3,853)
Total Rates Funding Requirement	(17,437)	(18,225)	788	(17,338)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(7,088)	(7,106)	18	(6,911)
Capital Expenditure - Improving Services	(2,340)	(2,427)	87	(1,324)
Less Capital Contributions	4,906	5,024	(118)	3,853
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	9,766	10,195	(429)	9,727
Total Loan Funding Requirement	5,244	5,686	(442)	5,345
TOTAL FUNDING REQUIREMENT	(12,193)	(12,539)	346	(11,993)

Significant Operating Variations from LTCCP

Revenue was under budget mainly due to reduced income from subsidies, due mainly to the underspend on the Connolly Stopbank projects, and reduced vested assets. These were offset by higher income from parking infringement fines. Operating expenditure was under budget due to savings in non essential maintenance work.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Area Wide Pavement Treatment	2,497	2,000	(497)
Pavement Surfacing	2,977	3,470	493
Road Smoothing	331	350	19
Wainuiomata Hill Rd Safety Seal	643	570	(73)
Carpark Resurfacing	19	51	32
Footpath Resurfacing and Replacement	198	210	12
Minor Safety Works	53	52	(1)
Minor Road and Footpath Construction	51	74	23
Pedestrian Crossing Maintenance	32	32	-
Streetlight Lantern Replacement Programme	44	52	8
Streetlight Standard Replacement	70	70	-
Street Name Sign Replacement	23	21	(2)
Traffic Signal Replacement	150	154	4
Roads Broad band Ducting	16	22	6
Connolly Street Stopbank	638	850	212
Hutt River Trail Lighting	100	100	-
Cycleways Continued Development	362	360	(2)
Eastern Bays Walkway Carryover	577	560	(17)
Local Area Traffic Management	54	52	(2)
Land Purchase for Roads	-	20	20
Pedestrian Crossings New	53	53	-
School Speed Zone Programme	141	-	(141)
Traffic Safety Improvements	399	410	11

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

Approximately \$6.4m was spent on Area Wide Pavement Treatment, Pavement Resurfacing, Road Smoothing, and Wainuiomata Hill Rd Safety Seal projects in upgrading and maintaining the road surfaces. Work continued on the extension of the cycleway network focusing on the provision of off road cycleways with a view to improving cyclist safety. Projects included the installation of lighting on the river trail between Whites Line and Wakefield Street across the Ava Footbridge, the linking of the river trail and the Eastern Bays shared path along Port Road and the continuation of the shared path through York Bay. The Traffic Safety Improvements related mainly to the installation of new pedestrian crossings, the signalisation of existing pedestrian crossings and traffic calming in local streets. The Connolly Street Stopbank project has now been completed under budget. The School Speed Zone Programme was an unbudgeted project to improve safety of children that was offset by additional NZTA subsidy for Road Safety.

WATER SUPPLY

What we do

We provide a sustainable and high-quality water supply to our community for domestic and commercial use. We buy bulk water from Greater Wellington Regional Council, and then distribute it to the community through our water supply system. We regularly monitor the water quality and plan for the city’s future water supply, including any maintenance and upgrades needed to maintain the required service.

Why we do it

In supplying high-quality, affordable water, we contribute to:

- our community’s health
- community safety (through the water supply system’s fire-fighting capability)
- industrial and residential development.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Residents’ satisfaction with the city water supply: ≥95% of those expressing an opinion	97%	98%	96%	96% of residents who expressed an opinion were satisfied. 1% of residents did not express an opinion.	NRB Communitrak Survey
Compliance with New Zealand Drinking Water Standards: Full compliance	Achieved full compliance	Achieved full compliance	N/A	Achieved full compliance	Potable Water Testing Contract Reports
Quality of water: Achieve ‘b’ grading from the Ministry of Health for the Hutt City water supply Note: ‘b’ grading means a satisfactory, low level of risk. Most of Hutt City water supply is un-chlorinated. Chlorination of the water supply would be required to achieve an ‘a’ grading.	Achieved a ‘b’ grading from the Ministry of Health for the Hutt City water supply distribution	Achieved a ‘b’ grading from the Ministry of Health for the Hutt City water supply distribution	N/A	Achieved a ‘b’ grading from the Ministry of Health for the Hutt City water supply distribution	Ministry of Health Register of Community Drinking Water Suppliers grading report
Provide a reliable water supply service: Fewer than four unplanned supply cuts per 1000 connections	Achieved 2.415 unplanned supply cuts per 1000 connections	Achieved 2.61 unplanned supply cuts per 1000 connections	N/A	Achieved 2.9 unplanned supply cuts per 1000 connections	Operations and Maintenance Contract Monthly Report
Respond promptly to water supply disruptions: 97% of requests responded to within one hour of notification	99%	99.53%	N/A	100%	Operations and Maintenance Contract Monthly Report
Maintain the average un-metered water consumption in Hutt City: Less than 350 litres per head per day	Achieved 304 litres per head per day	Achieved 308 litres per head per day	N/A	Achieved 308 litres per head per day	Management Report - sourced from the Metered Water Consumption Data Report and Greater Wellington Regional Council Consumption Report

Note: Survey percentages quoted exclude those who responded ‘Don’t Know’. We work to meet these measures through Capacity.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	2,235	2,310	(75)	2,049
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	5	15	(10)	3
Finance Revenue	-	-	-	-
Other Revenue	-	-	-	-
Vested Assets	22	100	(78)	74
Gain/(Loss)	-	-	-	-
Total Revenue	2,262	2,425	(163)	2,126
EXPENDITURE				
Employee Costs	-	-	-	-
Support Costs	287	311	24	306
Operating Costs	9,579	10,118	539	9,259
Finance Cost	337	337	-	521
Depreciation	3,133	3,065	(68)	3,028
Total Expenditure	13,336	13,831	495	13,114
DEFICIT BEFORE TAX	(11,074)	(11,406)	332	(10,988)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(11,074)	(11,406)	332	(10,988)
Add Capital Contributions	(5)	(15)	10	(3)
Total Rates Funding Requirement	(11,079)	(11,421)	342	(10,991)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(2,068)	(2,014)	(54)	(1,494)
Capital Expenditure - Improving Services	(145)	(200)	55	(207)
Less Capital Contributions	5	15	(10)	3
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	3,133	3,065	68	3,028
Total Loan Funding Requirement	925	866	59	1,330
TOTAL FUNDING REQUIREMENT	(10,154)	(10,555)	401	(9,661)

Significant Operating Variations from LTCCP

Revenue was under budget mainly due to less income from metered water consumers and vested assets. Expenditure was under budget mainly due to reduced bulk water charges and less reactive maintenance works.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Kingsley Street Reservoir Outlet Main Renewal	149	60	(89)
Lord Street Main Renewal	231	205	(26)
Miromiro Road Main/Rider/Services Renewal	508	525	17
Minor Works (Water Supply)	73	150	77
Pump Station Minor Works	68	50	(18)
Rata Street Main/Rider/Services Renewal	393	369	(24)
Reservoir Minor Work	52	50	(2)
Robson Street Main Renewal	56	50	(6)
Scada Renewals Water Supply	23	25	2
Wilkie Crescent Main/Rider/Services Renewal	336	380	44
Wheatley Street Main/Services Renewal	179	150	(29)
Bore in the Square Development	145	200	55

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

Approximately \$1.9m was spent on upgrading and maintaining the watermain network in the city. Significant projects included renewal of the Kingsley Street Reservoir Outlet Main which was overspent because of a requirement for additional seismic strengthening work, and renewals in Lord Street, Miromiro Road, Rata Street, Wilkie Crescent and Wheatley Street. The Bore in the Square Development project, which is a water feature in the Civic Square, was completed under budget.

WASTEWATER

What we do

We provide a piping network that takes household and commercial effluent to the Seaview Wastewater Treatment Plant, which treats it to public health and environmental standards. Opened in November 2001, the resource consents under which the treatment plant now operates ensure that all relevant standards are adhered to, and that full compliance with the Resource Management Act 1991 is achieved. The Plant's operation has led to a significant improvement in the environment. We regularly undertake maintenance and upgrades to maintain the required service levels.

Why we do it

By collecting, treating and disposing of wastewater, we provide a service to residents and businesses that supports development in the city and protects the physical environment and our community's health.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Residents' satisfaction with the city wastewater service: ≥95% of those expressing an opinion	95%	97%	94%	99% of residents who expressed an opinion were satisfied. 3% of residents did not express an opinion.	NRB Communitrak Survey
No resource consent-related infringement notices received from Regional Council: 100% compliance	100% compliance	100% compliance	N/A	100% compliance	Compliance reports from Greater Wellington Regional Council
Provide a reliable wastewater service: Fewer than 1.2 wastewater incidents reported per kilometre of wastewater reticulation pipeline	Achieved 0.875 incidents	Achieved 1.010 incidents	N/A	Achieved 0.9 incidents	Operations and Maintenance Contract Monthly Report
Respond promptly to wastewater disruptions: 97% of requests responded to within one hour of notification	96%	99.93%	N/A	100%	Operations and Maintenance Contract Monthly Report

Note: Survey percentages quoted exclude those who responded 'Don't Know'. We work to meet these measures through Capacity.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	809	829	(20)	805
Operating Contributions	-	-	-	-
UHCC Operating Contribution	2,212	2,383	(171)	2,102
Capital Contributions	80	160	(80)	46
Finance Revenue	-	-	-	-
Other Revenue	-	-	-	-
Vested Assets	28	100	(72)	236
Gain/(Loss)	-	-	-	-
Total Revenue	3,129	3,472	(343)	3,189
EXPENDITURE				
Employee Costs	-	-	-	-
Support Costs	515	541	26	544
Operating Costs	10,823	11,361	538	9,923
Finance Cost	816	816	-	975
Depreciation	6,604	6,531	(73)	6,486
Total Expenditure	18,758	19,249	491	17,928
DEFICIT BEFORE TAX	(15,629)	(15,777)	148	(14,739)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(15,629)	(15,777)	148	(14,739)
Add Capital Contributions	(80)	(160)	80	(46)
Total Rates Funding Requirement	(15,709)	(15,937)	228	(14,785)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(3,807)	(4,149)	342	(1,750)
Capital Expenditure - Improving Services	(202)	(1,552)	1,350	(378)
Less Capital Contributions	80	160	(80)	46
Less UHCC Capital Contributions	-	727	(727)	-
Less Depreciation	6,604	6,531	73	6,486
Total Loan Funding Requirement	2,675	1,717	958	4,404
TOTAL FUNDING REQUIREMENT	(13,034)	(14,220)	1,186	(10,381)

Operating Projects

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
DBO Main Outfall Leak Investigations & Repairs	-	285	285
Wastewater Flow Management Wainuiomata	170	170	-
Rising Main Vulnerability Assessment	66	100	34

Significant Operating Variations from LTCCP

Revenue was under budget mainly due to less income from operating subsidies, development contributions and vested assets. Operating subsidies are the recovery of Upper Hutt City Council's share of operating expenditure on the trunk sewer network. Overall expenditure was under budget because of favourable DBO contract escalation rates, savings in final insurance costs and favourable utility rates. There was also a delay in completing some operating projects, the most significant being the Main Outfall Pipeline Leak Investigations & Repairs which has required a carryover of \$284,000 to 2012/2013 to complete this work due to delays in the resource consent being received.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Local Pumping Station Wastewater	75	82	7
Minor Asset Renewals	179	170	(9)
Naenae Sewer Renewal	410	450	40
Pressure Testing of Sewers	117	300	183
Scada Renewals Wastewater	27	27	-
Trunk DBO Asset Replacement Fund	1,143	1,192	49
Trunk Non-DBO Minor Works	24	10	(14)
Trunk DBO Pipeline Cyclic Replacement	652	573	(79)
Trunk Wastewater Resource Consent Renewal	23	51	28
Vista Grove Sewer Replacement	-	290	290
Wainuiomata Catchment Sewer Renewals	1,157	1,759	602
Pumping Station Mahina Bay Flowmeter	16	16	-
Trunk DBO Type A Network Development	169	765	596
Trunk Non-DBO Te Marua Flow Meter	17	16	(1)

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

Approximately \$1.9m was spent on upgrades and maintenance to the trunk sewer network. There was significant under spend on the Trunk DBO Type A Network Development due to delays in obtaining consents for the Main Outfall Pipeline Draindown work, as well as postponement of the Vortex Bypass Automation construction until September 2012. Approximately \$1.6m was spent on sewer renewals in Naenae and in Wainuiomata. There was an underspend on the Wainuiomata project with remaining work on the project deferred until 2012/2013. Due to legal issues the Vista Grove Sewer Replacement project was delayed and will now be carried out in 2012/2013. The Pressure Testing of Sewers project was under spent due to less work required than anticipated.

STORMWATER

What we do

We provide a stormwater drainage system to manage the surface water run-off from urban catchments. Our objective is to achieve the best possible balance between the level of protection and the cost to our community. This includes maintaining and upgrading assets to maintain the required service levels.

Why we do it

Most of the development in Hutt City is concentrated on flat valley plains with the potential for flooding. We need to control stormwater to protect our community's health and safety and minimise property damage. A comprehensive stormwater system is the most efficient way to do this.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Residents' satisfaction with the city stormwater service: 80% of those expressing an opinion	83%	87%	89%	90% of residents who expressed an opinion were satisfied. 2% did not express an opinion.	NRB Communitrak Survey
Provide a reliable stormwater service: Fewer than 0.5 stormwater incidents reported per kilometre of stormwater pipeline	Achieved 0.169 incidents	Achieved 0.130 incidents	N/A	Achieved 0.0595 incidents	Operations and Maintenance Contract Monthly Report
Achieve water quality at main recreational beaches: 90% of sampling days when water quality meets Ministry for the Environment guidelines Note: The guidelines combine a risk grading with measurement of indicator bacteria counts to assess whether or not the water is suitable for recreational use from a public health perspective.	Achieved Recreational Water Quality Standards on 95% of sampling days	Achieved Recreational Water Quality Standards on 94% of sampling days	N/A	Achieved Recreational Water Quality Standards on 92% of sampling days	Environmental Laboratory Services Limited Monitoring Contract Report
Respond promptly to stormwater disruptions: 97% of requests responded to within one hour of notification	98%	99.75%	N/A	100%	Operations and Maintenance Contract Monthly Report

Note: Survey percentages quoted exclude those who responded 'Don't Know'. We work to meet these measures through Capacity.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	3	2	1	2
Operating Contributions	-	7	(7)	8
UHCC Operating Contribution	-	-	-	-
Capital Contributions	19	66	(47)	14
Finance Revenue	-	-	-	-
Other Revenue	10	-	10	9
Vested Assets	57	100	(43)	84
Gain/(Loss)	-	-	-	-
Total Revenue	89	175	(86)	117
EXPENDITURE				
Employee Costs	-	-	-	-
Support Costs	305	315	10	306
Operating Costs	2,936	3,249	313	2,003
Finance Cost	503	503	-	584
Depreciation	2,761	2,700	(61)	2,622
Total Expenditure	6,505	6,767	262	5,515
DEFICIT BEFORE TAX	(6,416)	(6,592)	176	(5,398)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(6,416)	(6,592)	176	(5,398)
Add Capital Contributions	(19)	(66)	47	(14)
Total Rates Funding Requirement	(6,435)	(6,658)	223	(5,412)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(1,287)	(856)	(431)	(213)
Capital Expenditure - Improving Services	(2,522)	(3,737)	1,215	(929)
Less Capital Contributions	19	66	(47)	14
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	2,761	2,700	61	2,622
Total Loan Funding Requirement	(1,029)	(1,827)	798	1,494
TOTAL FUNDING REQUIREMENT	(7,464)	(8,485)	1,021	(3,918)

Significant Operating Variations from LTCCP

Revenue was under budget mainly due to less income from development contributions and vested assets. Expenditure was under budget mainly due to reduced HCC rates and less reactive maintenance works.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Kelson Drive Stormwater Renewal	633	633	-
Minor Works Stormwater	254	120	(134)
Scada Renewals Stormwater	28	26	(2)
Stormwater Renewal Jackson Street	295	300	5
Total Renewals Utilities Stormwater	77	77	-
Awamutu Stream	661	666	5
Black Creek Stage 3	1,360	1,940	580
Boulcott Stopbank Contribution	458	456	(2)
Dowse Drive Stormwater Improvement	43	375	332
Hutt River Floodplain	-	-	-

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

Approximately \$2.6m was spent on stormwater renewals across the city. The most significant project was Black Creek Stage 3 which was part of a three year project to provide improved stormwater capabilities in Wainuiomata. The project was completed in 2011/2012 and is under budget due to favourable contract rates. Other renewals were carried out in Kelson Drive and Jackson Street. Other significant projects included improvements to the Awamutu Stream culverts and a contribution to the Boulcott Stopbank work as part of the Hutt River flood protection project involving stormwater outlets upgrade, which is being managed by Greater Wellington Regional Council.

SOLID WASTE

What we do

We manage contracts for the collection of the city's refuse and recycling, and own and operate two landfills where people and businesses can dispose of residual waste.

Why we do it

Solid waste management is necessary for the health and quality of life of the community, the local economy and the environment.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Residents' satisfaction with rubbish collection: ≥93% of those expressing an opinion	89%	93%	90%	92% of residents who expressed an opinion were satisfied. 10% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with refuse disposal: ≥87% of those expressing an opinion	82%	85%	82%	91% of residents who expressed an opinion were satisfied. 15% of residents did not express an opinion.	NRB Communitrak Survey
No resource consent-related infringement notices received from Regional Council: 100% compliance	100% compliance	100% compliance	N/A	100% compliance	Compliance reports from Greater Wellington Regional Council

Note: Survey percentages quoted exclude those who responded 'Don't Know'.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	8,587	12,185	(3,598)	10,564
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	-	-	-	-
Other Revenue	8	-	8	10
Vested Assets	-	-	-	-
Gain/(Loss)	-	-	-	-
Total Revenue	8,595	12,185	(3,590)	10,574
EXPENDITURE				
Employee Costs	-	-	-	2
Support Costs	171	156	(15)	152
Operating Costs	5,423	6,006	583	5,670
Finance Cost	226	106	(120)	(51)
Depreciation	451	455	4	384
Total Expenditure	6,271	6,723	452	6,157
SURPLUS BEFORE TAX	2,324	5,462	(3,138)	4,417
RATES FUNDING REQUIREMENT				
Surplus Before Tax	2,324	5,462	(3,138)	4,417
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	2,324	5,462	(3,138)	4,417
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	-	-	-	-
Capital Expenditure - Improving Services	(1,972)	(2,300)	328	(834)
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	451	455	(4)	384
Total Loan Funding Requirement	(1,521)	(1,845)	324	(450)
TOTAL FUNDING REQUIREMENT	803	3,617	(2,814)	3,967

Significant Operating Variations from LTCCP

Revenue is under budget due to less volumes at the landfills mainly due to the economic recession. \$1.2m of the unfavourable revenue variance is due to a non-cash adjustment related to prior year Ministry for the Environment levies. Unbudgeted revenue was received from the sale of Council's share in the gas joint venture at the Silverstream Landfill. Operating expenditure was under budget mainly due to a renegotiation of the landfill operating contract, and reduced volumes at the landfills. The finance costs variance relates to landfills aftercare.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Cleanfill Site Development	12	20	8
Silverstream Landfill Stage 2	1,960	2,280	320

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

The development of the Silverstream Landfill is an on-going project to provide for future solid waste disposal in the Hutt Valley. The favourable variance was due to delays, mainly due to poor weather, in completing planned work which is now to be carried out in 2012/2013.

Group Environment Performance Summary

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Environmental Management	Thirteen out of 14 performance measures were achieved covering satisfaction with animal, parking, and environmental health services; compliance with processing times for LIMs, building consents, PIMs, resource consents, fireplace applications, solar panel applications, premises and code compliance certificates; monitoring of resource consents; dog pound opening hours; and response to dog and noise complaints. In total, 99% or 227 of 230 requests for service were acknowledged within 24 hours. The target was 100%.
Emergency Management	All performance measures were achieved covering household preparedness for civil defence emergencies, and response to emergencies and rural fires.

Group Environment Financial Summary

	(DEFICIT)/SURPLUS BEFORE TAX			RATE REQUIREMENT PER RESIDENT
	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000	ACTUAL 30 JUNE 2012 \$000
Environmental Management	(7,090)	(5,105)	(5,652)	72.57
Emergency Management	(860)	(762)	(741)	8.80
	Note: The (Deficit)/Surplus before tax shows the net cost of the Council's activities for the year in comparison to the 2011-2012 Annual Plan and the previous year.			Note: The rate requirement per resident shows the average cost to each individual in the city for the listed Council activities. A negative value in this column indicates that the activity produced a net financial benefit to each individual.

GROUP ENVIRONMENT

ENVIRONMENTAL MANAGEMENT

What we do

This activity includes:

- developing, implementing and monitoring the District Plan, relevant bylaws and other environmental policies and plans for Hutt City's sustainable development
- providing resource management and building consents and inspections, and environmental health and animal services
- regular monitoring to ensure compliance with legislative requirements, the District Plan, resource and building consent conditions and bylaw requirements
- inspections of business and food premises, certifications, liquor licensing law compliance and pollution and trade waste control, and monitoring beaches to promote and protect public health and safety
- monitoring and controlling noise and hazardous substances.

Why we do it

This activity is fundamental to achieving a clean, healthy, attractive and sustainable environment. It's also a legal requirement for Hutt City Council.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Residents' satisfaction with animal services: ≥82% of those expressing an opinion	80%	87%	85%	89% of residents who expressed an opinion were satisfied. 9% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with parking services: ≥65% of those expressing an opinion	New measure for 2011/12	New measure for 2011/12	N/A	78% of residents who expressed an opinion were satisfied. 11% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with environmental health services: ≥75% of those expressing an opinion	New measure for 2011/12	New measure for 2011/12	N/A	100% of customers who expressed an opinion were satisfied. 0% of customers did not express an opinion.	Independent Customer Survey
Land Information Memoranda (LIMs) processed to comply with statutory requirements: 90% processed within nine working days	96% processed within nine working days	97% processed within nine working days	N/A	98% processed within nine working days	Monthly Management Reports
Building consent/ project information and resource consents processed to comply with the Building Code, Resource Management Act 1991 and District Plan requirements: 80% of building and non-notified land use consents processed within 18 working days	99% of building consents and 91% of non-notified land-use consents processed within 18 working days	100% of building consents and 91% of non-notified land use consents processed within 18 working days	N/A	100% of building consents and 99% of non-notified land use consents processed within 18 working days	Computer Database Records
Resource consents are monitored within five working days of being notified that development is commencing or within six months of the consent being granted, whichever is the sooner: 90% monitored within these timeframes	New measure for 2010/11	99% of resource consents monitored within these timeframes	N/A	99% of resource consents monitored within five working days of being notified 100% of resource consents monitored within six months of the consent being granted	Computer Database Records

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Requests for service referred to Resource Management Act monitoring and enforcement team responded to within required timeframes: 100% acknowledged within 24 hours	100% acknowledged within 48 hours	100% acknowledged within 24 hours	N/A	99% acknowledged within 24 hours	Management and Computer Database Reports
Building consents for fireplaces processed in a timely manner: 100% processed within five working days	100% processed within five working days	100% processed within five working days	N/A	100% processed within five working days	Computer Database Records
Building consents for solar panels processed in a timely manner: 100% processed within five working days	100% processed within five working days	100% processed within five working days	N/A	100% processed within five working days	Computer Database Records
Premises (e.g. food outlets and liquor outlets) registered or licensed within 30 days of application: 90%	98%	98%	N/A	100%	Computer Database Records
Code compliance certificates issued within 20 working days to comply with statutory requirements in the Building Act: 100% issued within 20 working days; 80% issued within 18 working days	100% issued within 20 working days; 97% issued within 18 working days	100% issued within 20 working days; 100% issued within 18 working days	N/A	100% issued within 20 working days	Computer Database Records
Dog pound open 300 days per year: 100%	100%	100%	N/A	100%	Monthly Management Reports
Dog complaints are responded to: within 30 minutes for dog attacks: 95% within 24 hours for other complaints: 95%	98% 97%	98% 97%	N/A	99% 98%	Management Reports
Noise complaints are responded to within 45 minutes: 85% Note: The response time prior to 2011 was set at 30 minutes but was amended from 2011 to reflect the new contract	72% responded to within 30 minutes 93% responded to within 45 minutes	96% responded to within 45 minutes	N/A	97.5% responded to within 45 minutes	Computer Database Records

Note: Survey percentages quoted exclude those who responded 'Don't Know'.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	3,111	3,756	(645)	2,866
Operating Contributions	-	-	-	1
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	1	-	1	-
Other Revenue	180	176	4	204
Vested Assets	-	-	-	-
Gain/(Loss)	-	-	-	-
Total Revenue	3,292	3,932	(640)	3,071
EXPENDITURE				
Employee Costs	5,085	4,952	(133)	5,023
Support Costs	1,954	2,076	122	1,846
Operating Costs	3,343	2,008	(1,335)	1,854
Finance Cost	-	-	-	-
Depreciation	-	1	1	-
Total Expenditure	10,382	9,037	(1,345)	8,723
DEFICIT BEFORE TAX	(7,090)	(5,105)	(1,985)	(5,652)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(7,090)	(5,105)	(1,985)	(5,652)
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	(7,090)	(5,105)	(1,985)	(5,652)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	-	-	-	-
Capital Expenditure - Improving Services	-	-	-	-
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	-	1	(1)	-
Total Loan Funding Requirement	-	1	(1)	-
TOTAL FUNDING REQUIREMENT	(7,090)	(5,104)	(1,986)	(5,652)

Operating Projects

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Urban Form	-	10	10
CBD Development Incentives	-	100	100

Significant Operating Variations from LTCCP

Revenue is under budget because of less environmental consents income due mainly to less building and development activity due to the economic recession. Employee costs are over budget because of additional parking control staff, offset by extra income from parking fines. Operating costs are also over budget mainly due to \$1.1m payments related to weather tight home claims. The Urban Form project did not proceed and there were no requests made under the CBD Development Incentives project.

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

There were no significant asset acquisitions or replacements or variations from the LTCCP.

EMERGENCY MANAGEMENT

What we do

This activity includes:

- developing, implementing and monitoring city-wide emergency management plans
- promoting community preparedness for emergencies
- working with other authorities in the region to plan for and respond to hazards, risks and emergencies.

We also have plans for dealing with and preventing rural fires, and maintain an in-house capacity to co-ordinate responses to civil defence and rural fire emergencies.

Why we do it

This activity is fundamental to making sure our city is prepared for emergencies. We work according to the principles of 'reduce risk, readiness, response and recovery'.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Percentage of households that are prepared for a civil defence emergency: 60% of those expressing an opinion	63%	79%	N/A	80% of residents who expressed an opinion were prepared. 1% of residents did not express an opinion.	NRB Communitrak Survey
We respond to emergencies in accordance with the Wellington Region Civil Defence Emergency Management Group Plan and the Civil Defence Emergency Management Act 2002: 100%	100%	100%	N/A	100%	Management Reports and Debrief Notes
We respond to rural fires in accordance with the Hutt City Rural Fire Plan and the Forest and Rural Fires Act 1977 and the Forest and Rural Fires Regulations 2005: 100%	100%	100%	N/A	100%	Wellington Regional Rural Fire Committee Records

Note: Survey percentages quoted exclude those who responded 'Don't Know'.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	-	4	(4)	-
Operating Contributions	-	-	-	17
UHCC Operating Contribution	327	327	-	298
Capital Contributions	-	-	-	-
Finance Revenue	-	-	-	-
Other Revenue	21	-	21	77
Vested Assets	-	-	-	-
Gain/(Loss)	-	-	-	-
Total Revenue	348	331	17	392
EXPENDITURE				
Employee Costs	459	411	(48)	409
Support Costs	249	261	12	237
Operating Costs	475	381	(94)	463
Finance Cost	1	-	(1)	-
Depreciation	24	40	16	24
Total Expenditure	1,208	1,093	(115)	1,133
DEFICIT BEFORE TAX	(860)	(762)	(98)	(741)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(860)	(762)	(98)	(741)
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	(860)	(762)	(98)	(741)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(207)	(268)	61	-
Capital Expenditure - Improving Services	-	-	-	(29)
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	24	40	(16)	24
Total Loan Funding Requirement	(183)	(228)	45	(5)
TOTAL FUNDING REQUIREMENT	(1,043)	(990)	(53)	(746)

Significant Operating Variations from LTCCP

Revenue was over budget due to unbudgeted income from the sale of emergency water containers and torches. Operating costs were over budget due to the purchase of these items. Operating costs were also over budget due to unforeseen costs largely related to Information Systems licencing costs. Employee costs were also over budget as a result of the final payment to staff before transferring to the new Wellington Regional Emergency Management Office.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Wainuiomata Bush Fire Force Headquarters	207	178	(29)
Wainuiomata Bush Fire Force Vehicle	-	90	90

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

Work on the fit out of new premises of the Wainuiomata Bush Fire Force was completed with the over expenditure due to additional strengthening being required. The purchase of a new vehicle was delayed and although on order will not arrive until 2012/2013.

I LOVE HUTT CITY BECAUSE ...

"Hutt Hospital, where I work, has a very strong culture of excellence. Here, people are not content merely to carry on as normal, but are always looking for better ways to do things – and that makes for an inspirational work environment," says consultant plastic surgeon Swee Tan.

Professor Tan, world-renowned for his skill as a surgeon and his research, says the teamwork and collaboration across specialties and throughout all levels of the hospital help to make it a place he relishes coming to work at. And the proof is his length of service with the Hutt Valley's district health board – 16 years.

He is further endeared to the Hutt by the fact he trained and qualified at the hospital, and his eldest child was born there.

He finds lots of challenge in helping the hospital to provide certain specialty services to the lower North Island, and in some cases the South Island too.

And lastly, there is, in his words, "the opportunity here to look to the future through lots of research work."



COUNCIL'S VISION:

HUTT CITY WILL

BE A GREAT

PLACE TO WORK

**THIS MEANS WORKING OR INVESTING
HERE IS A SMART CHOICE**

Our vibrant economy offers a range of job opportunities close to home. We've built on our traditional industries, created export opportunities, and cemented our reputation as a science centre. This is a place of new ideas, creativity and innovation, bringing together the best of the arts, industry and science.

Residents have identified these community outcomes that contribute to making the city a great place to work:

- A local economy that is attractive to both businesses and residents.
- Retention of business achievers and people critical for business.
- Attraction and nurturing of high quality businesses.
- Local businesses being supported and promoted.
- A skilled workforce that meets local businesses' needs.
- A growing number of entrepreneurial companies located in Hutt City.
- Creation of an exciting, dynamic city so entrepreneurs want to live and work here.
- Encouragement of enterprise and innovation including incentives to attract research, development and application industries.
- Make the most of the Crown Research Institutes by attracting the kind of people with the entrepreneurial nous to build on these Research and Development outcomes.

Here's some of the work that contributed to achieving community outcomes in 2011-2012

The city's urban environment and economic development activities primarily contribute to these outcomes, although all areas of Council are working towards making the city a more vibrant and exciting place. Recent economic conditions have been tough as a result of the 2008-2009 global recession and the continuing euro financial turmoil. Central government efforts to make efficiencies in the public sector have resulted in a drop-off in central government activity, a principal factor in growth in the region during the past decade.

It has therefore been very good to see a marked improvement in the city's economic performance for the year ended March 2011. Increased labour productivity in 2011 has resulted in improvements in GDP and GDP per Capita, despite small declines in employment and business numbers.

Economic indicators from Statistics New Zealand and BERL Economics showed Hutt City experienced GDP growth of 2.24% in 2011 after shrinking in both 2009 and 2010, while New Zealand as a whole grew by 1.6% and the Wellington region shrank by 1.32% during the same year.

This year Council began monitoring the high-technology sector in line with its increased focus on the sector. As at March 2011, the high-technology sector accounted for 810 businesses, 3,500 fulltime-equivalent jobs and \$360 million of GDP. During the year, GDP for the sector grew by 4.8%. Council kept close watch on developments in the sector after the government's announcement of the new Advanced Technology Institute and it was pleasing to see that the IRL

Gracefield location will remain one of three key centres for the institute, which will help get hi-tech ideas out of the lab and into the marketplace more quickly.

The city's export businesses also recorded good growth with GDP increasing 3.84% after declines in the two previous years. Growth in the high-technology and export sectors is important because they generate a greater proportion of value for the economy and ultimately lead to higher income per employee than other sectors. This means growth in these sectors will create other business activity in other sectors, leading to a more prosperous city.

During the year there were some significant business investments in the city; Dulux opened its \$30 million state-of-the-art paint factory in Gracefield, and Imperial Tobacco completed a \$45 million upgrade of its Petone factory, creating 50 jobs and tripling export production for Australia.



Wellington Regional Strategy

Hutt City Council is one of nine councils participating in the Wellington Regional Strategy, which focuses on promoting sustainable economic development in the region. It will continue to work with Greater Wellington Regional Council which hosts the strategy, including supporting the WRS committee in its role of overseeing the decision-making and governance of the strategy.

CBD Making Places

The CBD Making Places report released in 2009 lists nearly 200 potential projects to make the city centre a more vibrant, prosperous area by 2030. Many projects are minor or are being carried out in the course of normal council operations, such as improving footpaths and planting street trees. One Making Places project was establishing a Thursday night market. It ran through the summer months, providing a CBD attraction for residents and visitors.

The top five Making Places projects were:

- A riverside promenade. Consultation has begun on this project. See more information on next page.
- Construction of the Civic Square. This \$2.4 million project is now complete and was officially opened in March 2012.
- Investigate the viability of building council offices in the southern end of the CBD. Councillors decided in 2012 to earthquake-strengthen the existing offices.
- Develop a computer model to test traffic flows under different road layouts. This was completed in 2009.

- Investigate the viability of building a Margaret Street bridge. A report concluded in 2009 that this would not be viable.

Riverside promenade project

Council has begun consulting central business property owners in preparation for starting this Making Places project. Property owners in the triangle formed by Daly, High and Margaret streets were contacted to canvass their views on the project, which aims to revitalise the southern end of the CBD. Council envisages a partnership with developers and owners to take advantage of the land's proximity to the river and potential river views by taller buildings, which could include apartments, office space and retail space. A prominent feature could be a series of bridges between Daly Street and the stopbank to link the city and river. Buildings might even straddle the road. Cafes and shops could line the space between the buildings and promenade.

In the past two decades, the CBD's centre of gravity has shifted northwards away from High Street. However, the promenade project will breathe life into the area and turn the city's focus towards its most prominent geographical feature – the Hutt River.

The promenade idea has been spurred on by Greater Wellington Regional Council's intention to widen and raise the height of the stopbank where it protects the CBD. The river will also be widened to give it extra capacity to deal with severe flooding. The affected area is between the Melling and Ewen bridges. Design work will start later this year, with earthworks beginning in 2015-2016.

Spotlight on Seaview

As many as 60 businesses in the Seaview industrial area opened their doors to the public in March 2012. The council-sponsored event 'Spotlight on Seaview' showcased the great breadth and sophistication of businesses operating in the Hutt Valley's biggest commercial and industrial zone.

Changes to the District Plan

A review of the residential provisions in the District Plan was completed in September 2011 and plan change 12 became operative after all appeals were settled in mediation. New notification provisions (plan change 16) took effect in August 2011. During the year, eight land review plan changes were processed, six of which have taken effect. The review of tree protection provisions (plan change 23) was processed and eight submissions received. All were dealt with without the need for a hearing and the plan change took effect in June 2012.

Council received its first private plan change application (plan change 24 to rezone the former petrol station site in Ludlam Crescent). It was processed without the need for a hearing. A second private plan change, for a tertiary education precinct for WelTec in Petone, was adopted, notified in April and more than 150 submissions received. A proposal for mixed-use development of the western end of Petone was worked on during the year and notified as plan change 29 in June 2012. Work continued on heritage protection in the District Plan.

Earthquake-prone building policy

Council reviewed its earthquake-prone building policy last year. As a result, all earthquake-prone buildings must be strengthened to at least 67% of the current building code by 2018. The three exceptions are heritage buildings already strengthened to at least 34% of the code under the 2006 policy, all other buildings strengthened to at least 50% under the 2006 policy, and buildings where strengthening work is already in progress.

The reasons for this policy change include:

- Greater public awareness of building safety highlighted by the Christchurch earthquakes.
- A recommendation from the New Zealand Society of Earthquake Engineering that every effort be made to get earthquake-prone buildings to at least 67% of current building standards.
- The likelihood that a report by a royal commission of inquiry into the Christchurch earthquakes will recommend higher strengthening standards.
- The amount of time owners have already had to strengthen their buildings.
- The higher standard is more likely to allow occupants to escape from an earthquake-hit building.

Monitoring our performance

Council has been developing a mechanism to monitor its performance and evaluate the impact of its work. With the help of the Praxis Group, it has begun piloting the Opal3 organisational performance and leadership system. Opal3 provides a clear picture of performance and risk, enabling managers to direct resources more effectively.

You can also see the report on Council's key performance indicators from page 19 and the reports that follow on the core activities that primarily contribute to making Hutt City a great place to work.

ACTIVITIES

The council organisation is divided into five groups –

Group People – primarily focused on making Hutt City a great place to play.

Group Utility Services and Group Environment – contributing to making the city a great place to live.

Group Economy – making the city a great place to work.

Group Organisation – reporting on Council’s internal activities that contribute to all community outcomes.

Each group is divided into the core activities that make up that group.

Group Economy Performance Summary

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Local Urban Environment	All performance measures were achieved covering satisfaction with the overall look and feel of the city, satisfaction with litter control and recycling, use of the recycling service, access to recycling facilities and volume of material recycled.
Economic Development	All performance measures were achieved covering satisfaction with the i-SITE visitor information centre and Hutt City’s economic performance.

Group Economy Financial Summary

	(DEFICIT)/SURPLUS BEFORE TAX			RATE REQUIREMENT PER RESIDENT
	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000	ACTUAL 30 JUNE 2012 \$000
Local Urban Environment	(1,335)	(1,501)	(1,300)	13.66
Economic Development	(1,451)	(1,762)	(1,623)	14.85
	Note: The (Deficit)/Surplus before tax shows the net cost of the Council’s activities for the year in comparison to the 2011-2012 Annual Plan and the previous year.			Note: The rate requirement per resident shows the average cost to each individual in the city for the listed Council activities. A negative value in this column indicates that the activity produced a net financial benefit to each individual.

GROUP ECONOMY

LOCAL URBAN ENVIRONMENT

What we do

We work to develop an urban environment that will enhance the city’s image, attracting people, businesses and investment, and meet our community’s needs and aspirations, while recognising the important role of our heritage and features.

We:

- implement environmental policies and plans for Hutt City’s sustainable development, including environmental education and promotion
- run an annual waste minimisation programme to promote the concept of ‘reduce, reuse, recycle’ to businesses and residents.

Why we do it

We recognise that our urban design and infrastructure must support our changing business and community environment. We manage and develop Hutt City’s public spaces and preserve our heritage buildings because this benefits both businesses and our community. It contributes to our point of difference from other cities, supporting local cultures and enhancing how we identify ourselves. We manage our waste (through promoting recycling and waste reduction) to maintain our community’s health and quality of life.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Residents feel a sense of pride in the way the city looks and feels: ≥ previous results	90%	89%	N/A	90% of residents who expressed an opinion were satisfied. 0% of residents did not express an opinion.	NRB Communitrak Survey
Businesses feel a sense of pride in the way the city looks and feels: ≥ previous results	61%	44%	N/A	N/A - Measured every 2nd year.	Biennial Business Survey
Residents’ satisfaction with litter control: ≥86% of those expressing an opinion	87%	87%	82%	94% of residents who expressed an opinion were satisfied. 1% of residents did not express an opinion.	NRB Communitrak Survey
Residents’ satisfaction with recycling: ≥86% of those expressing an opinion	90%	93%	88%	93% of residents who expressed an opinion were satisfied. 5% of residents did not express an opinion.	NRB Communitrak Survey
Percentage of households that have used the recycling service in the previous 12 months: ≥86%	86%	87%	N/A	86%	NRB Communitrak Survey
All residents have access to community recycling facilities: 100%	100%	100%	N/A	100%	Management Reports
Tonnes of recycling per annum: Increasing	6910 tonnes	7253 tonnes	N/A	7858 tonnes	Management Reports

Note: Survey percentages quoted exclude those who responded ‘Don’t Know’.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	-	-	-	(1)
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	5	8	(3)	3
Finance Revenue	-	-	-	-
Other Revenue	207	300	(93)	301
Vested Assets	-	-	-	-
Gain/(Loss)	-	-	-	-
Total Revenue	212	308	(96)	303
EXPENDITURE				
Employee Costs	384	450	66	438
Support Costs	281	315	34	297
Operating Costs	660	736	76	664
Finance Cost	18	18	-	5
Depreciation	204	290	86	199
Total Expenditure	1,547	1,809	262	1,603
DEFICIT BEFORE TAX	(1,335)	(1,501)	166	(1,300)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(1,335)	(1,501)	166	(1,300)
Add Capital Contributions	(5)	(8)	3	(3)
Total Rates Funding Requirement	(1,340)	(1,509)	169	(1,303)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(34)	(32)	(2)	(31)
Capital Expenditure - Improving Services	(2,354)	(2,674)	320	(988)
Less Capital Contributions	5	8	(3)	3
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	204	290	(86)	199
Total Loan Funding Requirement	(2,179)	(2,408)	229	(817)
TOTAL FUNDING REQUIREMENT	(3,519)	(3,917)	398	(2,120)

Operating Projects

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Rapid Response Anti-Graffiti Service	363	210	(153)
Heritage Incentives	9	130	121
Sculpture Trust	-	50	50
School Programmes	36	38	2
Business Programmes	15	36	21
Waste Minimisation Projects	75	81	6
Environmental Sustainability Projects	55	151	96

Significant Operating Variations from LTCCP

Revenue was under budget due to less income from waste minimisation government funding. Expenditure was under budget due to savings in employee costs due to the delay in filling some vacancies and savings in operating costs due to some projects not being completed or carried out. There was a low take up on Heritage Incentive grants, the Sculpture Trust project was treated as capital, and there was reduced spend on sustainability projects to offset overspends. The major overspend was on anti-graffiti with Council committed to the rapid removal of all graffiti.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Seaview/Gracefield Banners	34	32	(2)
CBD Water Sculpture	50	-	(50)
Making Places Investigations for Future Projects	193	150	(43)
CBD Making Places	551	450	(101)
Making Places Projects	1,304	1,405	101
Seaview/Gracefield Development	-	150	150
Suburban Shopping Centres Improvements	90	100	10
Stepping Stones Investigations for Future Projects	59	150	91
Suburban Shopping Centre Stokes Valley Improvements	107	100	(7)
Wingate Development Plan	-	20	20

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

The Making Places project, including CBD Making Places, has progressed from last year with completion of the Civic Square. The Stepping Stones project which is investigating options for future projects as a continuation from Making Places was commenced and will be continued 2012/2013. Suburban Shopping Centre improvements were carried out in Naenae and also work was completed in Stokes Valley. No work was carried out on both the Seaview/Gracefield Development and Wingate Development Plan and these have been carried over to 2012/2013.

ECONOMIC DEVELOPMENT

What we do

We take a lead role in encouraging Hutt City's growth through:

- creating a business-friendly environment
- facilitating the expansion and creation of local businesses and employment
- increasing tourism and events in Hutt City
- contributing to regional growth through regional economic development.

Why we do it

We know that individual businesses generally lack incentives to explore opportunities that benefit Hutt City as a whole, as well as themselves. By supporting the business sector and promoting Hutt City as a business location and vibrant city, we generate benefits for local enterprises and our residents.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Businesses' satisfaction with economic development programmes: ≥ 85% of those expressing an opinion	89%	50.6%	N/A	N/A - Measured every 2nd year.	Biennial Business Survey
Residents' satisfaction with the Visitor Information Centre: ≥91% of those expressing an opinion	97%	99%	N/A	98% of residents who expressed an opinion were satisfied. 50% of residents did not express an opinion.	NRB Communitrak Survey
Hutt City's economic performance according to the annual Economic Development Strategy report to Council, which includes measures such as:					
• number of businesses: Improvement	+ 0.9%	- 1.6%	- 0.2%	- 0.6%	Statistics NZ Businesses Survey
• number of full-time equivalents (FTEs) in the workforce: Improvement	+ 2.3%	- 3.5%	1.0%	- 0.7%	Statistics NZ Businesses Survey
• Gross Domestic Product (GDP): Improvement	+ 0.5%	- 3.9%	1.6%	2.2%	Business Economic Research Limited (BERL)
• GDP per capita: Improvement	New measure for 2010/11	- 4.5%	0.1%	1.9%	Business Economic Research Limited (BERL)
• export sector as proportion of GDP: Improvement	New measure for 2010/11	- 5.4%	0.3%	3.8%	Business Economic Research Limited (BERL)
• high value sectors as percentage of all sectors (by GDP): Improvement	New measure for 2010/11	- 5.6%	- 1.3%	2.8%	Business Economic Research Limited (BERL)
Working towards a 10-15% increase in number of businesses, number of FTEs and GDP by 2014, and a 30% increase by 2019					

Note: Survey percentages quoted exclude those who responded 'Don't Know'.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	2	1	1	1
Operating Contributions	-	-	-	79
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	-	-	-	-
Other Revenue	483	483	-	496
Vested Assets	-	-	-	-
Gain/(Loss)	-	-	-	-
Total Revenue	485	484	1	576
EXPENDITURE				
Employee Costs	443	504	61	523
Support Costs	405	466	61	402
Operating Costs	1,064	1,266	202	1,251
Finance Cost	-	-	-	13
Depreciation	24	10	(14)	10
Total Expenditure	1,936	2,246	310	2,199
DEFICIT BEFORE TAX	(1,451)	(1,762)	311	(1,623)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(1,451)	(1,762)	311	(1,623)
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	(1,451)	(1,762)	311	(1,623)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	-	-	-	-
Capital Expenditure - Improving Services	-	-	-	-
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	24	10	14	10
Total Loan Funding Requirement	24	10	14	10
TOTAL FUNDING REQUIREMENT	(1,427)	(1,752)	325	(1,613)

Operating Projects

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Jackson Street Programme	113	113	-
International Co-operating Cities	36	30	(6)
Economic Development Strategy	110	140	30
CBD Coordinator	40	40	-
Hutt Valley Chamber of Commerce	192	244	52
Economic Development Contestable Fund	38	40	2
Science & Technology	-	100	100

Significant Operating Variations from LTCCP

Revenue was on budget. Operating costs were under budget mainly due to savings in employee costs because of the delay in filling some vacancies and reduced expenditure on a number of projects including no expenditure on the Science & Technology project which has been carried over to 2012/2013.

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

There were no significant asset acquisitions or replacements or variations from the LTCCP.

I LOVE HUTT CITY BECAUSE ...

"I like living close to the river and jumping off the bank and swimming," says Emma Walker, 9, of Kelson.

"I like going to the pools with my Dad and my brother – there are so many to choose from!"

"I like shopping and buying crepes for tea at the market on Thursday night."

"I like going to Melling skate park with my scooter and my best friend."

"We go for bike rides along the river bank and stop for coffee."

"We love the libraries!"

"I like feeding the ducks at Avalon Park, and going to visit The Dowse."



COUNCIL'S VISION

HUTT CITY WILL BE A GREAT PLACE TO PLAY

THIS MEANS THERE'S ALWAYS SOMETHING
FOR THE FAMILY TO EXPLORE

Experience our culture and heritage, visit our museums and libraries, or enjoy our cafes, restaurants and boutique stores. Head outdoors to a park or beach, walk along the river, take the boat out, hit the hills or a mountain bike trail, or enjoy a game of golf.

Residents have identified these community outcomes that contribute to making the city a great place to play:

- Affordable access to community facilities that include arts, cultural and recreational options.
- A diverse natural environment that is accessible, enjoyable and safe.
- Encouragement of arts, cultural and sports activities including local, national and international events.
- Attraction of tourists to Hutt City.
- More and better focus on the harbour, river and recreation opportunities.

Our libraries, museums, pools, recreation programmes and events, parks and reserves, community development and property activities primarily contribute to these outcomes, although all areas of council are working towards making Hutt City a more vibrant and exciting place.

Here's some of the work that contributed to achieving community outcomes in 2011-2012

Civic Square opening

In March 2012, the city's Civic Square was opened. The \$2.4 million development, adjoining the Dowse Art Museum in Laings Road, was formally opened in a ceremony that included the burial of a time capsule. The capsule's contents will be opened in 50 years' time, giving a snapshot of the city in 2012. The contents include contributions from a volunteer group, local iwi, the city's chamber of commerce, schools, an art society, a sporting personality, a local newspaper and the Council itself. A public celebration of the opening was marked by the Big Day Dowse event.

Library visits

Council's eight libraries are heavily used. During the year 84% of households used the libraries. This equates to 1.2 million actual visits and 357,000 online visits. Stock turnover at the eight libraries was more than double the average for New Zealand libraries.

New technology at libraries

War Memorial library installed an automated sorter to manage the 64,000 items returned each month. This has freed up librarians to help customers and work on other initiatives, including advanced self-issue machines to be introduced in the next financial year. Each book posted through the returns slot is now automatically scanned, identified, categorised and transferred via a conveyor belt to the correct bin for return to the shelves. Last year staff at War Memorial Library handled nearly 750,000 returns. The automated sorter, one of only six in the world, is part of a strategy to implement radio frequency identification, or RFID, technology at all eight libraries. RFID tags allow automatic issuing and returning of items.

e-books

In December 2011, Council began a collaboration with 15 other lower North Island councils to share e-books and downloadable audiobooks. The intention is to give users a greater range of reading and listening material.

The collaboration, known as ePukapuka, began with 692 e-books and 132 e-audiobooks. More items will be bought as demand increases. In February and March, library staff conducted 27 e-book troubleshooting sessions.

Libraries participating in ePukapuka include Hastings, Napier, Upper Hutt, Lower Hutt, Kapiti, Porirua, Manawatu, Palmerston North, Masterton, Stratford, Wanganui, New Plymouth, Rangitikei, Carterton and South Wairarapa.

Text messaging service

In August 2011, council libraries introduced a text message service to notify users about reservations, loan reminders and overdue items. As well as the option to receive a text only, customers can also receive notices by text and email.

Free Wi-Fi

War Memorial library began offering a free Wi-Fi service during the year. The service will be extended to all eight libraries by the end of 2012. Visitors with their own device can download e-books, check emails or simply surf the web. Anyone without a suitable device can, for a charge of \$2 an hour, use one of the 150 computers at the eight libraries to access the internet.

Local and family history services

Council staff participated in a range of local and family history-related events throughout the year, including:

The making available online of Hutt newspapers from 1927-1945 via Papers Past, a National Library collection of digitised historic New Zealand newspapers. Papers Past offers browsing and full text searching. (www.paperspast.natlib.govt.nz)

- A local history workshop at Petone Library, held in conjunction with Workers Educational Association.
- The acquisition of archival collections from the Lower Hutt Lions Club and the Lower Hutt branch of the Forest & Bird Society.
- The digitising of material from the collections of the Petone Settlers Museum, Historical Society of Eastbourne and Council's own archives.
- The sourcing and displaying of images from local and family history collections for the exhibition "The Big Bang: James Hector and the birth of organized science in New Zealand".

Big vision day

Hutt City libraries welcomed more than 70 senior managers, chief executives, elected officials and library managers from around the Wellington region and further afield to an inaugural big vision day in September 2011. Focusing on why community hubs such as libraries are the lynchpin and channel to deliver economic and social growth, the day proved stimulating and inspirational.



Among the speakers was Manchester City Council official and president of Britain's Society of Chief Librarians, Nicky Parker, who explained how Manchester city overhauled its library services, including rebuilding more than 20 libraries with help from businesses and health and social organisations.

Another speaker was Brett O'Riley from the Ministry of Business, Innovation and Employment, who spoke about the need to link young people with businesses.

Steve Bramley, a director of the SGL Group, told delegates that if a vision was big enough, it would generate the necessary funding to sustain itself.

Taita community centre

Council received resource consent during the year for its \$12 million renovation and expansion of the Walter Nash Stadium into the Taita sports, recreation and community centre. The project incorporates the existing stadium, library and community hall into an expanded facility that will feature a new library, community meeting spaces, café, gym and five indoor sports courts. Council has committed \$9 million towards the project, with the balance to be met through fundraising and other initiatives.

A council-controlled charitable trust, known as the Community Facilities Trust, was established to take over ownership and development of the Taita centre, together with nearby Fraser Park Sportsville. It will also have responsibility for raising the \$3 million balance.

Use of a trust promises several advantages over direct council administration. It will keep these developments in community ownership. Trustees will be drawn from within the local community, especially those with business, asset management, sports or education experience, and this will further cement the sense of community ownership. A business-focused management approach will boost the trust's ability to attract community funding and give it greater scope to develop partnership opportunities. Council aims to help improve recreation and other community services and facilities for residents, as well as help support the long-term sustainability of community groups and organisations, including sports clubs, which continue to operate in a difficult financial environment.

Integrated facilities plan

Work on the Taita and Fraser Park projects will take place within the framework of a long-term plan to rejuvenate council-owned community facilities. During the year, Council prepared an integrated facilities plan, which recognises the potential to significantly improve services by combining sporting, cultural and recreational centres of a wider geographical area in one place. This combining of resources is expected to result in better use of funds and avoid costly duplication and facilities that meet immediate suburbs' needs but fall short of wider needs.

Naenae computer clubhouse



Clash of the robots: Naenae computer clubhouse was the venue for 19 lower North Island teams to battle one another with remote-controlled, wheeled "robots" in regional championships held in May 2012. The clubhouse's team reached the semi-finals.

The council-funded Naenae computer clubhouse celebrated its second anniversary with an open day in February 2012. The Treadwell Street clubhouse has about 150 members and provides a safe after-school place for youngsters to develop creative ideas and hi-tech skills, in the process building self-confidence. Club members learn skills in robotics, animation, 3D design, arts and crafts, sound recording, video production, graphic design and games programming.



America-bound: Naenae computer clubhouse members, from left, Krishna Ogwaro, Ayak Riak and Clench Enoka were selected to attend a teen summit in the United States in July 2012. The three won their places after a competitive selection process that involved earning "passport stamps" for projects they completed as well as for their contributions to the clubhouse and community. The five-day summit in Boston, Massachusetts, provided an opportunity to join workshops with teenagers from around the world as well as learn digital and creative skills from international industry tutors.

Museums

The Dowse Art Museum and Petone Settlers Museum had 204,000 visitors and delivered education programmes to 18,000 students during the year. One highlight was the 20th anniversary of the annual Wallace Art Awards. The Dowse Art Museum showcased the winners and most of the finalists in the longest-running awards of their type in New Zealand. The awards acknowledge artists producing outstanding work in the mediums of painting, sculpture and photography. Other exhibitions during the year featured pottery, video, jewellery, tapestry and fabrics.

The Petone Settlers Museum is housed in the Wellington Provincial Centennial Memorial building, which was built to commemorate the arrival of the first British immigrants in 1840. The museum was refurbished to mark the 70th anniversary of the opening of the building, and the exhibition Tatou Tatou celebrates the history of the local area.

Pools and recreational programmes



On the go: Youngsters take part in lessons aimed at promoting greater participation in sport.

Poor weather badly affected swimming pool attendance numbers, though this was offset by a 32% increase in enrolments for recreational programmes. More than 386,000 participants joined activities such as learning to swim, holiday programmes and KiwiSport.

More than 81,000 KiwiSport lessons were run for Hutt children in swimming, football and movement lessons. A fourth type of lesson, Get Set Go, run in conjunction with Athletics New Zealand, began during the year. KiwiSport is a government initiative which provides Council with funding for school-aged children via Sport Wellington. The fund encourages schools, clubs and community organisations to collaborate in increasing opportunities for organised sport.

City hosts games



For all ages: The opening parade for the biennial games featured an array of state and national flags. Many participants marched in team colours.

Hutt City hosted the biennial Australasian Police and Emergency Services Games from March 2-9. The event, held in New Zealand for only the third time, attracted large numbers of competitors and visitors from around the country as well as from across the Tasman. A parade featuring representatives of more than 1500 games participants from police, fire service, ambulance and other emergency services made its way along Jackson Street to the Petone Recreation Ground for the opening ceremony. The crowds were greeted with a karanga, wero and waiata performed by a kapa haka group made up of students from Naenae and Sacred Heart colleges, Hutt Valley and Wainuiomata high schools and Council's own kapa haka group.



Endurance test: Participants call on all of their reserves during the finals of the Longest Day event, held in Margaret Street, Lower Hutt. The event tested competitors' endurance in a variety of ways, including a five-kilometre run with a tyre, then a race hauling one. Other sports organised during the games included rugby, surfing, darts, tug of war, lawn bowls and cycling.

Parks and reserves

Residents' use of council parks and sports fields was high during the year - 90% of households visited the city's parks, reserves or gardens in that time, while 73% used or visited a sportsground.

Council continued to upgrade and expand its network of parks and sportsgrounds. Highlights of that work included: the opening of the Hutt Indoor Sports facility in August 2011; construction of a multi-use court and play area at Walter Mildenhall Park in Naenae; the purchase of reserve property in Horoeke Street, Stokes Valley; the replacement of playground equipment and construction of toilets at Bishop Park in Eastbourne; and the installation of a sand carpet field at Hutt Recreation Ground.

Avalon Park redevelopment plan



Upgrade time: Children enjoy themselves on some of the now ageing play equipment, which will be a particular focus of redevelopment efforts.

A plan to upgrade Avalon Park was drafted during the year aimed at making it a premier regional attraction featuring a host of improvements such as revamped play equipment, a bridge across water areas, landscaping, tree planting, a network of all-weather paths for pedestrians and cyclists, distinct areas for picnics and more active recreation, and improved parking, lighting and access. Work also began on public consultation, the results of which will influence the final shape of the plan.

Changes to gardens



Good planting: A good example of textural variety and scale can be seen here in William St, Petone, where silverbush (foreground) and renga renga lily surround a pohutukawa tree.

During the year, Council made a decision to plant two-thirds of its 36 traditional annual bedding gardens in a range of native and exotic plants. The move was prompted by concern about the flower beds' poor drainage, poor soil condition and weed infestations, and the high cost of correcting these problems. Replacement plants will be selected to ensure a bright and interesting range of foliage. The decision to keep only 11 of the flowerbed gardens in their traditional form will also reduce maintenance costs and result in an annual saving of \$100,000.

You can also see the report on Council's key performance indicators from page 19 and the reports that follow on the core activities that primarily contribute to making Hutt City a great place to play.

ACTIVITIES

The council organisation is divided into five groups:

Group People – primarily focused on making Hutt City a great place to play.

Group Utility Services and Group Environment – contributing to making the city a great place to live.

Group Economy – making the city a great place to work.

Group Organisation – reporting on Council’s internal activities that contribute to all community outcomes.

Each group is divided into the core activities that make up that group.

Group People Performance Summary

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Libraries	Performance measures covered use of libraries, satisfaction, number of physical and internet visits, and library stock turnover. The target of 1.2 million physical visits for the year fell slightly short at 1.18 million, but there were almost 357,000 online visits compared with a target of 200,000, and all other performance measures were achieved.
Museums	All performance measures were achieved covering number of visits, satisfaction, and education programme attendance and satisfaction.
Aquatics and Recreation	All performance measures were achieved covering satisfaction with and use of pools and Leisure Active programmes and events, holiday programme and pool accreditation, and cost per visit.
Parks and Reserves	All performance measures were achieved covering satisfaction with sportsgrounds, parks, reserves, gardens and cemeteries; sports field standards; area of parks and reserves; use of parks, reserves and gardens; and maintenance standards.
Community Development	Performance measures were achieved covering resident perceptions of safety in their neighbourhood during the day and after dark, and in the city centre during the day; and satisfaction with graffiti removal; and new settlers’ satisfaction with support, advice and training. Community organisations’ satisfaction with support, advice and funding was down on previous years. A total of 68% of residents felt safe in the city centre after dark compared with a target of 81%.
Property	All performance measures were achieved covering tenant satisfaction, resident satisfaction with halls and public toilets, and occupancy of council rental housing.

Group People Financial Summary

	(DEFICIT)/SURPLUS BEFORE TAX			RATE REQUIREMENT PER RESIDENT
	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000	ACTUAL 30 JUNE 2012 \$000
Libraries	(7,708)	(7,402)	(7,192)	78.89
Museums	(2,628)	(2,669)	(2,575)	26.90
Aquatics and Recreation	(4,662)	(4,652)	(4,335)	47.72
Parks and Reserves	(9,837)	(9,968)	(9,642)	100.68
Community Development	(2,463)	(2,578)	(2,393)	25.21
Property	(2,807)	(2,862)	(661)	28.73
	Note: The (Deficit)/Surplus before tax shows the net cost of the Council’s activities for the year in comparison to the 2011-2012 Annual Plan and the previous year.			Note: The rate requirement per resident shows the average cost to each individual in the city for the listed Council activities. A negative value in this column indicates that the activity produced a net financial benefit to each individual.

GROUP PEOPLE

LIBRARIES

What we do

We provide a collective resource that is greater than any individual or family could afford or accommodate.

Why we do it

Providing library services enables all citizens to access information, knowledge and learning opportunities that support and strengthen individuals and the community.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Percentage of residents who have used library services during the year: ≥ 80%	82%	85%	N/A	84%	NRB Communitrak Survey
Residents' satisfaction with library services: ≥ 97%	100%	99%	98%	97% of residents who expressed an opinion were satisfied. 8% of residents did not express an opinion.	NRB Communitrak Survey
Number of physical visits per year: 1,200,000	1,263,663	1,248,512	N/A	1,186,034	Monthly Management Reports
Number of visits via the Internet per year: 200,000 Libraries Online visits 85,000 pay sessions on Connect	202,619 Libraries Online visits	267,376 Libraries Online visits 99,839 pay sessions on Connect	N/A	356,975 Libraries Online visits 91,349 pay sessions on Connect	Monthly Management Reports
Library stock turnover: ≥ national mean Note: a number greater than or equal to the national mean shows that our library stock turnover is at least equal to or better than is achieved nationally	6.94 (national mean 3.7 average annual circulation per item)	6.47 (national mean 3.78 average annual circulation per item)	National mean 3.50 average annual circulation per item	7.02 average annual circulation per item	New Zealand Public Library Statistics

Note: Survey percentages exclude those who responded 'Don't Know'.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	520	664	(144)	470
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	-	-	-	-
Other Revenue	61	34	27	90
Vested Assets	-	-	-	-
Gain/(Loss)	-	-	-	-
Total Revenue	581	698	(117)	560
EXPENDITURE				
Employee Costs	4,433	4,135	(298)	3,890
Support Costs	2,021	2,213	192	2,166
Operating Costs	981	930	(51)	931
Finance Cost	12	12	-	39
Depreciation	842	810	(32)	726
Total Expenditure	8,289	8,100	(189)	7,752
DEFICIT BEFORE TAX	(7,708)	(7,402)	(306)	(7,192)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(7,708)	(7,402)	(306)	(7,192)
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	(7,708)	(7,402)	(306)	(7,192)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(817)	(793)	(24)	(752)
Capital Expenditure - Improving Services	(141)	(115)	(26)	(210)
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	842	810	32	726
Total Loan Funding Requirement	(116)	(98)	(18)	(236)
TOTAL FUNDING REQUIREMENT	(7,824)	(7,500)	(324)	(7,428)

Significant Operating Variations from LTCCP

Revenue was under budget mainly due to less income from book rentals, internet usage, and overdue charges. Budgets were based on previous years and new reminder systems were introduced that reduced some charges. Expenditure was over budget mainly due to redundancies and retirement payments following a major review and restructuring of all libraries.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Libraries Replace Furniture & Equipment	7	38	31
Replace Library Shelving	-	20	20
Libraries Stock Replacement	810	735	(75)
Libraries Radio Frequency Identification	141	115	(26)

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

The most significant project was the library stock replacement which is an on-going project to update and replace books held in the libraries. The over expenditure on this project which was partly offset by savings in other projects was due to all costs associated with the purchase of shelf-ready stock being assigned to the project for the last six months of the year. The other significant project was continuation of the radio frequency identification of books which included purchase of equipment and tagging of books to enable scanning of books as they are issued and returned.

MUSEUMS

What we do

We operate two museums, which are open to the public at no charge other than for special exhibitions:

- The Dowse Art Museum collects and displays fine art as well as decorative and applied arts, and is a conduit for community engagement and participation in the creative arts, underpinned by innovative exhibitions, education and associated community programmes.
- The Petone Settlers Museum specialises in showcasing the social history of the early Maori and European settlement of the lower Hutt Valley and Petone area.

Why we do it

By providing museums we enable people to freely access arts and cultural facilities that enrich, inspire and offer a range of lifelong learning opportunities. The museums act as a focal point for the community, enhance cultural life and diversity, and promote civic pride and community values.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Number of museum visits per year: 200,000	245,119	201,678	N/A	203,398	Monthly Management Reports
Residents' satisfaction with The Dowse Art Museum: ≥ 93% of those expressing an opinion	95%	96%	95%	95% of residents who expressed an opinion were satisfied. 23% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with Petone Settlers Museum: ≥ 93% of those expressing an opinion	97%	98%	95%	97% of residents who expressed an opinion were satisfied. 36% of residents did not express an opinion.	NRB Communitrak Survey
Education programmes delivered that meet the needs and expectations of school groups: Education programmes delivered to 11,000 students; 90% satisfaction	11,847 students 94% satisfaction	16,026 students 97% satisfaction	N/A	17,928 students 99% satisfaction	Management Reports and Participant Evaluation Forms

Note: Survey percentages quoted exclude those who responded 'Don't Know'.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	290	256	34	290
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	-	-	-	-
Other Revenue	314	245	69	147
Vested Assets	-	-	-	-
Gain/(Loss)	-	-	-	-
Total Revenue	604	501	103	437
EXPENDITURE				
Employee Costs	1,157	1,147	(10)	1,070
Support Costs	625	643	18	630
Operating Costs	1,071	1,026	(45)	1,002
Finance Cost	77	77	-	59
Depreciation	302	277	(25)	251
Total Expenditure	3,232	3,170	(62)	3,012
DEFICIT BEFORE TAX	(2,628)	(2,669)	41	(2,575)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(2,628)	(2,669)	41	(2,575)
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	(2,628)	(2,669)	41	(2,575)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(112)	(211)	99	(184)
Capital Expenditure - Improving Services	(41)	(40)	(1)	(40)
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	342	277	65	251
Total Loan Funding Requirement	189	26	163	27
TOTAL FUNDING REQUIREMENT	(2,439)	(2,643)	204	(2,548)

Operating Projects

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Events Funding	29	20	(9)

Significant Operating Variations from LTCCP

Revenue was higher than budget mainly due to extra income from venue hire and extra grants. Expenditure was slightly higher mainly due to extra costs associated with venue hire.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Dowse Acoustic Upgrade James Coe 2	-	20	20
Dowse Carpets & Soft Furnishings Gallery & Office	-	10	10
Dowse Museum Chiller Replacement	-	68	68
Dowse Gallery Lighting	15	15	-
Dowse Building & Plant Maintenance	75	52	(23)
Petone Settlers Museum Building & Plant Maintenance	22	46	24
Dowse New Artworks	41	40	(1)

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

Most project work was completed although some projects with favourable variances had costs that were not considered to be capital and have therefore been moved to operating. The Dowse Chiller project was delayed and is due to be completed in 2012/2013.

AQUATICS AND RECREATION

What we do

We provide and maintain six swimming pools in Hutt City, and provide quality and accessible tuition in essential water safety and life skills. Our recreational programmes are community based and designed to encourage residents to engage in a range of recreational activities.

Why we do it

People's lives are positively affected by participation in recreation, sports, fitness and cultural activities – and providing these high-quality services at a low user cost makes them available to the whole community. Aquatics and recreational programmes also make an important contribution to creating an attractive area for people and businesses considering moving to Hutt City.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Residents' satisfaction with pools: ≥ 93% of those expressing an opinion	95%	94%	93%	93% of residents who expressed an opinion were satisfied. 21% of residents did not express an opinion.	NRB Communitrak Survey
Residents' use of pools: ≥ 65%	70%	68%	N/A	69%	NRB Communitrak Survey
Out of School Care and Recreation (OSCAR) accreditation of quality standards for holiday programmes: Accreditation maintained	Accreditation maintained	Accreditation maintained	N/A	Accreditation maintained	Annual MSD Audit
POOLS SAFE accreditation for swimming pool operation, including quality standards for health and safety, water quality, supervision, pool building and operation, signage and other standards: Accreditation maintained	Accreditation maintained	Accreditation maintained	N/A	Accreditation maintained	Annual ACC/NZRA Audit
Cost per visit to Council of aquatic services provided: \$4.31	\$3.95	\$3.66	N/A	\$3.81	\$4.12
User satisfaction with Leisure Active programmes and events: ≥ 92% of those expressing an opinion	99%	95%	N/A	98% of users who expressed an opinion were satisfied. 11% of users did not express an opinion	NRB Communitrak Survey
Residents' use of Leisure Active programmes and events: ≥ 30%	35%	34%	N/A	34%	NRB Communitrak Survey

Note: Survey percentages quoted exclude those who responded 'Don't Know'.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	2,815	2,860	(45)	2,806
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	-	-	-	-
Other Revenue	1,187	1,265	(78)	1,076
Vested Assets	-	-	-	-
Gain/(Loss)	(5)	-	(5)	-
Total Revenue	3,997	4,125	(128)	3,882
EXPENDITURE				
Employee Costs	3,330	3,441	111	3,365
Support Costs	681	724	43	573
Operating Costs	3,739	3,647	(92)	3,409
Finance Cost	55	55	-	60
Depreciation	854	910	56	810
Total Expenditure	8,659	8,777	118	8,217
DEFICIT BEFORE TAX	(4,662)	(4,652)	(10)	(4,335)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(4,662)	(4,652)	(10)	(4,335)
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	(4,662)	(4,652)	(10)	(4,335)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(302)	(525)	223	(695)
Capital Expenditure - Improving Services	(398)	(375)	(23)	(243)
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	854	910	(56)	810
Total Loan Funding Requirement	154	10	144	(128)
TOTAL FUNDING REQUIREMENT	(4,508)	(4,642)	134	(4,463)

Operating Projects

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Events Funding	355	375	20

Significant Operating Variations from LTCCP

Revenue is less than budget due to less income from pool users although learn to swim revenue was higher than budget. There was also less income from school holiday programmes and events sponsorship. Employee costs were under budget mainly due to less school holiday programmes and vacancies. Other costs were slightly over budget mainly due to extra equipment maintenance.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Other Projects	302	322	20
Walter Nash Stadium Maintenance	-	203	203
Naenae Pool Learner Pool UV System	30	30	-
McKenzie Pool Replacement	51	199	148
Other Pools Projects Carryover	27	56	29
Pools Other Improvement Projects	61	90	29
Walter Nash Stadium Upgrade	229	-	(229)

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

Projects carried out included some design and investigation work for the McKenzie Pool which has been further deferred as options are considered. No maintenance work was carried out on the Walter Nash Stadium as funds were instead allocated to planning for the Stadium upgrade as part of a fully integrated sports and community facility for the benefit of Taita and the wider Hutt City. A number of "Other Projects" were also completed including refurbishment of changing rooms at Wainuiomata Pool, modifications to heat pumps at Huia Pool, replacement of pool tiles at Naenae Pool and replacement of UV water treatment plant at Naenae Pool.

PARKS AND RESERVES

What we do

We provide and maintain active and passive recreational facilities in Hutt City for public enjoyment and wellbeing. With access largely free of charge, our recreation areas are both natural and developed. Most of our work is targeted at maintaining developed areas and retaining bush land in its natural state. 'Parks and Reserves' also includes Council cemeteries.

Why we do it

In providing and maintaining parks, reserves and street gardens, we help to create a pleasant environment in which people can live, work and play. Providing and maintaining these areas at high quality and low user cost makes them available to the whole community.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Residents' satisfaction with sportsgrounds: ≥ 95% of those expressing an opinion	95%	96%	94%	96% of residents who expressed an opinion were satisfied. 15% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with parks, reserves and gardens: ≥ 95% of those expressing an opinion	97%	98%	96%	97% of residents who expressed an opinion were satisfied. 6% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with cemeteries: ≥ 90% of those expressing an opinion	97%	96%	97%	97% of residents who expressed an opinion were satisfied. 38% of residents did not express an opinion.	NRB Communitrak Survey
Sports fields meet the standard agreed with sports codes: ≥ 95%	97%	97%	N/A	95%	Complaints from users during 2011/12 and sportsground audits
Area of parks and reserves per 1000 of population: ≥ 24.9 hectares	54 hectares	54 hectares	N/A	54 hectares	Reserves Strategy
Percentage of households that have used or visited parks, reserves or gardens in the previous 12 months: ≥ 89%	90%	93%	N/A	90%	NRB Communitrak Survey
Maintain a high standard of maintenance and development of playgrounds, parks, reserves, gardens and cemeteries: 95% of contract and asset management plan requirements met	95%	95%	N/A	95%	Playground and Parks Audits

Note: Survey percentages quoted exclude those who responded 'Don't Know'.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	1,048	993	55	1,371
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	-	-	-	-
Other Revenue	6	4	2	30
Vested Assets	480	100	380	-
Gain/(Loss)	17	-	17	(8)
Total Revenue	1,551	1,097	454	1,393
EXPENDITURE				
Employee Costs	732	725	(7)	922
Support Costs	551	560	9	555
Operating Costs	8,681	8,362	(319)	8,187
Finance Cost	452	452	-	475
Depreciation	972	966	(6)	896
Total Expenditure	11,388	11,065	(323)	11,035
DEFICIT BEFORE TAX	(9,837)	(9,968)	131	(9,642)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(9,837)	(9,968)	131	(9,642)
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	(9,837)	(9,968)	131	(9,642)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(425)	(499)	74	(662)
Capital Expenditure - Improving Services	(492)	(1,488)	996	(698)
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	972	966	6	896
Total Loan Funding Requirement	55	(1,021)	1,076	(464)
TOTAL FUNDING REQUIREMENT	(9,782)	(10,989)	1,207	(10,106)

Operating Projects

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Problem Tree Removal	64	27	(37)
Naenae Park Tree Removal	15	15	-
Memorial Park Contribution to New Surface	56	-	(56)

Significant Operating Variations from LTCCP

Revenue is over budget mainly due to vesting of the Taita Bowling Club property in Council ownership. Work has continued on problem tree removal mainly in Sunny Grove. Operating costs are over budget mainly due to a number of extra unforeseen costs related to problem tree removal, insurance and developing specifications for the construction of the Memorial Park artificial surface.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Seats & Bins	27	27	-
Parks Hard Surfaces Maintenance	225	150	(75)
Parks Signage & Interpretation	17	22	5
Playground Equipment Replacement	110	120	10
Sportsground Buildings Maintenance	43	150	107
Track Maintenance	4	30	26
Avalon Park Improvements (Rotary Project)	23	150	127
Parks & Gardens Protection Bollards	5	5	-
Cenotaph Forecourt	15	15	-
Marina Beach Upgrade	10	10	-
Memorial Park Synthetic Turf	-	500	500
Street Tree Planting	-	43	43
Taita Courts	-	85	85
Track Upgrading & Development	58	100	42
Tutukiwi House Landscaping	60	50	(10)
Waddington Covenant Land Purchase	-	200	200
Wainuiomata Mountain Bike Facility	24	30	6
Walter Mildenhall Development	296	300	4

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

Significant work was carried out on a number of sportsground buildings and parks property and equipment, as well as upgrading and replacement of playground equipment. Costs for the Street Tree Planting work were expensed rather than being treated as capital and the Taita Courts project was deferred pending decisions on proposed upgrading of the Walter Nash Stadium. In Wainuiomata further work was carried out on the mountain bike facility including improving tracks and landscaping. The Memorial Park Synthetic Turf project did not proceed but is due to be carried out in 2012/2013. The Waddington Covenant project was completed in 2010/2011. The most significant single project was the development and addition of a new multicourt play facility on Walter Mildenhall Park in Naenae.

COMMUNITY DEVELOPMENT

What we do

We support our community through services such as facilitation, advocacy and consultation and through providing grants to community organisations and groups. We work with all sectors of the community, providing services through our Community Development team. We have funding relationships with government agencies to provide essential services to our community, including settlement support and safety initiatives.

Why we do it

We've always been committed to identifying and understanding our communities so that we can respond appropriately to issues affecting them. Our support helps community groups to achieve their goals where they can't do it themselves because of a lack of resources.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Community organisations' satisfaction with the availability and quality of our support, advice and funding: $\geq 90\%$ of those expressing an opinion	84%	90%	N/A	66.7% Note: New survey requires organisations to state whether they are satisfied or not satisfied, whereas previous results provided for "don't know's"	Independent Survey
Residents' perceptions of Hutt City in terms of their sense of safety - <ul style="list-style-type: none"> in their local neighbourhood during the day; in their local neighbourhood after dark; in the Lower Hutt city centre during the day; in the Lower Hutt city centre after dark: $\geq 81\%$ of those expressing an opinion	Not Measured	85% overall (home day 98%, home night 95%, neighbourhood 68%, CBD day 96%, CBD night 66%) (Source: Quality of Life Survey 2010 Hutt City)	N/A	* neighbourhood day 97% * neighbourhood night 84% (1% didn't know) * CBD day 97% (2% didn't know) * CBD night 68% (12% didn't know)	NRB Communitrak Survey
Residents' satisfaction with the city overall being free of graffiti: $\geq 80\%$ of those expressing an opinion	79%	68%	N/A	85% of residents who expressed an opinion were satisfied. 3% of residents did not express an opinion.	NRB Communitrak Survey
New Settlers' satisfaction with the availability and quality of our support, advice and training: $\geq 90\%$ of those expressing an opinion	New measure for 2011/12	New measure for 2011/12	N/A	100% of new settlers who expressed an opinion were satisfied. 0% of new settlers did not express an opinion.	Independent Survey

Note: Survey percentages quoted exclude those who responded 'Don't Know'.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	18	25	(7)	19
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	-	-	-	-
Other Revenue	237	157	80	275
Vested Assets	-	-	-	-
Gain/(Loss)	-	-	-	-
Total Revenue	255	182	73	294
EXPENDITURE				
Employee Costs	704	641	(63)	796
Support Costs	524	494	(30)	502
Operating Costs	1,487	1,583	96	1,347
Finance Cost	-	-	-	-
Depreciation	3	42	39	42
Total Expenditure	2,718	2,760	42	2,687
DEFICIT BEFORE TAX	(2,463)	(2,578)	115	(2,393)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(2,463)	(2,578)	115	(2,393)
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	(2,463)	(2,578)	115	(2,393)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	-	-	-	-
Capital Expenditure - Improving Services	(141)	(149)	8	(36)
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	3	42	(39)	42
Total Loan Funding Requirement	(138)	(107)	(31)	6
TOTAL FUNDING REQUIREMENT	(2,601)	(2,685)	84	(2,387)

Operating Projects

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Community Development Fund	167	176	9
Heritage Fund	16	15	(1)
Community Houses Funding	252	255	3
Marae Funding	160	160	-
Arts & Culture Funding	90	89	(1)
CAB Funding	69	69	-
Scholarships	8	10	2
Youth Infusion	43	25	(18)
Youth Centre	158	158	-
Safety Initiatives	228	227	(1)
Social Development Projects	65	55	(10)
Tamaiti Whangai	20	20	-

Significant Operating Variations from LTCCP

Revenue is over budget mainly due to extra unbudgeted sponsorship for the Community Awards. There was also extra unbudgeted grants offset by employee costs for the Safe Hutt Valley programme. The Youth Infusion budget was exceeded but offset against a grant received from Ministry of Youth Development. All operating projects were completed close to budget.

Capital Projects Acquisitions and Renewals

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
CCTV	11	50	39
CCTV Upgrades Central Area & Installation Wainuiomata	130	99	(31)

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

There was a continuation of the installation and upgrade of CCTV cameras particularly in the Central Hutt and Wainuiomata which overall were completed close to budget.

PROPERTY

What we do

We have a 100% shareholding in Urban Plus Limited (trading as UrbanPlus), a Council-controlled trading organisation that owns and manages housing units on our behalf – mainly for the elderly and socially disadvantaged.

UrbanPlus aims over time to increase the number of rental properties available to residents, and is also involved in developing and selling land within the city, both on its own account and on our behalf, to meet the city's growing and changing needs.

UrbanPlus also manages a variety of properties for our community's use – mainly community and civic halls and venues, public toilets, community houses and the Council Administration Building. We review these facilities regularly for their efficiency and ability to meet changing public requirements.

Why we do it

We provide community and civic halls and venues because they offer an environment for a diverse range of social, cultural and community-based activities, including clubs, indoor sports, band practices, arts and theatre. We provide public toilets to safeguard public health – and ensure they are physically accessible, appropriately located, designed and built, and cleaned and maintained to appropriate standards.

Regular assessments of the property we own and occupy can result in property upgrades and sales of surplus assets.

How we measure the service provided

MEASURE	ACHIEVED 2009/10	ACHIEVED 2010/11	PEER AVERAGE 2011/12	ACHIEVED 2011/12	SOURCE OF INFORMATION
Tenants' satisfaction with Council accommodation: 90%	96%	95%	N/A	94%	Internal Survey
Residents' satisfaction with public halls: ≥ 94% of those expressing an opinion	97%	97%	93%	96% of residents who expressed an opinion were satisfied. 30% of residents did not express an opinion.	NRB Communitrak Survey
Residents' satisfaction with public toilets: ≥ 70% of those expressing an opinion	69%	79%	74%	77% of residents who expressed an opinion were satisfied. 27% of residents did not express an opinion.	NRB Communitrak Survey
Occupancy rate of Council rental housing: 90%	93%	95.8%	N/A	98.5%	Monthly Management Reports

Note: Survey percentages quoted exclude those who responded 'Don't Know'. We work to meet these measures through UrbanPlus.

Statement of Comprehensive Income

For the year ended 30 June 2012

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000	ACTUAL 30 JUNE 2011 \$000
REVENUE				
Rates Income	-	-	-	-
User Charges	1,074	1,125	(51)	1,091
Operating Contributions	-	-	-	-
UHCC Operating Contribution	-	-	-	-
Capital Contributions	-	-	-	-
Finance Revenue	-	-	-	3
Other Revenue	-	-	-	-
Vested Assets	-	-	-	-
Gain/(Loss)	26	-	26	1,927
Total Revenue	1,100	1,125	(25)	3,021
EXPENDITURE				
Employee Costs	-	-	-	-
Support Costs	(1,253)	(1,232)	21	(1,279)
Operating Costs	3,445	3,052	(393)	2,802
Finance Cost	156	156	-	285
Depreciation	1,559	2,011	452	1,874
Total Expenditure	3,907	3,987	80	3,682
DEFICIT BEFORE TAX	(2,807)	(2,862)	55	(661)
RATES FUNDING REQUIREMENT				
Deficit Before Tax	(2,807)	(2,862)	55	(661)
Add Capital Contributions	-	-	-	-
Total Rates Funding Requirement	(2,807)	(2,862)	55	(661)
LOAN FUNDING REQUIREMENT				
Capital Expenditure - Maintaining Services	(145)	(475)	330	(523)
Capital Expenditure - Improving Services	(677)	(980)	303	(578)
Less Capital Contributions	-	-	-	-
Less UHCC Capital Contributions	-	-	-	-
Less Depreciation	1,559	2,011	(452)	1,874
Less Asset Sales	-	4,245	(4,245)	5,142
Total Loan Funding Requirement	737	4,801	(4,064)	5,915
TOTAL FUNDING REQUIREMENT	(2,070)	1,939	(4,009)	5,254

Significant Operating Variations from LTCCP

Revenue was slightly under budget which was offset by savings in operating expenditure. Total funding requirement is lower than budget due to a lack of asset sales.

Capital Projects Acquisitions and Renewal

	ACTUAL 30 JUNE 2012 \$000	PLAN 30 JUNE 2012 \$000	VARIANCE 30 JUNE 2012 \$000
Administration Building Maintenance	-	40	40
Avalon Park Pavilion Maintenance	23	30	7
CBD Community Resource Centre	-	4	4
Community Houses Building Maintenance	-	40	40
Community Halls Interior & Exterior Maintenance	57	230	173
Single Houses (Reserves) Interior & Exterior Maintenance	21	61	40
Libraries Interior & Exterior Maintenance	35	40	5
Little Theatre Interior & Exterior Maintenance	6	10	4
Miscellaneous Rentals Interior & Exterior Maintenance	3	20	17
Administration Building Strengthening	23	140	117
Community Halls Improvements	123	260	137
Community Resource Centre Improvements	-	20	20
Libraries Improvements	44	40	(4)
Little Theatre Improvements	-	100	100
Little Theatre Sound & Lighting Improvements	-	30	30
Pavilion Fire Protection	64	-	(64)
Toilets Upgrade	423	390	(33)

Significant Asset Acquisitions or Replacements and Variations from the LTCCP

Maintenance and improvement work on Community Halls was not fully completed pending the outcome of proposals for the development of community hubs. Costs on some maintenance projects and on the Administration Building Strengthening project were not considered to be capital and have been expensed. No work was carried out on the Community Resource Centre due to the potential sale of this property. The Little Theatre Improvements project was not carried out due to proposals for the planned cafe not having been finalised. The Little Theatre Sound and Lighting Improvements project was also not carried out as consultation with theatre users had not been completed. Unbudgeted fire protection work was required to be carried out at the Pavilion. All planned work on Toilets Upgrade was completed requiring a slight overspend with new toilets being provided at Naenae and Eastbourne.

I LOVE HUTT CITY BECAUSE ...

"Nature is right at my backyard in Point Howard – there are bush tracks I love to walk and run along – and the beach is right at our feet. Living in London, the nearest I could get to nature was a walk along the canals. Sometimes it takes a spell abroad to appreciate just how lucky we are."

Fashion designer Deborah Sweeney says there are benefits to working in the Hutt, too. "With premises in Seaview, I can avoid a long commute into town and I can duck home for childminding duties when the unexpected crops up. All that adds up to a lot of convenience. But Seaview is a great place in itself to work, with supportive people in the area. I'll be selling all sorts of samples at this month's Spotlight on Seaview, and I'll also be looking forward to talking fashion with visitors."

"And a last thing I like about the Hutt is the op shops – I'm an op shop nut. I especially collect Crown Lynn, sixties' pottery and furniture and all sorts of retro bric-a-brac. My house is overflowing, but if I see a treasure I can always find a place for it."



COUNCIL'S FINANCES

REPORT ON FINANCIAL POLICIES

Council has a number of financial and other policies required by the Local Government Act 2002. While not a requirement of the legislation, Council considers it important to report its performance against these policies.

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY REPORT

Background

The Development and Financial Contributions Policy describes what financial contributions Council will require from developers when their property developments impose increased demand on Council services. Council has previously chosen to rely on the financial contributions specified in chapter 12 of the District Plan. The policy came into effect from 1 July 2006. The policy has been reviewed as part of the 2012-2022 Long Term Plan.

Summary of financial contributions

Council received \$0.200 million (2011 \$0.200 million) in reserve and development contributions from developers during the year.

LIABILITY MANAGEMENT POLICY REPORT

Background

The Liability Management Policy states Council’s policies in relation to interest rate exposure, liquidity, credit exposure, debt repayment, specific borrowing limits and the giving of security.

Overall Performance

Council monitors compliance with the liability management policy on a monthly basis. There was compliance with most policy limits during 2011-2012. One breach has occurred related to the refinancing risk spread of Council’s policy (as shown on next page). A \$25 million facility used to support the short term borrowing programme has an expiry of 30 September 2012. This has caused the 0-3 year category and 3-5 year category to be outside of policy. The new facility agreement in place from 1 October 2012 corrects these categories. There are no other breaches of the policy.

Full details of the Council’s debt, its maturity dates and interest costs are disclosed in note 21 of the Financial Statements. Further information in relation to interest rate risk and fair values of the Council’s debt are disclosed in note 27 of the Financial Statements.

Borrowing Limits

This table shows the limits on borrowing contained in the Council’s Liability Management Policy and the actual position at 30 June 2012.

RATIO	ACTUAL 30 JUNE 2012	POLICY LIMIT
Net debt to equity	6%	Below 20%
Net debt to income	52%	Below 150%
Net interest to income	3%	Below 10%
Net interest to rates income	5%	Below 15%
Liquidity	98%	Average of 100%
Net debt	\$67.402 million	Below \$100 million
Net debt per capita	\$690	Below \$1,000
DEBT REFINANCING RISK SPREAD		
0 to 3 years	73%	10% - 60%
3 to 5 years	13%	20% - 60%
5 years plus	13%	10% - 60%
FIXED RATE DEBT MATURITY PROFILE		
Overall fixed proportion	67%	55% - 95%
1 to 3 years	21%	15% - 60%
3 to 5 years	32%	15% - 60%
5 to 10 years	47%	15% - 60%
Total financial guarantees	\$0.268 million	Not more than \$1.2 million
Largest single guarantee	\$0.238 million	Not more than \$0.3 million

INVESTMENT POLICY REPORT

Background

The Investment Policy states Council’s objectives in relation to financial and equity investments, and policies in relation to investment mix, acquisition, risk assessment, management and reporting.

Overall Performance

Council is a net borrower, and as such has minimised the amount of investments held to those necessary to meet specific business objectives. No breaches of the Investment Policy were reported during the 2011-2012 financial year.

Investment Limits

The Investment Policy does not contain specific financial limits against investment classes, but does refer to the following counterparty credit limits.

COUNTERPARTY	MINIMUM CREDIT RATING	ACTUAL 30 JUNE 2012	POLICY LIMIT
NZ Government	A-	Nil	Unlimited
State Owned Enterprises	A-	Nil	\$5.0 million
NZ Registered Banks			
Westpac	A-	\$3.4 million	\$15 million
ANZ	A-	\$2.85 million	\$15 million
Bank of New Zealand	A-	Nil	\$15 million
Corporate Bonds*	A-	Nil	\$2 million
Local Authority Bond Trust	A-	Nil	\$2 million
Local Govt Finance Corporation		Nil	\$2 million
Local Govt Stock – rated**	A-	Nil	\$2 million
Local Govt Stock – unrated**		Nil	\$0.5 million

* Subject to a maximum of \$5.0m investment in corporate/secured bonds at any one point in time.

** Subject to a maximum of \$15.0m investment in Local Government stock at any one point in time, including Local Government Finance Corporation.

Credit Risk on interest rate risk management instruments is estimated by the following formula:

Credit Risk = notional value x years to maturity x 4.0%

Current credit ratings for the current counterparties are above the minimums required.

RATES REMISSION AND POSTPONEMENT POLICIES REPORT

Background

Council has adopted policies in relation to the remission and postponement of rates. There are a number of circumstances in which applications are considered.

Circumstances include where the ratepayer is a sporting or community organisation, a church, a school, a kindergarten or playcentre, or a hospital, provided the property is used for the benefit of the community and not for profit. Remissions are also granted on privately owned land protected for conservation purposes, or to businesses for economic development reasons, i.e. to encourage new businesses, increase the investment of existing businesses and to promote employment.

No postponements were allowed in the 2011-2012 year. A summary of remissions allowed is shown in note 2 of the Financial Statements. Total remissions were \$272,000 (2011 \$258,000).

FUNDING IMPACT STATEMENT REPORT

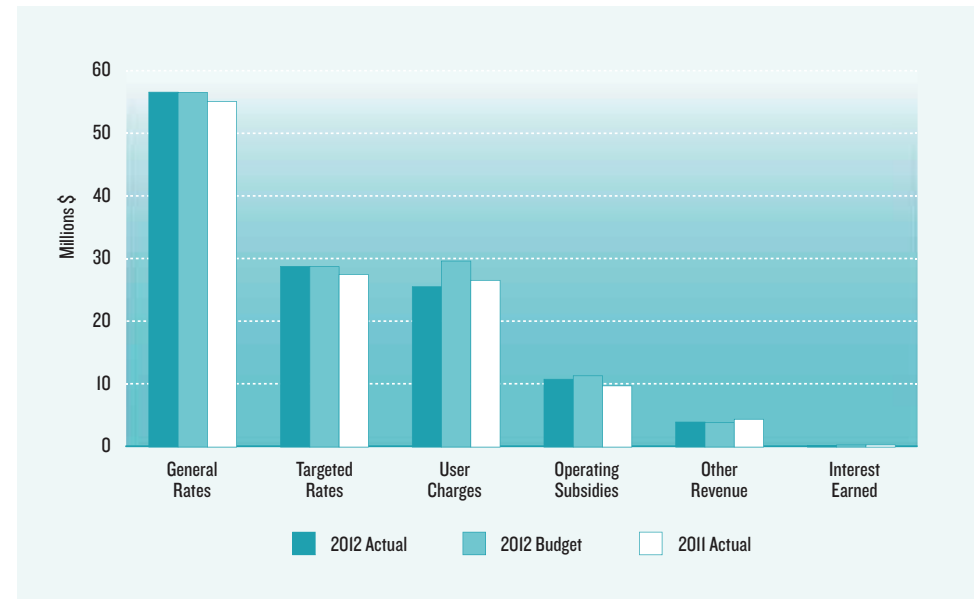
Background

The Funding Impact Statement describes the funding mechanisms the Council intends using each year. Among other things, this Statement explains in detail how rates are to be calculated.

Specific Targets

The following graph shows the proportion of funding forecast from each mechanism in the Funding Impact Statement and the actual funding received in 2011-2012.

Figure I: Comparison of 2011-12 Budget to Actual Revenue with 2011 Actual Revenue



INDEPENDENT AUDITOR'S REPORT

To the readers of Hutt City Council and group's annual report for the year ended 30 June 2012

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

We have audited:

- the financial statements of the City Council and group on pages 98 to 140, that comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies, explanatory information and other information required by schedule 10 of the Local Government Act 2002; and
- the non financial performance information of the City Council and group on pages 21 to 89 that includes other information required by schedule 10 of the Local Government Act 2002.

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

In our opinion:

- The financial statements of the City Council and group on pages 98 to 140:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the City Council and group's financial position as at 30 June 2012; and
 - the results of its operations and cash flows for the year ended on that date.
- The non financial performance information of the City Council and group on pages 21 to 90:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects the City Council and group's levels of service for the year ended 30 June 2012, including:
 - the levels of service as measured against the intended levels of service adopted in the long-term council community plan; and
 - the reasons for any significant variances between the actual service and the expected service.
- The other information of the City Council and group contained in the financial statements and the non financial performance information, complies with the requirements of schedule 10 of the Local Government Act 2002 applicable to the annual report and fairly reflects the required information.

Our audit was completed on 23 October 2012. This is the date at which our opinion is expressed.

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

Basis of opinion

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

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

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

An audit also involves evaluating:

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

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

Responsibilities of the Council

The Council is responsible for preparing:

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

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

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

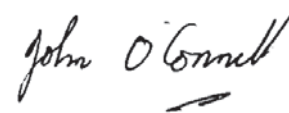
Responsibilities of the Auditor

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

Independence

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

During the year we undertook audits of an amendment to the 2009-2019 Long Term Council Community Plan and the 2012-2022 Long Term Plan. Other than the audit, the audit of the amendment to the 2009-2019 Long Term Council Community Plan and the audit of the 2012-2022 Long Term Plan, we have no relationship with or interests in the City Council or any of its subsidiaries.



John O’Connell
Audit New Zealand

On behalf of the Auditor General
Wellington, New Zealand

STATEMENT OF COMPLIANCE

Statement of Compliance and Responsibility

The Council and management of Hutt City Council confirm that all statutory requirements in relation to the annual report, as outlined in the Local Government Act 2002, have been complied with.



Mayor
Ray Wallace

23 October 2012



Chief Executive
Tony Stallinger

23 October 2012

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2012

	NOTES	COUNCIL			GROUP	
		ACTUAL 2012 \$000	BUDGET 2012 \$000	ACTUAL 2011 \$000	ACTUAL 2012 \$000	ACTUAL 2011 \$000
REVENUE						
Rates revenue	2.	85,454	85,384	82,649	85,184	82,412
User charges	3.	25,569	29,680	26,616	28,914	29,649
Subsidies received	3.	10,842	11,377	9,833	10,842	9,833
Finance revenue	4.	258	350	338	95	161
Other revenue	3.	3,997	3,881	4,426	4,233	4,591
Gain on Disposal	5.	-	-	1,921	798	543
Total revenue		126,120	130,672	125,783	130,066	127,189
EXPENDITURE						
Employee costs	6.	26,912	26,811	26,360	27,672	27,092
Operating costs	7.	66,712	67,052	63,035	68,795	63,940
Finance costs	4.	4,245	4,355	4,640	4,655	4,951
Loss on Disposal	5.	13	-	-	-	-
Depreciation and amortisation	14. & 15.	29,847	30,714	29,234	30,993	30,155
Total operating expenditure		127,729	128,932	123,269	132,115	126,138
Share of associate's surplus/(deficit)	17.	-	-	-	32	(14)
Surplus/(deficit) before tax		(1,609)	1,740	2,514	(2,017)	1,037
Income tax expense/(benefit)	8.	-	-	-	31	(620)
SURPLUS/(DEFICIT) AFTER TAX		(1,609)	1,740	2,514	(2,048)	1,657
Other comprehensive income						
Gain/(Loss) on revaluation of financial instruments	5.	(1,975)	800	(607)	(1,975)	(607)
Gain on property revaluations		101,740	-	-	101,740	4,579
Impairment of property plant and equipment		-	-	-	(110)	-
Deferred tax on revaluation		-	-	-	-	(620)
Total other comprehensive income		99,765	800	(607)	99,655	3,352
TOTAL COMPREHENSIVE INCOME		98,156	2,540	1,907	97,607	5,009

The accompanying notes form an integral part of these financial statements.

Explanations of the major variances against budget are provided in note 33.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2012

	NOTES	COUNCIL			GROUP	
		ACTUAL 2012 \$000	BUDGET 2012 \$000	ACTUAL 2011 \$000	ACTUAL 2012 \$000	ACTUAL 2011 \$000
Balance at 1 July		1,149,105	1,147,910	1,147,198	1,151,909	1,146,900
Total comprehensive income		98,156	2,540	1,907	97,607	5,009
Balance at 30 June		1,247,261	1,150,450	1,149,105	1,249,516	1,151,909
Total comprehensive income attributable to:						
- Hutt City Council		1,247,261	1,150,450	1,149,105	1,245,324	1,147,727
- Urban Plus Limited		-	-	-	1,955	2,240
- Seaview Marina Limited		-	-	-	2,237	1,942
Balance at 30 June	25.	1,247,261	1,150,450	1,149,105	1,249,516	1,151,909

The accompanying notes form an integral part of these financial statements.

Explanations of the major variances against budget are provided in note 33.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	NOTES	COUNCIL			GROUP	
		ACTUAL 2012 \$000	BUDGET 2012 \$000	ACTUAL 2011 \$000	ACTUAL 2012 \$000	ACTUAL 2011 \$000
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	9.	6,430	442	6,095	6,519	6,119
Debtors and other receivables	10.	12,493	13,750	11,507	13,004	11,987
Inventories	12.	18	-	42	1,450	4,470
Derivative financial instruments	11.	1,122	600	1,104	1,122	1,104
Prepayments		69	-	164	80	180
Other assets	18.	3,200	151	-	-	-
Non-current assets held for sale	13.	-	1,500	-	-	-
Total current assets		23,332	16,443	18,912	22,175	23,860
NON-CURRENT ASSETS						
Property, plant and equipment	14.	1,314,137	1,206,696	1,212,720	1,342,971	1,242,199
Intangible assets	15.	5,286	5,474	6,302	5,297	6,309
Assets under construction		2,746	2,307	1,990	2,798	2,003
Investment in subsidiaries	16.	14,545	14,545	14,545	-	-
Investment in associates	17.	224	224	224	136	104
Other financial assets	18.	486	438	3,691	486	191
Total non-current assets		1,337,424	1,229,684	1,239,472	1,351,688	1,250,806
TOTAL ASSETS		1,360,756	1,246,127	1,258,384	1,373,863	1,274,666

	NOTES	COUNCIL			GROUP	
		ACTUAL 2012 \$000	BUDGET 2012 \$000	ACTUAL 2011 \$000	ACTUAL 2012 \$000	ACTUAL 2011 \$000
LIABILITIES						
CURRENT LIABILITIES						
Borrowings - current	21.	26,835	32,419	37,958	37,335	50,558
Derivative financial instruments	11.	5,616	2,400	3,623	5,616	3,623
Creditors and other payables	20.	18,976	22,894	16,333	19,052	16,442
Employee entitlements	22.	2,392	2,214	2,426	2,444	2,480
Other liabilities	24.	3,890	3,117	3,242	4,063	3,939
Total current liabilities		57,709	63,044	63,582	68,510	77,042
NON-CURRENT LIABILITIES						
Borrowings - non current	21.	50,018	27,000	40,035	50,018	40,035
Employee entitlements	22.	858	740	842	878	860
Provisions - non current	23.	4,910	4,893	4,820	4,910	4,820
Deferred tax liability	8.	-	-	-	31	-
Other liabilities	24.	-	-	-	-	-
Total non-current liabilities		55,786	32,633	45,697	55,837	45,715
TOTAL LIABILITIES		113,495	95,677	109,279	124,347	122,757
NET ASSETS		1,247,261	1,150,450	1,149,105	1,249,516	1,151,909

	NOTES	COUNCIL			GROUP	
		ACTUAL 2012 \$000	BUDGET 2012 \$000	ACTUAL 2011 \$000	ACTUAL 2012 \$000	ACTUAL 2011 \$000
EQUITY						
Accumulated funds	25.	739,119	744,219	743,039	736,271	741,884
Other Reserves	25.	508,142	406,231	406,066	513,245	410,025
TOTAL EQUITY		1,247,261	1,150,450	1,149,105	1,249,516	1,151,909

The accompanying notes form an integral part of these financial statements.

Explanations of the major variances against budget are provided in note 33.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2012

	NOTES	COUNCIL			GROUP	
		ACTUAL 2012 \$000	BUDGET 2012 \$000	ACTUAL 2011 \$000	ACTUAL 2012 \$000	ACTUAL 2011 \$000
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash was provided from:</i>						
Receipts from rates and levies - Council		85,358	85,384	82,466	85,088	82,229
Receipts from rates and levies - GWRC*		18,893	13,000	17,585	18,893	17,585
Receipts from user charges and other income		39,722	44,338	41,484	42,443	44,688
Receipts from sales of commercial developments		-	-	-	2,572	1,624
Interest received		258	350	338	95	161
Dividends		-	-	-	-	-
Net GST received from Inland Revenue **		-	-	1,790	-	1,790
		144,231	143,072	143,663	149,091	148,077
<i>Cash was applied to:</i>						
Payments to employees		(26,930)	(26,811)	(26,150)	(27,690)	(26,890)
Payments to suppliers		(66,456)	(67,052)	(68,440)	(67,637)	(70,213)
Purchase of inventory held for commercial development		-	-	-	(61)	(2,855)
Interest paid		(4,086)	(4,356)	(4,752)	(4,463)	(5,063)
Net GST paid to Inland Revenue		(461)	-	-	(461)	-
Rates and levies passed to GWRC*		(18,572)	(13,000)	(17,540)	(18,572)	(17,540)
		(116,505)	(111,219)	(116,882)	(118,884)	(122,561)
Net cash flows from operating activities	26.	27,726	31,853	26,781	30,207	25,516

* GWRC is the Greater Wellington Regional Council for which the Hutt City Council acts as a collection agency by including additional rates in its own billing processes. Once collected the monies are passed to GWRC.

** The GST (net) component of operating activities reflects the net GST paid and received with Inland Revenue. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

	NOTES	COUNCIL			GROUP	
		ACTUAL 2012 \$000	BUDGET 2012 \$000	ACTUAL 2011 \$000	ACTUAL 2012 \$000	ACTUAL 2011 \$000
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash was provided from:</i>						
Receipts from sale of property, plant and equipment		24	4,245	5,142	24	2,358
Other investment receipts		317	-	5	17	5
		341	4,245	5,147	41	2,363
<i>Cash was applied to:</i>						
Purchase of property, plant and equipment		(23,425)	(25,605)	(18,903)	(23,393)	(20,651)
- less UHCC capital contribution		-	727	-	-	-
Purchase of assets under construction		(2,306)	(2,000)	(1,233)	(2,345)	(1,563)
Purchase of intangible assets		(640)	(4,000)	(1,910)	(649)	(1,913)
Other payments and investments		(221)	-	(649)	(221)	-
		(26,592)	(30,878)	(22,695)	(26,608)	(24,127)
Net cash flows from investing activities		(26,251)	(26,633)	(17,548)	(26,567)	(21,764)
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash was provided from:</i>						
Proceeds from borrowings		128,841	99,340	96,289	180,441	101,689
<i>Cash was applied to:</i>						
Repayment of borrowings		(129,981)	(108,558)	(102,321)	(183,681)	(102,321)
		(1,140)	(9,218)	(6,032)	(3,240)	(632)
Net cash flows from financing activities		(1,140)	(9,218)	(6,032)	(3,240)	(632)
Net increase/(decrease) in cash, cash equivalents and bank overdrafts		335	(3,998)	3,201	400	3,120
Cash, cash equivalents and bank overdrafts at the beginning of the year		6,095	4,440	2,894	6,119	2,999
Cash, Cash Equivalents And Bank Overdrafts At The End Of The Year	9.	6,430	442	6,095	6,519	6,119

The accompanying accounting policies and notes form an integral part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

I. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The Hutt City Council (referred to as 'Council') is a territorial local authority governed by the Local Government Act 2002 and is domiciled in New Zealand. Council was first formed as Lower Hutt City Council on 1 November 1989 by the amalgamation of five local authorities. The name was changed to The Hutt City Council by a special Act of Parliament on 8 October 1991.

The group consists of Council, its subsidiaries, Seaview Marina Limited and Urban Plus Limited (both 100% owned), the Silverstream Gas Joint Venture (7% owned) and associate Capacity Infrastructure Services.

The primary objective of Council is to provide goods and/or services for the community or social benefit rather than making a financial return. Accordingly, Council has designated itself and the group as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements of the Council and group are for the year ended 30 June 2012. The financial statements were authorised for issue by Council on 23 October 2012.

Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets and financial instruments (including derivative instruments).

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Council and group is New Zealand dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the Statement of Comprehensive Income.

Changes in accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

There have been no changes in accounting policies during the financial year.

The Council and group have adopted the following revisions to accounting standards during the financial year, which have had only a presentational or disclosure effect:

- Amendments to NZ IAS 1 Presentation of Financial Statements. The amendments introduce a requirement to present, either in the statement of changes in equity or the notes, for each component of equity, an analysis of other comprehensive income by item. The Council has decided to present this analysis in note 26.
- FRS-44 New Zealand Additional Disclosures and Amendments to NZ IFRS to harmonise with IFRS and Australian Accounting Standards (Harmonisation Amendments) – The purpose of the new standard and amendments is to harmonise Australian and New Zealand accounting standards with source IFRS and to eliminate many of the differences between the accounting standards in each jurisdiction. The main effect of the amendments on the Council and group is that certain information about property valuations is no longer required to be disclosed. Note 14 has been updated for these changes.
- Amendments to NZ IFRS 7 Financial Instruments: Disclosures – The amendment reduces the disclosure requirements relating to credit risk. Note 27 has been updated for the amendments.

Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted

Standards, amendments and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Council, are:

- NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost of fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The financial liability requirements are the same as those of NZ IAS 39, except for when an entity elects to designate a financial liability at fair value through the surplus/deficit. The new standard is required to be adopted for the year ended 30 June 2016. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities.

I. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

The Minister of Commerce has approved a new Accounting Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, the Council is classified as a Tier 1 reporting entity and it will be required to apply full Public Benefit Entity Accounting Standards (PAS). These standards are being developed by the XRB based on current International Public Sector Accounting Standards. The effective date for the new standards for public sector entities is expected to be for reporting periods beginning on or after 1 July 2014. This means the Council expects to transition to the new standards in preparing its 30 June 2015 financial statements. As the PAS are still under development, the Council is unable to assess the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standards Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

Comparatives

To ensure consistency with the current year, certain comparative information has been reclassified where appropriate. This has occurred:

- where classifications have changed between periods, and
- where the Council and group has made additional disclosure in the current year, and where a greater degree of disaggregation of prior year amounts and balances is therefore required.

Significant Accounting Policies

Basis of consolidation

The purchase method is used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, income and expenses on a line-by-line basis. All significant intra-group balances, transactions, income and expenses are eliminated on consolidation.

Subsidiaries

Council consolidates as subsidiaries in the group financial statements all entities where Council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where Council controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by Council or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

Council measures the cost of a business combination as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, in exchange for control of the subsidiary plus any costs directly attributable to the business combination.

Any excess of the cost of the business combination over Council’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If Council’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised exceeds the cost of the business combination, the difference will be recognised immediately in the Statement of Comprehensive Income.

Council’s investments in its subsidiaries are carried at cost in the Council’s own “parent entity” financial statements.

These group financial statements include Council and its subsidiaries, except for Hutt Valley Youth Health Trust, which has not been consolidated. The effect of not consolidating Hutt Valley Youth Health Trust is immaterial.

All subsidiaries have 30 June balance dates except for Hutt Valley Youth Health Trust, which has a 30 September balance date.

Associates

Council accounts for an investment in an associate in the group financial statements using the equity method. An associate is an entity over which Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost

and the carrying amount is increased or decreased to recognise Council’s share of the surplus or deficit of the associate after the date of acquisition. Council’s share of the surplus or deficit of the associate is recognised in Council’s Statement of Comprehensive Income. Distributions received from an associate reduce the carrying amount of the investment.

If Council’s share of deficits of an associate equals or exceeds its interest in the associate, Council discontinues recognising its share of further deficits. After Council’s interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that Council has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, Council will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Council’s share in the associate’s surplus or deficits resulting from unrealised gains on transactions between the Council and its associates is eliminated.

Council’s investments in associates are carried at cost in Council’s own “parent entity” financial statements.

Council has one associate, Capacity, which has a balance date of 30 June. Audited financial statements of Capacity have been used in preparing the group financial statements.

I. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Joint venture

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. For jointly controlled operations Council recognises in its financial statements the assets it controls, the liabilities and expenses it incurs, and the share of income that it earns from the joint venture.

Council has a 7% interest in the Silverstream Gas Joint Venture, which has a balance date of 30 June. Unaudited financial statements of the Silverstream Gas Joint Venture have been used in preparing Council's group financial statements.

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Rates collected on behalf of the Greater Wellington Regional Council (GWRC) are not recognised in the financial statements as the Council is acting as an agent for the GWRC.

Revenue from water rates by meter is recognised on an accrual basis. Unbilled usage, as a result of unread meters at yearend, is accrued on an average usage basis.

Government grants

Council receives government grants from the New Zealand Transport Agency, which subsidises part of the costs of maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Provision of services

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Vested assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in Council and group are recognised as revenue when control over the asset is obtained.

Sale of goods

Sales of goods are recognised when a product is sold to the customer. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

Traffic and parking infringements

Traffic and parking infringements are recognised when tickets are issued.

Interest and dividends

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

Development contributions

The revenue recognition point for development and financial contributions is at the later of the point when Council is ready to provide the service for which the contribution was levied, or the event that will give rise to a requirement for a development or financial contribution under the legislation.

Construction contracts

Contract costs are recognised as expenses by reference to the stage of completion of the contract at balance date. The stage of completion is measured by reference to the contract costs incurred up to balance date as a percentage of total estimated costs for each contract.

Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable to the customer under the terms of the contract.

Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense as incurred.

Construction work in progress is stated at the aggregate of contract costs incurred to date.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the Statement of Comprehensive Income.

Income tax

Income tax expense comprises both current tax and deferred tax, and is calculated using tax rates that have been enacted or substantively enacted by balance date.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

I. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surplus will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting surplus nor taxable surplus.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Current tax and deferred tax is charged or credited to the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

Leases

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the Council and group recognises finance leases as assets and liabilities in the Statement of Financial Position at the

lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether Council and group will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown in current liabilities in the Statement of Financial Position.

Debtors and other receivables

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Derivative financial instruments

Council uses derivative financial instruments to manage exposure to foreign exchange and interest rate risks arising from financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

The associated gains or losses of derivatives that are not hedge accounted are recognised in the surplus or deficit.

The Council and group designates certain derivatives as either:

- hedges of the fair value of recognised asset or liabilities or a firm commitment (fair value hedge); or
- hedges of highly probable forecast transactions (cash flow hedge).

The Council and group do not designate its derivative financial instruments as hedging instruments for accounting purposes. Accordingly, derivative financial instruments are reported as fair value through surplus or deficit.

Financial assets

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the Statement of Comprehensive Income.

Purchases and sales of investments are recognised on trade-date, the date on which Council and group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Council classifies its financial assets into the following categories:

- fair value through surplus or deficit;
- loans and receivables;
- held-to-maturity investments and
- fair value through other comprehensive income.

The classification depends on the purpose for which the investments were acquired.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives (e.g. interest rate swaps and options) are also categorised as held for trading unless they are designated as hedges (see above).

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above.

I. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

After initial recognition assets in this class are measured at their fair values with gains or losses recognised in the surplus or deficit.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets. The Council and group loans and receivables comprise cash and cash equivalents, trade and other receivables, term deposits, community and related party loans.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans, including loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council has the positive intention and

ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance date or if the debt instrument is not expected to be realised within 12 months of balance date.

The Council and group includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity; and
- shareholdings that Council holds for strategic purposes.

Council's investments in its subsidiary and associate companies are not included in this category as they are held at cost (as allowed by NZ IAS 27 *Consolidated and Separate Financial Statements* and NZ IAS 28 *Investments in Associates*), whereas this category is to be measured at fair value.

After initial recognition these investments are measured at their fair value, with gains and losses recognised in other comprehensive

income, except for impairment losses, which are recognised in the surplus or deficit.

On derecognition the cumulative gain or loss previously recognised in equity is reclassified and recognised in the surplus or deficit.

Impairment of financial assets

At each balance date Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Statement of Comprehensive Income.

Loans, receivables and term deposits

Impairment of a loan, receivable or term deposit is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, and default payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For trade and other receivables, the carrying amount of the asset is reduced through the use of a provision account, and the amount of the loss is recognised in the Statement of Comprehensive Income. When the receivable is uncollectable, it is written off against the provision account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due). For term deposits impairment losses are recognised directly against the instruments carrying amount.

Quoted and unquoted equity investments

For each equity investment classified as fair value through equity, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment. If such evidence exists for investments at fair value through equity, the cumulative loss (measured as the difference between the acquisition costs and the current fair value, less any impairment loss on that financial asset previously recognised in the Statement of Comprehensive Income) is removed from equity and recognised in the Statement of Comprehensive Income. Impairment losses recognised in the Statement of Comprehensive Income on equity investments are not reversed through the Statement of Comprehensive Income.

Inventory

Inventory (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at the lower of cost, adjusted when applicable, for any loss of service potential. Where inventory is acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

Inventory held for use in the production of goods and services on a commercial basis is valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method. The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

I. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the Statement of Comprehensive Income. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Property, plant and equipment

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

Property, plant and equipment consist of:

Infrastructure assets

The fixed utility systems owned by Council and include resource consents. Each asset type includes all items that are required for the network to function. For example, sewerage reticulation includes reticulation piping and sewer pump stations.

Operational assets

These include land, buildings, landfill post closure, improvements, library books, plant and equipment and collection items.

Restricted assets

Parks and reserves owned by Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Council and group and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Assets under construction are included at cost. The total cost of a project is transferred to the relevant capital class on its completion and then depreciated. Borrowing costs are not capitalised.

Costs incurred in obtaining any resource consents are capitalised as part of the asset to which they relate. If a resource consent application is declined then all capitalised costs are written off.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and group and the cost of the item can be measured reliably.

Council costs that do not meet the criteria for capitalisation, or are below the thresholds of \$1,000 for information technology hardware and \$2,500 for other items, are charged to operating expenditure.

Disposal

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the Statement of Comprehensive Income. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives, except that art, museum collections and land are not depreciated.

I. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Estimated economic lives

The expected useful economic lives have been estimated as follows:

	YEARS	PERCENTAGES
<i>Operational assets</i>		
Buildings:		
- Structure	30 - 100	1 - 3.33
- Roof	40 - 55	1.82 - 2.5
- Services	35 - 55	1.82 - 2.86
- Internal fit-out	15 - 45	2.22 - 6.67
- Plant	30 - 35	2.86 - 3.33
Landfill building assets	50 - 100	1 - 2
Library books	2 - 14	7.14 - 50
Plant and equipment:		
- Office furniture	5 - 20	5 - 20
- Plant	3 - 25	4 - 33.33
- Computer equipment	3 - 5	20 - 33.33
- Playground equipment	5 - 30	3.33 - 20
- Recycling depots	10	10
Wharves	15 - 40	2.5 - 6.67
Landfill plant	20 - 35	2.86 - 5
Breakwaters	100	1
Parking meters	10 - 25	4 - 10
Other collection items	10	10
<i>Infrastructure assets</i>		
Storm, supply and waste water utility assets:		
- Pumping stations	12 - 80	1.25 - 8.33
- Pencarrow outfall tunnels	500	0.2
- Pencarrow outfall other assets	25 - 62	1.61 - 4
- Resource consents	Life of the consent	
- Silverstream river crossing structure	60	1.67
- Storage tanks	15 - 50	2 - 6.67
- Treatment plant	5 - 100	1 - 20
Landfill storm water	100	1
Landfill roading	20 - 100	1 - 5

	YEARS	PERCENTAGES
Roading network:		
- Berms	20	5
- Bridges	80 - 100	1 - 1.25
- Bus shelters	30 - 50	2 - 3.33
- Car parking	8 - 80	1.25 - 12.5
- Culvert and subways	100	1
- Debris fences	25	4
- Footpath walkway	15 - 50	2 - 6.67
- Kerbs and channel	15 - 80	1.25 - 6.67
- Pedestrian crossings	40 - 50	2 - 2.5
- Retaining walls	15 - 100	1 - 6.67
- Roading carriageway	7 - 120	0.83 - 14.29
- Seawalls	60 - 90	1.11 - 1.67
- Speed humps	12 - 50	2 - 8.33
- Street light support	50	2
- Street lights	25	4
- Sumps and leads	80	1.25
- Traffic barriers	10 - 30	3.33 - 10
- Traffic islands	60	1.67
- Traffic signals and signs	5 - 30	3.33 - 20
- Vehicle crossings	80	1.25

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Revaluation

The Council assesses the carrying values of its revalued assets annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset class is revalued.

Land, buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every five years, on the basis described below. All other asset classes are carried at depreciated historical cost.

- Land and buildings have been valued at either optimised depreciated replacement cost or fair value.
- Infrastructure assets have been valued at optimised depreciated replacement cost. The exceptions are:
 - wharves, which are valued at indemnity value, reflecting their minimum residual value
 - traffic signs, which are stated at cost
 - land under roads, which is not revalued (historically they were valued at 45% of the average market value of adjacent land).

I. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

- Landfill assets are valued at depreciated replacement cost.
- Library literary assets are valued at depreciated replacement cost in accordance with draft guidelines released by the New Zealand Library Association and the National Library of New Zealand.
- Collections items are classified into relevant asset classes and are revalued on a cyclical basis.

All revaluations are carried out by independent valuers who specialise in the asset classes listed above. The exception is library literary assets, which are valued by staff with specialist knowledge in this area.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Comprehensive Income. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Statement of Comprehensive Income will be recognised first in the Statement of Comprehensive Income up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Upper Hutt City Council's interest in the bulk wastewater system

The Hutt Valley and Wainuiomata bulk wastewater system is managed by Council. Upper Hutt City Council pays an annual levy to the Hutt City Council based on an apportionment formula equating to between 26% and 33% of the funding requirements. While Upper Hutt City Council does not have legal ownership of the bulk wastewater system, it is entitled to a share of the proceeds from any sale of the assets.

Upper Hutt City Council's interest in the bulk wastewater system assets is deducted from the value of property plant and equipment recognised in the Statement of Financial Position. Funding contributions from Upper Hutt City Council are recognised as revenue in the Statement of Comprehensive Income if the contributions are for the operation of the bulk wastewater system. Funding contributions for capital work are recognised as an increase in Upper Hutt City Council's interest in the bulk wastewater system assets.

Intangible assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs that are directly associated with the development of software for internal use by Council and group, are recognised as an intangible asset.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Easements

Easements are recognised at cost, being the costs directly attributable to bringing the asset to its intended use. Easements have an indefinite useful life and are not amortised, but are instead tested for impairment annually.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation

begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the Statement of Comprehensive Income.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	3 - 5 years	33.33% – 20%
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Impairment of property, plant and equipment and intangible assets

Assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets and cash generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired

and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in Statement of Comprehensive Income, a reversal of the impairment loss is also recognised in the Statement of Comprehensive Income.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at their fair value net of transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless Council and group have an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

I. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Employee entitlements

Short-term benefits

Employee benefits that Council and group expect to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

Council and group recognise a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that Council and group anticipates it will be used by staff to cover those future absences.

Council and group recognise a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long-term benefits

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows.

The discount rate used is the current New Zealand Government long-term bond rate as at 30 June each year, and the inflation rate used is the annual Consumer Price Index. The discount rate is based on Council's long-term cost of funds. The inflation factor is based on the expected long-term increase in remuneration for employees.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the Statement of Comprehensive Income as incurred.

Defined benefit schemes

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme. Further information on this scheme is disclosed in note 6.

Provisions

Council and group recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

Financial guarantee contracts

A financial guarantee contract is a contract that requires Council to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arms length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a provision is recognised based on the probability Council will be required to reimburse a holder for a loss incurred, discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation, however if Council assesses that it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value of the future expenditure.

Landfill post closure costs

As operator of the Silverstream and Wainuiomata landfill sites, Council has an obligation to ensure the ongoing maintenance and monitoring services at these landfill sites after closure. Council also has an obligation to monitor closed landfill sites previously operated by local authorities subsequently amalgamated to form the Hutt City Council.

A site restoration and aftercare provision has been recognised as a liability in the Statement of Financial Position. Provision is made for the present value of closure and post closure costs when the obligation for post closure arises. The calculated cost is based on estimates of closure costs and future site trade waste charges and monitoring costs. The estimated length of time needed for post closure care for Silverstream is 30 years and Wainuiomata is 28 years.

The calculations assume no change in the legislative requirements or technological changes for closure and post closure treatment. The discount rate used is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to Council.

Amounts provided for closure and post closure costs are capitalised to the landfill asset where they give rise to future economic benefits, or if they are incurred to enable future economic benefits to be obtained. The capitalised landfill asset is depreciated over the life of the landfill based on the capacity used.

I. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Equity

Equity is the community’s interest in Council, measured by total assets less total liabilities. Equity is classified into a number of reserves to enable clearer identification of the specified uses that Council makes of their accumulated surpluses. The components of equity are:

- Accumulated funds;
- Council created reserves;
- Restricted reserves;
- Asset revaluation reserves.

Reserves represent a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Council created reserves are established by Council. They may be altered without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

Restricted reserves are subject to specific conditions accepted as binding by Council, which may not be revised by Council without reference to the courts or third party. Transfers from these reserves may be made only for specified purposes or when certain conditions are met.

Goods and services tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables

or payables in the Statement of Financial Position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget figures

The budget figures are those approved by Council, as a separate entity, in the Annual Plan at the beginning of the year after a period of consultation with the public as part of the Community Planning process. The Annual Plan figures do not include budget information relating to the subsidiaries, associates or joint ventures. These figures do not include any additional expenditure subsequently approved by the Council outside the Annual Plan process. The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by Council for the preparation of these financial statements.

Operating statements included in the Statement of Service Performance

The operating statements report the net cost of services for significant activities of Council. Council has derived the net cost of services for each significant activity using the cost allocation system outlined below.

- Direct costs are charged directly to significant activities. Indirect costs are charged to the significant activities based on cost drivers and related activity or usage information.

- Each significant activity has been charged an internal interest cost. The net interest cost incurred by Council is allocated to each significant activity based on the net book value of property, plant and equipment used by the activity.

Critical accounting estimates, judgements and assumptions

In preparing these financial statements Council and group has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Infrastructural assets

There are a number of assumptions and estimates used when performing depreciated replacement cost valuations over infrastructural assets. These include:

- the physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets that are not visible, for example storm water, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;

- estimating any obsolescence or surplus capacity of an asset; and
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Income. To minimise this risk Council’s infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council’s asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers perform the Council’s infrastructural asset revaluations.

Judgments that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the relevant notes. Significant judgements and estimations include landfill post closure costs.

2. RATES REVENUE

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
General rates	56,633	55,134	56,363	54,897
Targeted rate - water supply	11,685	11,192	11,685	11,192
Targeted rate - wastewater	15,956	15,135	15,956	15,135
Targeted rate - recycling	1,180	1,188	1,180	1,188
Uniform annual general charge	-	-	-	-
Total rates revenue	85,454	82,649	85,184	82,412

Rates remissions

Rates revenue is shown net of rates remissions, totalling \$272,000 (2011: \$258,000). The Council's rate remission policy (set out in detail in the LTCCP) allows the Council to remit rates on condition of a ratepayer's extreme financial hardship, land used for sport, a hospital, and land protected for historical or cultural purposes, provided the property is used for community benefit and not for surplus. Rates remissions can also be considered for economic development reasons or where privately owned land is protected for conservation purposes.

Non-rateable land: Under the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. These properties include schools, places of religious worship, public gardens and reserves. These non-rateable properties may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute a remission under the Council's rates remission policy.

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Schools	191	175	191	175
Kindergartens/playcentres	11	10	11	10
Sports bodies	3	3	3	3
Churches	30	29	30	29
Hospitals	18	17	18	17
Economic Development	-	-	-	-
Other	7	6	7	6
Flooding	-	-	-	-
Penalty remissions	12	18	12	18
Total rates remissions	272	258	272	258

3. USER CHARGES, SUBSIDIES RECEIVED AND OTHER REVENUE

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
USER CHARGES				
Rent	1,316	1,279	4,671	4,323
Water by meter	2,013	1,831	2,003	1,818
Parking fees	1,713	1,733	1,713	1,733
Service and entry fees	3,968	3,807	3,968	3,809
Solid waste collection and disposal	8,715	10,695	8,715	10,695
Other user charges	1,157	1,099	1,157	1,099
Regulatory revenue	3,710	3,809	3,710	3,809
Penalties	2,977	2,363	2,977	2,363
Total user charges	25,569	26,616	28,914	29,649
SUBSIDIES RECEIVED				
Operating subsidies	120	140	120	140
New Zealand Transport Agency	7,661	7,119	7,661	7,119
Upper Hutt City Council	2,539	2,400	2,539	2,400
Other government	63	97	63	97
Capital subsidies	459	77	459	77
Total subsidies received	10,842	9,833	10,842	9,833
OTHER REVENUE				
Dividends	-	-	-	-
Vested assets	594	827	594	827
Petrol tax	434	448	434	448
Sale of goods	705	788	914	944
Miscellaneous revenue	2,264	2,363	2,291	2,372
Total other revenue	3,997	4,426	4,233	4,591

There are no unfulfilled conditions or other contingences attached to New Zealand Transport Agency and other subsidies recognised.

4. FINANCE INCOME AND FINANCE COSTS

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Finance revenue				
Interest revenue				
- call and term deposits	79	159	95	161
- related party deposits	179	179	-	-
- community loans	-	-	-	-
Total finance revenue	258	338	95	161
Finance costs				
Interest expense				
- interest on bank borrowings	4,125	4,691	4,535	5,002
- related party borrowings	-	-	-	-
- discount unwind on provisions (note 23)	120	(51)	120	(51)
Fair value gains on hedging instruments				
- fair value hedging instruments	-	-	-	-
- fair value adjustment to bank borrowings	-	-	-	-
Total finance costs	4,245	4,640	4,655	4,951
Net finance costs	3,987	4,302	4,560	4,790

5. GAINS & LOSSES

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Non-financial instruments				
Property, plant and equipment gains/(losses) on disposal	(13)	1,921	798	543
Total non-financial instruments gains/(losses)	(13)	1,921	798	543
Financial instruments				
Fair value through equity investments gains on disposal	-	-	-	-
Gains/(Losses) on held for trading derivative financial instruments:				
- interest rate swaps	(1,975)	(607)	(1,975)	(607)
Ineffectiveness on fair value hedges	-	-	-	-
Total financial instruments gains/(losses)	(1,975)	(607)	(1,975)	(607)
Total gains/(losses)	(1,988)	1,314	(1,177)	(64)

6. EMPLOYEE COSTS

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Salaries and wages	24,674	24,358	25,399	25,060
Redundancy	535	108	535	108
Recruitment costs	141	109	162	109
Training	560	633	563	641
ACC	247	244	258	262
Other employee costs	393	292	401	302
Retiring and Long Service Leave	61	125	62	127
Defined contribution plan employer contributions	310	281	310	281
Increase/(decrease) in employee entitlements/liabilities	(9)	210	(18)	202
Total employee costs	26,912	26,360	27,672	27,092

Employer contributions to defined contribution plans are the contributions to KiwiSaver and other superannuation plans.

7. OPERATING COSTS

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Auditors' fees				
- for auditing the financial statements	150	145	177	176
- for auditing the 2012 Long Term Plan	88	-	88	-
- for auditing the 2009 Long Term Council Community Plan Amendment	2	-	2	-
Audit fees for the financial statements - other auditors	-	-	-	-
Impairment of receivables	(82)	230	(65)	240
Directors' fees	-	-	125	115
Entertainment	44	79	45	80
Grants	1,449	1,351	1,450	1,352
Donations	18	18	18	18
Insurance	1,818	454	1,962	544
Inventories	380	420	381	422
Legal services	462	339	483	373
Other specialist services	3,077	3,278	3,234	3,400
Impairment of property, plant and equipment	-	-	-	-
Impairment of inventory	-	-	950	-
Total remuneration to councillors	719	683	719	683
Minimum lease payments under operating leases	841	827	899	895
Operational contracts	24,849	24,527	24,406	24,163
Maintenance	9,111	10,251	9,563	10,568
GWRC bulk water charges	6,182	5,959	6,182	5,959
Waiwhetu stream flood management plan*	-	(555)	-	(555)
Energy costs	3,083	3,146	3,113	3,167
Other expenses	14,521	11,883	15,063	12,340
Total operating costs	66,712	63,035	68,795	63,940

* 2012 \$nil (2011: As at 30 June 2010 the Council was in dispute with Greater Wellington regional Council over some of the costs associated with the Waiwhetu stream clean up. At that time the extent of any recovery could not be quantified. The Council entered into mediation during the year with respect to these costs. As a result of the mediation the Council was provided with a credit of \$600,000 from greater Wellington regional Council. Council incurred \$45,000 of costs during the year relating to the Waiwhetu stream).

8. TAXATION

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Components of tax expense				
Current tax expense	-	-	-	-
Adjustments to current tax in prior years	-	-	-	-
Deferred tax expense	-	-	31	(620)
Tax expense/(benefit)	-	-	31	(620)
Relationship between tax expense and accounting profit				
Net surplus/(deficit) before tax	(1,609)	2,514	(2,017)	1,037
Tax at 28% (2011 30%)	(451)	754	(565)	311
Plus/(less) tax effect of:				
Non-deductible expenditure	-	-	470	187
Non-taxable income	451	(754)	(238)	(754)
Prior year adjustment	-	(6)	(1)	76
Group loss offset	-	-	6	-
Unrecognised tax losses	-	6	374	6
Tax losses recognised	-	-	-	(747)
Tax rate change	-	-	-	1
Tax losses not previously recognised	-	-	(46)	
Deferred tax adjustment	-	-	31	300
Tax Expense / (Benefit)	-	-	31	(620)

8. TAXATION (CONTINUED)

DEFERRED TAX ASSET/(LIABILITY)	PROPERTY, PLANT AND EQUIPMENT	OTHER PROVISIONS	TAX LOSSES	DEFERRED TAX ASSET/(LIABILITY)
COUNCIL				
Balance at 30 June 2010	-	-	-	-
Charged to income	-	-	-	-
Charged to equity	-	-	-	-
Balance at 30 June 2011	-	-	-	-
Charged to income	-	-	-	-
Charged to equity	-	-	-	-
Change in tax rate	-	-	-	-
Balance at 30 June 2012	-	-	-	-
GROUP				
Balance at 30 June 2010	(2,372)	29	2,343	-
Charged to income	(114)	(13)	747	620
Charged to equity	(620)	-	-	(620)
Balance at 30 June 2011	(3,106)	16	3,090	-
Charged to income	526	11	(568)	(31)
Charged to equity	31	-	-	31
Change in tax rate	-	-	-	-
Balance at 30 June 2012	(2,549)	27	2,522	-

Generally, local authorities are exempt from taxation except for income derived from any Council Controlled Company or port activity per section CW 39 of the Income Tax Act 2007.

The 2010 deferred tax adjustment arose due to the legislation that removed the ability to recover depreciation on residential properties for tax purposes. This affected Council's Urbanplus subsidiary.

Council has unrecognised tax losses available to carry forward of \$3,009,000 (2011: \$3,009,000), with a tax effect of \$842,520 (2011: \$842,520). The losses are available for offset against future assessable income.

The Group has unrecognised tax losses available to carry forward of \$9,148,000 (2011: \$7,817,000), with a tax effect of \$2,561,000 (2011: \$2,189,000). The losses are available for offset against future assessable income.

9. CASH AND CASH EQUIVALENTS

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Cash at bank and on hand	6,430	6,095	6,519	6,119
Term deposits with maturities less than three months	-	-	-	-
Cash and Cash Equivalents	6,430	6,095	6,519	6,119

The carrying value of cash at bank and term deposits with maturities less than three months approximate their fair value.

The total value of cash and cash equivalents within restricted reserves that can only be used for specified purposes, (as outlined in the relevant trust deeds) is \$78,000 (2011: \$77,000), as shown in note 25.

Cash, cash equivalent and bank overdrafts include the following for the purposes of the statement of cash flows.

	NOTE	COUNCIL		GROUP	
		2012 \$000	2011 \$000	2012 \$000	2011 \$000
Cash at bank and on hand		6,430	6,095	6,519	6,119
Term deposits with maturities less than three months		-	-	-	-
Bank overdraft	21.	-	-	-	-
Total		6,430	6,095	6,519	6,119

10. DEBTORS AND OTHER RECEIVABLES

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Rates receivable	4,417	4,533	4,417	4,533
Other receivables:				
- Amounts due from related parties (note 30)	75	163	-	-
- GST receivable	1,535	1,074	1,535	1,074
- Other receivables	6,750	6,029	7,360	6,690
Total other receivables	8,360	7,266	8,895	7,764
Gross debtors and other receivables	12,777	11,799	13,312	12,297
Less provision for impairment	(284)	(292)	(308)	(310)
Total Debtors and Other Receivables	12,493	11,507	13,004	11,987

Fair value

Debtors and other receivables are non-interest bearing and receipts are normally on 30-day terms, therefore the carrying value of debtors and other receivables approximates their fair value.

Impairment

The carrying amount of receivables that would otherwise be past due or impaired, whose terms have been renegotiated is \$nil (2011: \$nil).

The status of receivables as at 30 June is detailed below:

	2012			2011		
	GROSS \$000	IMPAIRMENT \$000	NET \$000	GROSS \$000	IMPAIRMENT \$000	NET \$000
RATES RECEIVABLES						
COUNCIL						
Not past due	-	-	-	-	-	-
Past due 1-60 days	2,373	(14)	2,359	2,661	(12)	2,649
Past due 61-120 days	1,339	-	1,339	775	-	775
Past due >120 days	705	-	705	1,097	-	1,097
Total	4,417	(14)	4,403	4,533	(12)	4,521
GROUP						
Not past due	-	-	-	-	-	-
Past due 1-60 days	2,373	(14)	2,359	2,661	(12)	2,649
Past due 61-120 days	1,339	-	1,339	775	-	775
Past due >120 days	705	-	705	1,097	-	1,097
Total	4,417	(14)	4,403	4,533	(12)	4,521

OTHER RECEIVABLES	2012			2011		
	GROSS \$000	IMPAIRMENT \$000	NET \$000	GROSS \$000	IMPAIRMENT \$000	NET \$000
COUNCIL						
Not past due	8,140	(147)	7,993	7,046	(152)	6,894
Past due 1-30 days	51	-	51	51	-	51
Past due 31-60 days	31	(1)	30	31	(1)	30
Past due >60 days	138	(122)	16	138	(127)	11
Total	8,360	(270)	8,090	7,266	(280)	6,986
GROUP						
Not past due	8,593	(147)	8,446	7,443	(152)	7,291
Past due 1-30 days	70	-	70	78	(2)	76
Past due 31-60 days	41	(4)	37	39	(4)	35
Past due >60 days	191	(143)	48	204	(140)	64
Total	8,895	(294)	8,601	7,764	(298)	7,466
Total Receivables - Council	12,777	(284)	12,493	11,799	(292)	11,507
Total Receivables - Group	13,312	(308)	13,004	12,297	(310)	11,987

The impairment provision has been calculated based on expected losses for the Council's pool of debtors. Expected losses have been determined based on an analysis of the Council's losses in previous periods, and review of specific debtors as detailed below:

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Individual impairment	123	128	147	146
Collective impairment	161	164	161	164
Total provision for impairment	284	292	308	310

Individually impaired receivables have been determined to be impaired because of the significant financial difficulties being experienced by the debtor. An analysis of these individually impaired debtors is as follows:

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Past due 1-30 days	-	-	3	2
Past due 31-60 days	1	1	2	4
Past due > 60 days	122	127	142	140
Total individual impairment	123	128	147	146

10. DEBTORS AND OTHER RECEIVABLES (CONTINUED)

Movements in the provisions for impairment of receivables are as follows:

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
At 1 July	292	318	310	332
Additional provisions made during the year	165	76	201	99
Provisions reversed during the year	(156)	(88)	(175)	(102)
Receivables written-off during the period	(17)	(14)	(28)	(19)
At 30 June	284	292	308	310

The Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

11. DERIVATIVE FINANCIAL INSTRUMENTS

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Current asset portion				
Interest rate swaps - fair value hedges	-	-	-	-
Interest rate swaps - cash flow hedges	-	-	-	-
Interest rate swaps - held for trading	1,122	1,104	1,122	1,104
<i>Total current asset portion</i>	1,122	1,104	1,122	1,104
Non-current asset portion				
Interest rate swaps - fair value hedges	-	-	-	-
Interest rate swaps - cash flow hedges	-	-	-	-
Interest rate swaps - held for trading	-	-	-	-
<i>Total non-current asset portion</i>	-	-	-	-
Total derivative financial instrument assets	1,122	1,104	1,122	1,104
Current liability portion				
Interest rate swaps - fair value hedges	-	-	-	-
Interest rate swaps - held for trading	5,616	3,623	5,616	3,623
Forward foreign exchange contracts - held for trading	-	-	-	-
<i>Total current liability portion</i>	5,616	3,623	5,616	3,623
Non-current liability portion				
Interest rate swaps - held for trading	-	-	-	-
<i>Total non-current liability portion</i>	-	-	-	-
Total derivative financial instrument liabilities	5,616	3,623	5,616	3,623
Total derivative financial instruments	(4,494)	(2,519)	(4,494)	(2,519)

Fair value

The fair value of interest rate swaps has been determined using a discounted cash flows valuation technique based on quoted market prices.

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$62 million (2011: \$62 million) and for the group were \$62 million (2011: \$62 million). At 30 June 2012, the fixed interest rates of cash flow hedges interest rate swaps vary from 3.44% to 7.11% (2011: 3.67% to 7.11%).

12. INVENTORIES

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Commercial inventories held for sale:				
Diesel	-	-	2	4
Inventory	18	42	18	42
Commercial property developments	-	-	1,430	4,424
Total inventories	18	42	1,450	4,470

No inventories are pledged as security for liabilities (2011: \$nil). However, some inventories are subject to retention of title clause.

Commercial inventories are valued at cost, as there are no impairments of the inventories.

13. NON-CURRENT ASSETS HELD FOR SALE

As at 30 June the Council had no assets approved for sale that were openly being marketed (2011: \$nil).

14. PROPERTY, PLANT AND EQUIPMENT

	COST/ VALUATION \$000	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES \$000	CARRYING AMOUNT \$000	CURRENT YEAR ADDITIONS \$000	CURRENT YEAR DISPOSALS \$000	CATEGORY ADJUSTMENTS TO COST \$000	ACCUMULATED DEPRECIATION ON DISPOSALS AND REVALUATION \$000	CURRENT YEAR IMPAIRMENT CHARGES \$000	CATEGORY ADJUSTMENTS TO DEPRECIATION \$000	CURRENT YEAR DEPRECIATION \$000	REVALUATION SURPLUS/ IMPAIR CHARGES TO REVALUATION RESERVES \$000	COST/ VALUATION \$000	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES \$000	CARRYING AMOUNT \$000
COUNCIL 2012														
Operational assets														
Land	41,692	-	41,692	577	-	-	-	-	-	-	(3,660)	38,609	-	38,609
Buildings	68,219	(9,287)	58,932	1,910	-	-	10,583	-	-	(3,186)	(7,514)	62,615	(1,890)	60,725
Landfill Building Assets	5,215	(140)	5,075	15	-	-	176	-	-	(72)	(968)	4,262	(36)	4,226
Library books	6,100	(3,253)	2,847	853	-	-	-	-	-	(677)	-	6,953	(3,930)	3,023
Plant and equipment	19,373	(9,671)	9,702	1,765	(3,086)	(1,015)	4,136	-	(13)	(1,552)	(1,119)	15,918	(7,100)	8,818
Landfill Plant	12,145	(261)	11,884	1,067	-	(47)	346	-	(4)	(179)	(1,447)	11,718	(98)	11,620
Wharves	2,606	(1,822)	784	-	-	-	-	-	-	(56)	-	2,606	(1,878)	728
Breakwaters	5,127	(168)	4,959	-	-	-	195	-	-	(59)	659	5,786	(32)	5,754
	160,477	(24,602)	135,875	6,187	(3,086)	(1,062)	15,436	-	(17)	(5,781)	(14,049)	148,467	(14,964)	133,503
Collection Assets														
Paintings	3,792	-	3,792	10	-	-	-	-	-	-	2,145	5,947	-	5,947
Works on Paper (NZ) & International	1,196	-	1,196	-	-	-	-	-	-	-	(286)	910	-	910
Other Collection Items	2,609	(5)	2,604	30	-	(152)	7	-	-	(2)	250	2,737	-	2,737
Petone Settlers	-	-	-	-	-	151	-	-	-	-	-	151	-	151
Total collections	7,597	(5)	7,592	40	-	(1)	7	-	-	(2)	2,109	9,745	-	9,745
Total operational assets	168,074	(24,607)	143,467	6,227	(3,086)	(1,063)	15,443	-	(17)	(5,783)	(11,940)	158,212	(14,964)	143,248
Infrastructural assets														
Waste water system	253,627	(23,219)	230,408	3,915	-	385	26,507	-	5	(7,942)	(16,551)	241,376	(4,649)	236,727
Less UHCC share in HVS assets	(42,560)	6,491	(36,069)	(522)	-	-	(7,098)	-	-	1,437	-	(43,082)	830	(42,252)
	211,067	(16,728)	194,339	3,393	-	385	19,409	-	5	(6,505)	(16,551)	198,294	(3,819)	194,475
Land	162,539	-	162,539	-	-	-	-	-	-	-	(1,177)	161,362	-	161,362
Landfill Land Asset	2,860	-	2,860	714	-	-	-	-	-	-	452	4,026	-	4,026
Storm water system	159,643	(7,853)	151,790	4,494	-	217	9,191	-	3	(2,785)	13,105	177,459	(1,444)	176,015
Storm water Landfill assets	7,383	(117)	7,266	-	-	-	154	-	-	(128)	(449)	6,934	(91)	6,843
Water supply system	105,587	(8,913)	96,674	2,250	-	461	10,432	-	9	(3,113)	(3,146)	105,152	(1,585)	103,567
Roading network	362,492	(27,700)	334,792	10,677	-	-	32,087	-	-	(9,722)	47,473	420,642	(5,335)	415,307
Roading Landfill Assets	4,265	(116)	4,149	181	-	-	152	-	-	(70)	(718)	3,728	(34)	3,694
Seawalls	3,524	(184)	3,340	-	-	-	216	-	-	(69)	377	3,901	(37)	3,864
Total Infrastructural assets	1,019,360	(61,611)	957,749	21,709	-	1,063	71,641	-	17	(22,392)	39,366	1,081,498	(12,345)	1,069,153
Restricted assets														
Land	111,461	-	111,461	200	-	-	-	-	-	-	(9,959)	101,702	-	101,702
Total Restricted assets	111,461	-	111,461	200	-	-	-	-	-	-	(9,959)	101,702	-	101,702
Joint venture assets														
Share of PPE	158	(115)	43	6	-	-	-	-	-	(15)	-	164	(130)	34
Total joint venture assets	158	(115)	43	6	-	-	-	-	-	(15)	-	164	(130)	34
Total Property, plant and equipment	1,299,053	(86,333)	1,212,720	28,142	(3,086)	-	87,084	-	-	(28,190)	17,467	1,341,576	(27,439)	1,314,137

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	COST/ VALUATION \$000	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES \$000	CARRYING AMOUNT \$000	CURRENT YEAR ADDITIONS \$000	CURRENT YEAR DISPOSALS \$000	CATEGORY ADJUSTMENTS TO COST \$000	ACCUMULATED DEPRECIATION ON DISPOSALS AND REVALUATION \$000	CURRENT YEAR IMPAIRMENT CHARGES \$000	CATEGORY ADJUSTMENTS TO DEPRECIATION \$000	CURRENT YEAR DEPRECIATION \$000	REVALUATION SURPLUS/ IMPAIR CHARGES TO REVALUATION RESERVES \$000	COST/ VALUATION \$000	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES \$000	CARRYING AMOUNT \$000
COUNCIL 2011														
Operational assets														
Land	43,165	-	43,165	-	(1,473)	-	-	-	-	-	-	41,692	-	41,692
Buildings	66,106	(6,175)	59,931	2,652	(539)	-	193	-	-	(3,305)	-	68,219	(9,287)	58,932
Landfill Building Assets	5,215	(70)	5,145	-	-	-	-	-	-	(70)	-	5,215	(140)	5,075
Library books	5,402	(2,567)	2,835	698	-	-	-	-	-	(686)	-	6,100	(3,253)	2,847
Plant and equipment	17,892	(8,237)	9,655	2,063	(35)	(547)	-	-	120	(1,554)	-	19,373	(9,671)	9,702
Landfill Plant	11,535	(82)	11,453	610	-	-	-	-	-	(179)	-	12,145	(261)	11,884
Wharves	2,282	(1,789)	493	324	-	-	-	-	-	(33)	-	2,606	(1,822)	784
Breakwaters	5,128	(112)	5,016	-	-	(1)	-	-	-	(56)	-	5,127	(168)	4,959
	156,725	(19,032)	137,693	6,347	(2,047)	(548)	193	-	120	(5,883)	-	160,477	(24,602)	135,875
Collection Assets														
Paintings	3,781	-	3,781	11	-	-	-	-	-	-	-	3,792	-	3,792
Works on Paper (NZ) & International	1,198	-	1,198	-	-	(2)	-	-	-	-	-	1,196	-	1,196
Other Collection Items	2,578	(4)	2,574	29	-	2	-	-	-	(1)	-	2,609	(5)	2,604
Total collections	7,557	(4)	7,553	40	-	-	-	-	-	(1)	-	7,597	(5)	7,592
Total operational assets	164,282	(19,036)	145,246	6,387	(2,047)	(548)	193	-	120	(5,884)	-	168,074	(24,607)	143,467
Infrastructural assets														
Waste water system	251,598	(15,429)	236,169	2,041	-	(12)	-	-	(68)	(7,722)	-	253,627	(23,219)	230,408
Less UHCC share in HVS assets	(42,216)	5,135	(37,081)	(344)	-	-	-	-	-	1,356	-	(42,560)	6,491	(36,069)
	209,382	(10,294)	199,088	1,697	-	(12)	-	-	(68)	(6,366)	-	211,067	(16,728)	194,339
Land	162,702	-	162,702	176	(339)	-	-	-	-	-	-	162,539	-	162,539
Landfill Land Asset	2,860	-	2,860	-	-	-	-	-	-	-	-	2,860	-	2,860
Storm water system	158,126	(5,211)	152,915	1,517	-	-	-	-	-	(2,642)	-	159,643	(7,853)	151,790
Storm water Landfill assets	7,383	(43)	7,340	-	-	-	-	-	-	(74)	-	7,383	(117)	7,266
Water supply system	104,030	(5,920)	98,110	1,568	-	(11)	-	-	20	(3,013)	-	105,587	(8,913)	96,674
Roading network	353,338	(18,155)	335,183	9,162	-	(8)	-	-	30	(9,575)	-	362,492	(27,700)	334,792
Roading Landfill Assets	4,034	(55)	3,979	231	-	-	-	-	-	(61)	-	4,265	(116)	4,149
Seawalls	3,350	(122)	3,228	173	-	1	-	-	(1)	(61)	-	3,524	(184)	3,340
Total Infrastructural assets	1,005,205	(39,800)	965,405	14,524	(339)	(30)	-	-	(19)	(21,792)	-	1,019,360	(61,611)	957,749
Restricted assets														
Land	112,103	-	112,103	-	(642)	-	-	-	-	-	-	111,461	-	111,461
Total Restricted assets	112,103	-	112,103	-	(642)	-	-	-	-	-	-	111,461	-	111,461
Joint venture assets														
Share of PPE	156	(97)	59	2	-	-	-	-	-	(18)	-	158	(115)	43
Total joint venture assets	156	(97)	59	2	-	-	-	-	-	(18)	-	158	(115)	43
Total Property, plant and equipment	1,281,746	(58,933)	1,222,813	20,913	(3,028)	(578)	193	-	101	(27,694)	-	1,299,053	(86,333)	1,212,720

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	COST/ VALUATION \$000	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES \$000	CARRYING AMOUNT \$000	CURRENT YEAR ADDITIONS \$000	CURRENT YEAR DISPOSALS \$000	CATEGORY ADJUSTMENTS TO COST \$000	ACCUMULATED DEPRECIATION ON DISPOSALS AND REVALUATION \$000	CURRENT YEAR IMPAIRMENT CHARGES \$000	CATEGORY ADJUSTMENTS TO DEPRECIATION \$000	CURRENT YEAR DEPRECIATION \$000	REVALUATION SURPLUS/ IMPAIR CHARGES TO REVALUATION RESERVES \$000	COST/ VALUATION \$000	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES \$000	CARRYING AMOUNT \$000
GROUP 2012														
Operational assets														
Land	41,692	-	41,692	577	-	-	-	-	-	-	(3,660)	38,609	-	38,609
Buildings	68,219	(9,287)	58,932	1,915	-	-	10,583	-	-	(3,186)	(7,514)	62,620	(1,890)	60,730
Landfill Building Assets	5,215	(140)	5,075	15	-	-	176	-	-	(72)	(968)	4,262	(36)	4,226
Library books	6,100	(3,253)	2,847	853	-	-	-	-	-	(677)	-	6,953	(3,930)	3,023
Plant and equipment	19,373	(9,671)	9,702	1,765	(3,086)	(1,015)	4,136	-	(13)	(1,552)	(1,119)	15,918	(7,100)	8,818
Landfill Plant	12,145	(261)	11,884	1,067	-	(47)	346	-	(4)	(179)	(1,447)	11,718	(98)	11,620
Wharves	2,606	(1,822)	784	-	-	-	-	-	-	(56)	-	2,606	(1,878)	728
Breakwaters	5,127	(168)	4,959	-	-	-	195	-	-	(59)	659	5,786	(32)	5,754
Seaview Marina	2,632	(586)	2,046	158	(1)	-	-	-	1	(134)	-	2,789	(719)	2,070
Marina Service Centre	3,623	(89)	3,534	57	-	-	-	-	-	(100)	-	3,680	(189)	3,491
Piers and berths	2,851	(694)	2,157	5	-	-	-	-	(1)	(116)	-	2,856	(811)	2,045
Urbanplus land	9,406	-	9,406	-	-	-	-	(40)	-	-	-	9,406	(40)	9,366
Urbanplus buildings	12,332	-	12,332	384	-	-	-	(71)	-	(791)	-	12,716	(862)	11,854
Urbanplus other assets	10	(6)	4	-	-	-	-	-	-	(1)	-	10	(7)	3
	191,331	(25,977)	165,354	6,796	(3,087)	(1,062)	15,436	(111)	(17)	(6,923)	(14,049)	179,929	(17,592)	162,337
Collection Assets														
Paintings	3,792	-	3,792	10	-	-	-	-	-	-	2,145	5,947	-	5,947
Works on Paper (NZ) & International	1,196	-	1,196	-	-	-	-	-	-	-	(286)	910	-	910
Other Collection Items	2,609	(5)	2,604	30	-	(152)	7	-	-	(2)	250	2,737	-	2,737
Petone Settlers	-	-	-	-	-	151	-	-	-	-	-	151	-	151
Total collections	7,597	(5)	7,592	40	-	(1)	7	-	-	(2)	2,109	9,745	-	9,745
Total operational assets	198,928	(25,982)	172,946	6,836	(3,087)	(1,063)	15,443	(111)	(17)	(6,925)	(11,940)	189,674	(17,592)	172,082
Infrastructural assets														
Waste water system	253,627	(23,219)	230,408	3,915	-	385	26,507	-	5	(7,942)	(16,551)	241,376	(4,649)	236,727
Less UHCC share in HVS assets	(42,560)	6,491	(36,069)	(522)	-	-	(7,098)	-	-	1,437	-	(43,082)	830	(42,252)
	211,067	(16,728)	194,339	3,393	-	385	19,409	-	5	(6,505)	(16,551)	198,294	(3,819)	194,475
Land	162,539	-	162,539	-	-	-	-	-	-	-	(1,177)	161,362	-	161,362
Landfill Land Asset	2,860	-	2,860	714	-	-	-	-	-	-	452	4,026	-	4,026
Storm water system	159,643	(7,853)	151,790	4,494	-	217	9,191	-	3	(2,785)	13,105	177,459	(1,444)	176,015
Storm water Landfill assets	7,383	(117)	7,266	-	-	-	154	-	-	(128)	(449)	6,934	(91)	6,843
Water supply system	105,587	(8,913)	96,674	2,250	-	461	10,432	-	9	(3,113)	(3,146)	105,152	(1,585)	103,567
Roading network	362,492	(27,700)	334,792	10,677	-	-	32,087	-	-	(9,722)	47,473	420,642	(5,335)	415,307
Roading Landfill Assets	4,265	(116)	4,149	181	-	-	152	-	-	(70)	(718)	3,728	(34)	3,694
Seawalls	3,524	(184)	3,340	-	-	-	216	-	-	(69)	377	3,901	(37)	3,864
Total Infrastructural assets	1,019,360	(61,611)	957,749	21,709	-	1,063	71,641	-	17	(22,392)	39,366	1,081,498	(12,345)	1,069,153
Restricted assets														
Land	111,461	-	111,461	200	-	-	-	-	-	-	(9,959)	101,702	-	101,702
Total Restricted assets	111,461	-	111,461	200	-	-	-	-	-	-	(9,959)	101,702	-	101,702
Joint venture assets														
Share of PPE	158	(115)	43	6	-	-	-	-	-	(15)	-	164	(130)	34
Total joint venture assets	158	(115)	43	6	-	-	-	-	-	(15)	-	164	(130)	34
Total Property, plant and equipment	1,329,907	(87,708)	1,242,199	28,751	(3,087)	-	87,084	(111)	-	(29,332)	17,467	1,373,038	(30,067)	1,342,971

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	COST/ VALUATION \$000	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES \$000	CARRYING AMOUNT \$000	CURRENT YEAR ADDITIONS \$000	CURRENT YEAR DISPOSALS \$000	CATEGORY ADJUSTMENTS TO COST \$000	ACCUMULATED DEPRECIATION ON DISPOSALS AND REVALUATION \$000	CURRENT YEAR IMPAIRMENT CHARGES \$000	CATEGORY ADJUSTMENTS TO DEPRECIATION \$000	CURRENT YEAR DEPRECIATION \$000	REVALUATION SURPLUS/ IMPAIR CHARGES TO REVALUATION RESERVES \$000	COST/ VALUATION \$000	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES \$000	CARRYING AMOUNT \$000
GROUP 2011														
Operational assets														
Land	43,165	-	43,165	-	(1,473)	-	-	-	-	-	-	41,692	-	41,692
Buildings	66,106	(6,175)	59,931	2,652	(539)	-	193	-	-	(3,305)	-	68,219	(9,287)	58,932
Landfill Building Assets	5,215	(70)	5,145	-	-	-	-	-	-	(70)	-	5,215	(140)	5,075
Library books	5,402	(2,567)	2,835	698	-	-	-	-	-	(686)	-	6,100	(3,253)	2,847
Plant and equipment	17,892	(8,237)	9,655	2,063	(35)	(547)	-	-	120	(1,554)	-	19,373	(9,671)	9,702
Landfill Plant	11,535	(82)	11,453	610	-	-	-	-	-	(179)	-	12,145	(261)	11,884
Wharves	2,282	(1,789)	493	324	-	-	-	-	-	(33)	-	2,606	(1,822)	784
Breakwaters	5,128	(112)	5,016	-	-	(1)	-	-	-	(56)	-	5,127	(168)	4,959
Seaview Marina	2,323	(492)	1,831	345	(29)	(7)	18	-	19	(131)	-	2,632	(586)	2,046
Marina Service Centre	-	-	-	3,623	-	-	-	-	-	(89)	-	3,623	(89)	3,534
Piers and berths	2,823	(559)	2,264	26	(5)	7	2	-	(19)	(118)	-	2,851	(694)	2,157
Urbanplus land	6,901	-	6,901	141	-	-	-	-	-	-	2,364	9,406	-	9,406
Urbanplus buildings	9,505	(1,695)	7,810	2,886	-	(6)	-	-	4	(577)	2,215	12,332	-	12,332
Urbanplus other assets	4	(1)	3	-	-	6	-	-	(4)	(1)	-	10	(6)	4
	178,281	(21,779)	156,502	13,368	(2,081)	(548)	213	-	120	(6,799)	4,579	191,331	(25,977)	165,354
Collection Assets														
Paintings	3,781	-	3,781	11	-	-	-	-	-	-	-	3,792	-	3,792
Works on Paper (NZ) & International	1,198	-	1,198	-	-	(2)	-	-	-	-	-	1,196	-	1,196
Other Collection Items	2,578	(4)	2,574	29	-	2	-	-	-	(1)	-	2,609	(5)	2,604
Total collections	7,557	(4)	7,553	40	-	-	-	-	-	(1)	-	7,597	(5)	7,592
Total operational assets	185,838	(21,783)	164,055	13,408	(2,081)	(548)	213	-	120	(6,800)	4,579	198,928	(25,982)	172,946
Infrastructural assets														
Waste water system	251,598	(15,429)	236,169	2,041	-	(12)	-	-	(68)	(7,722)	-	253,627	(23,219)	230,408
Less UHCC share in HVS assets	(42,216)	5,135	(37,081)	(344)	-	-	-	-	-	1,356	-	(42,560)	6,491	(36,069)
	209,382	(10,294)	199,088	1,697	-	(12)	-	-	(68)	(6,366)	-	211,067	(16,728)	194,339
Land	162,702	-	162,702	176	(339)	-	-	-	-	-	-	162,539	-	162,539
Landfill Land Asset	2,860	-	2,860	-	-	-	-	-	-	-	-	2,860	-	2,860
Storm water system	158,126	(5,211)	152,915	1,517	-	-	-	-	-	(2,642)	-	159,643	(7,853)	151,790
Storm water Landfill assets	7,383	(43)	7,340	-	-	-	-	-	-	(74)	-	7,383	(117)	7,266
Water supply system	104,030	(5,920)	98,110	1,568	-	(11)	-	-	20	(3,013)	-	105,587	(8,913)	96,674
Roading network	353,338	(18,155)	335,183	9,162	-	(8)	-	-	30	(9,575)	-	362,492	(27,700)	334,792
Roading Landfill Assets	4,034	(55)	3,979	231	-	-	-	-	-	(61)	-	4,265	(116)	4,149
Seawalls	3,350	(122)	3,228	173	-	1	-	-	(1)	(61)	-	3,524	(184)	3,340
Total Infrastructural assets	1,005,205	(39,800)	965,405	14,524	(339)	(30)	-	-	(19)	(21,792)	-	1,019,360	(61,611)	957,749
Restricted assets														
Land	112,103	-	112,103	-	(642)	-	-	-	-	-	-	111,461	-	111,461
Total Restricted assets	112,103	-	112,103	-	(642)	-	-	-	-	-	-	111,461	-	111,461
Joint venture assets														
Share of PPE	156	(97)	59	2	-	-	-	-	-	(18)	-	158	(115)	43
Total joint venture assets	156	(97)	59	2	-	-	-	-	-	(18)	-	158	(115)	43
Total Property, plant and equipment	1,303,302	(61,680)	1,241,622	27,934	(3,062)	(578)	213	-	101	(28,610)	4,579	1,329,907	(87,708)	1,242,199

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Valuation

Operational and restricted land and buildings

At fair value as determined from market-based evidence by an independent valuer. The most recent valuations are as follows: land and buildings was performed by Angela Croad BBS(VPM), MPINZ, of Darroch, and the valuation is effective as at 31 December 2011. Wharves valuation was performed by Ian Macallan & Co Limited as at 30 June 1990.

Landfills

At fair value as determined from market-based evidence by an independent valuer. Wainuiomata and Silverstream landfills were valued by AECOM Limited as at 31 December 2011. The valuer was Colin Gerrard (BSc, MSc, GIPENZ) and was reviewed by Ian Martin (BSc, BE (Hons), CPEng, CEng (UK), MIPENZ, MCIWEM).

Infrastructural assets

At fair value as determined from market-based evidence by an independent valuer. Infrastructure land under roads was valued by Quotable Value New Zealand as at 30 June 2006. The valuer was Kerry Stewart Val Prof Urb MBA. PG Dip Env Auditing, Registered Valuer, ANZIV, SPINZ. Other infrastructure assets were valued by Capacity and independently reviewed by AECOM Limited as at 31 December 2011. The valuer was Colin Gerrard (BSc, MSc, GIPENZ) and was reviewed by Ian Martin (BSc, BE (Hons), CPEng, CEng (UK), MIPENZ, MCIWEM).

Library literary assets

Library literary assets were valued at fair value as determined from market-based evidence by library staff who are specialised in this area as at 30 June 2006.

Collection items

Painting and works on paper were valued as at 31 December 2011 by James Parkinson (MPINZ), Art+Object, cultural and forensic specialists contracted as independent valuers.

Assets held by Subsidiaries

Assets held by Seaview Marina Limited are recorded at deemed cost or actual cost and are not revalued.

Land and buildings assets held by Urbanplus Limited were revalued in 2010/11. Land is valued as vacant and incorporates the influences of size, contour, quality, location, zoning, designation and current and potential usage. Buildings comprising residential dwellings have been valued in relation to market-based evidence. Market rents and capitalisation rates were applied to reflect market value while considering the highest and best use alternatives. The most recent valuation was performed by an independent valuer Kerry Buckeridge B.Agr.Sc, MBA, ANZIV, SPINZ of QV, and the valuation is effective as at 30 June 2011.

15. INTANGIBLE ASSETS

	COST/ VALUATION \$000	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES \$000	CARRYING AMOUNT \$000	CURRENT YEAR ADDITIONS \$000	CURRENT YEAR DISPOSALS \$000	CATEGORY ADJUSTMENTS TO COST \$000	ACCUMULATED DEPRECIATION ON DISPOSALS AND REVALUATION \$000	CURRENT YEAR IMPAIRMENT CHARGES \$000	CATEGORY ADJUSTMENTS TO DEPRECIATION \$000	CURRENT YEAR DEPRECIATION \$000	REVALUATION SURPLUS/ IMPAIR CHARGES TO REVALUATION RESERVES \$000	COST/ VALUATION \$000	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES \$000	CARRYING AMOUNT \$000
COUNCIL														
2012														
Software	12,595	(6,293)	6,302	664	(2,997)	-	2,974	-	-	(1,657)	-	10,262	(4,976)	5,286
	12,595	(6,293)	6,302	664	(2,997)	-	2,974	-	-	(1,657)	-	10,262	(4,976)	5,286
2011														
Software	10,107	(4,633)	5,474	1,910	-	578	-	-	(120)	(1,540)	-	12,595	(6,293)	6,302
	10,107	(4,633)	5,474	1,910	-	578	-	-	(120)	(1,540)	-	12,595	(6,293)	6,302
GROUP														
2012														
Software	12,672	(6,363)	6,309	672	(2,997)	-	2,974	-	-	(1,661)	-	10,347	(5,050)	5,297
	12,672	(6,363)	6,309	672	(2,997)	-	2,974	-	-	(1,661)	-	10,347	(5,050)	5,297
2011														
Software	10,181	(4,698)	5,483	1,913	-	578	-	-	(120)	(1,545)	-	12,672	(6,363)	6,309
	10,181	(4,698)	5,483	1,913	-	578	-	-	(120)	(1,545)	-	12,672	(6,363)	6,309

16. INVESTMENT IN SUBSIDIARIES

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Seaview Marina Limited				
Balance at beginning of the year	2,495	2,495	-	-
New Shares issued	-	-	-	-
Balance at end of the year	2,495	2,495	-	-
Urban Plus Limited				
Balance at beginning of the year	12,050	12,050	-	-
New Shares issued	-	-	-	-
Balance at end of the year	12,050	12,050	-	-
Total investment in subsidiaries	14,545	14,545	-	-

Urban Plus Limited and Seaview Marina Limited are 100% owned subsidiaries.

17. INVESTMENT IN ASSOCIATES

Capacity Infrastructure Services (formerly Wellington Water Management Limited) was jointly created with Wellington City Council on 9 July 2003 and has a balance date of 30 June. The nature of the business is to jointly manage the water services for Lower Hutt and Wellington cities. The two Councils each own Class A and Class B shares in the company.

The Class A shares represent voting rights and are split evenly between the two councils. The Class B shares confer the level of contributions and ownership between each council. Hutt City Council holds 112 Class B shares, and Wellington City Council holds 188. The company is considered to be jointly controlled because of the equal share of voting rights conferred through the Class A shares and is therefore an associate of both Hutt City Council and Wellington City Council in accordance with IAS 28: Investments in Associates. Each Council will equity account for their respective ownership interest as determined by the proportionate value of Class A and Class B shares held. Hutt City Council's ownership interest in the company is 37%.

	SHARES ON ISSUE	HUTT CITY COUNCIL	WELLINGTON CITY COUNCIL
Class A shares (voting entitlements)	300	150	150
Class B shares (financial entitlements)	300	112	188

Capacity is an unlisted company and accordingly there are no published price quotations to determine the fair value of the Council's investment in Capacity.

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Capacity				
Balance at beginning of the year	224	224	104	118
New Shares issued	-	-	-	-
Share of operating surplus / (deficit)	-	-	32	(14)
Balance at end of the year	224	224	136	104

	TOTAL CAPACITY		GROUP SHARE	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Revenue	7,798	7,340	2,885	2,716
Expenditure	7,715	7,378	2,855	2,730
Assets	1,865	1,293	690	478
Liabilities	1,502	1,017	556	376
Surplus (Deficit) before taxation	83	(38)	31	(14)
Taxation (Expense)/ benefit	4	1	1	-
Surplus (Deficit) after taxation	87	(37)	32	(14)

18. OTHER FINANCIAL ASSETS

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
OTHER ASSETS - CURRENT PORTION				
Loan to Seaview Marina (related party note 30)	3,200	-	-	-
Total other assets - current portion	3,200	-	-	-
OTHER ASSETS - NON-CURRENT PORTION				
NZ Local Government Insurance Company	455	234	455	234
Provision for impairment of investment in NZ Local Govt Insurance Co.	(23)	(114)	(23)	(114)
Smartlinx 3 Limited	465	465	465	465
Provision for impairment of investment in Smartlinx 3 Limited	(426)	(426)	(426)	(426)
Community and development loans	18	35	18	35
Provision for impairment of community and development loans	(3)	(3)	(3)	(3)
Loan to Seaview Marina (related party note 30)	-	3,500	-	-
Total other assets - non-current portion	486	3,691	486	191
Total Other Assets	3,686	3,691	486	191

Unlisted shares

The fair value of the unlisted shares held in NZ Local Government Insurance Company has been determined using historical cost.

The fair value of the unlisted shares held in Smartlinx 3 Limited has been determined using the last share issue price.

Impairment

There has been an impairment provision change made on the investment in NZ Local Government Insurance Company due to the financial state of the company. Movements in the provision for impairment of NZ Local Government Insurance Company are as follows:

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
At 1 July	(114)	-	(114)	-
Additional provisions made during the year	-	(114)	-	(114)
Provisions reversed during the year	91	-	91	-
At 30 June	(23)	(114)	(23)	(114)

There has been an impairment provision made on the investment in Smartlinx 3 Limited due to the financial state of the company. Movements in the provision for impairment of Smartlinx 3 Limited are as follows:

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
At 1 July	(426)	(271)	(426)	(271)
Additional provisions made during the year	-	(155)	-	(155)
Provisions reversed during the year	-	-	-	-
At 30 June	(426)	(426)	(426)	(426)

Community and development loans

The fair value of community and development loans is \$4,500 (2011: \$8,750). Fair value has been determined using a financial risk factor of 25% (2011: 25%).

The face value of community and development loans is \$18,000 (2011: \$35,000).

Impairment

There have been impairments provisions made on community and development loans due to the financial risks of the payees. Movements in the provision for impairment of community and development loans are as follows:

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
At 1 July	(3)	(30)	(3)	(30)
Additional provisions made during the year	-	-	-	-
Provisions reversed during the year	-	27	-	27
Loans written-off during the period	-	-	-	-
At 30 June	(3)	(3)	(3)	(3)

19. JOINT VENTURE

Council has a 7% participating interest in the Silverstream Gas Joint Venture. The principal activity of the joint venture is converting gas from the Silverstream landfill, owned by the Council, into electricity for the Hutt Valley, also reducing the emissions of gas.

The joint venture's unaudited results for the year ended 30 June 2012 are included in these Financial Statements under the classifications shown below:

SHARE OF ASSETS EMPLOYED	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Share of revenue	53	66	53	66
Share of expenses	(70)	(61)	(70)	(61)
Share of net surplus / (deficit)	(17)	5	(17)	5
Share of property, plant and equipment	35	42	35	42
Share of accounts receivable	13	12	13	12
Share of accounts payable	(14)	(3)	(14)	(3)
Total share of assets employed	34	51	34	51

There were no capital commitments, contingent assets or contingent liabilities owing at balance date (2011: \$nil)

20. CREDITORS AND OTHER PAYABLES

Creditors and other payables are non-interest bearing and are normally settled on 30 day terms, therefore the carrying value of creditors and other payables approximate their fair value.

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Trade and other payables	9,215	7,630	9,215	7,630
Deposits and bonds	287	288	289	290
Accrued expenses	7,304	6,198	7,378	6,305
Amounts due to related parties (note 30)	-	-	-	-
Rates in advance	998	1,210	998	1,210
Amounts due to customers for contract work	1,172	1,007	1,172	1,007
Total creditors and other payables	18,976	16,333	19,052	16,442

21. BORROWINGS

These are loans raised by Council for its various activities and projects. The details are:

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Current portion				
Bank overdraft	-	-	-	-
Secured loans - Current	26,835	37,958	37,335	50,558
Total current portion	26,835	37,958	37,335	50,558
Non-current portion				
Secured loans - Non-current	50,018	40,035	50,018	40,035
Total non-current portion	50,018	40,035	50,018	40,035
Total borrowing	76,853	77,993	87,353	90,593

Term Liability Maturity Profile

	INTEREST COST		COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Years of Maturity						
Under 1 year	1,008	1,903	26,835	37,958	37,335	50,558
1 to 2 years	433	48	10,015	17	10,015	17
2 to 3 years	705	448	20,001	10,015	20,001	10,015
3 to 4 years	461	936	10,001	20,001	10,001	20,001
4 to 5 years	193	33	-	1	-	1
Over 5 years	1,325	1,323	10,000	10,001	10,000	10,001
Total borrowings	4,125	4,691	76,853	77,993	87,353	90,593

Secured loans

The Council's debt of \$77 million (2011: \$78 million) is issued at a range of maturities in accordance with the borrowing policy, at interest rates ranging from 2.61% to 7.11% (2011: 2.63% to 7.05%).

21. BORROWINGS (CONTINUED)

Security

A debenture trust deed has been established and Perpetual Trust Limited appointed as Trustee. All borrowing, other than \$35,000, (2011: \$102,000) is secured by a charge overall rating in favour of the Trustee.

Council has a \$25 million (2011: \$25 million) wholesale advance facility, this expires on 30 September 2012. A new revolving cash advance facility for a total of \$20 million was signed on 28 September 2012. As at 30 June a total of \$nil (2011: \$nil) had been drawn against this facility. The facility is secured under the Debenture Trust Deed.

22. EMPLOYEE ENTITLEMENTS

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Current portion				
Accrued Salaries and Wages	478	387	478	387
Time in lieu	30	40	40	40
Annual leave	1,754	1,844	1,794	1,895
Long Service Leave	65	90	67	93
Sick Leave	65	65	65	65
Total current portion	2,392	2,426	2,444	2,480
Non-current portion				
Long Service Leave	12	28	32	28
Retirement gratuities	846	814	846	832
Total non-current portion	858	842	878	860
Total employee entitlements	3,250	3,268	3,322	3,340

23. PROVISIONS

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Provision for landfill aftercare	4,910	4,820	4,910	4,820
Financial guarantees	-	-	-	-
Total Provisions	4,910	4,820	4,910	4,820

Movements in provision

	LANDFILL AFTERCARE	
	2012 \$000	2011 \$000
Balance at beginning of the year	4,820	4,893
Discount unwinding	120	(51)
Amounts charged to provision during the period	(31)	(22)
Balance at end of the period	4,910	4,820

Landfill aftercare costs

The Council has resource consents to operate the Silverstream and Wainuiomata landfills. The Council has responsibility under the resource consent for the closure of the landfill and to provide ongoing maintenance and monitoring of the landfill after the sites are closed. Closure responsibilities include final cover and application of vegetation, completing facilities for leachate collection, water quality and gas monitoring. The management of the landfills will influence the timing of recognition of some liabilities.

Council currently operates two landfills, Silverstream (stage 1 and 2) and Wainuiomata. The first phase of stage 2 of the Silverstream landfill began receiving refuse in April 2010, stage 1 closed in February 2011. The stage 2 landfill is consented to be developed progressively with a total estimated airspace of 5.3 million cubic metres. The estimated available airspace in the completed section of the landfill is 85,000 cubic metres (2011: 109,000 cubic metres). Airspace usage is currently approximately 124,000 cubic metres per annum including cover material and an allowance for settlement. The life of stage two, which has been operating for two years, is projected to be approximately 40 years. The Wainuiomata landfill is expected to close on 31 December 2012 57,000 cubic metres, (2011: 110,000). Council is also monitoring gas, leachate, and water for five closed landfills identified as potential risks.

The cash outflows for the closed landfills at Silverstream stage 1 and Wainuiomata are expected to continue for at least twenty to thirty years. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted at a rate of 6% (2011: 6%). The accounting treatment of this provision is described in detail in the Statement of Accounting Policies.

24. OTHER LIABILITIES

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
OTHER LIABILITIES - CURRENT PORTION				
Accrued interest expenses	339	300	372	300
Third party funds	199	202	199	202
Miscellaneous current liabilities	812	758	816	761
Income earned in advance	1,994	1,441	2,130	2,135
Development contributions	546	541	546	541
Total other liabilities - current portion	3,890	3,242	4,063	3,939
OTHER LIABILITIES - NON-CURRENT PORTION				
Total other liabilities - non-current portion	-	-	-	-
Total other liabilities	3,890	3,242	4,063	3,939

25. EQUITY

	NOTE	COUNCIL		GROUP	
		2012 \$000	2011 \$000	2012 \$000	2011 \$000
ACCUMULATED FUNDS					
Balance at beginning of the year		743,039	748,152	741,884	747,854
Interest allocated to reserves		(428)	(401)	(436)	(401)
Transfers from property revaluation reserves on disposal		-	351	-	351
Other transfers to reserves		(5,177)	(8,748)	(2,006)	(8,748)
Transfers from reserves		5,269	1,778	852	1,778
Net surplus/(deficit) after tax		(1,609)	2,514	(2,048)	1,657
Items from other comprehensive income		(1,975)	(607)	(1,975)	(607)
Balance at end of the year		739,119	743,039	736,271	741,884
COUNCIL CREATED RESERVES					
Balance at beginning of the year		17,684	10,314	17,684	10,314
Transfers to accumulated funds		(5,262)	(1,778)	(852)	(1,778)
Transfers from accumulated funds		5,177	8,749	2,006	8,749
Interest earned		426	399	434	399
Balance at end of the year		18,025	17,684	19,272	17,684

	NOTE	COUNCIL		GROUP	
		2012 \$000	2011 \$000	2012 \$000	2011 \$000
RESTRICTED RESERVES*					
Balance at beginning of the year		77	76	77	76
Transfers to accumulated funds		(7)	-	-	-
Transfers from accumulated funds		-	(1)	-	(1)
Interest earned		2	2	2	2
Balance at end of the year	9.	72	77	79	77
ASSET REVALUATION RESERVES					
Balance at beginning of the year		388,305	388,656	392,264	388,656
Changes in asset value		-	-	(110)	4,579
Valuation gains/(losses) taken to equity		101,740	(351)	101,740	(351)
Deferred tax on revaluation		-	-	-	(620)
Balance at end of the year		490,045	388,305	493,894	392,264
Asset revaluation reserves consist of:					
Operational Assets					
Library books		706	706	706	706
Buildings		16,017	13,717	18,161	15,931
Land		9,110	22,735	10,815	24,480
Collections		2,484	137	2,484	137
Infrastructure Assets					
Land		74,256	65,017	74,256	65,017
Wastewater		75,755	72,823	75,755	72,823
Stormwater		86,666	64,666	86,666	64,666
Water		36,708	29,405	36,708	29,405
Road		140,715	61,512	140,715	61,512
Restricted Assets					
Land		47,628	57,587	47,628	57,587
Total		490,045	388,305	493,894	392,264
Total other reserves		508,142	406,066	513,245	410,025
Total Equity		1,247,261	1,149,105	1,249,516	1,151,909

* Restricted reserves relate to bequests and trust money for a specific purpose.

26. RECONCILIATION OF SURPLUS AFTER TAX WITH CASH FLOWS FROM OPERATING ACTIVITIES

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Surplus after tax	(1,609)	2,514	(2,048)	1,657
<i>Add/(less) non-cash items:</i>				
Depreciation and amortisation	29,847	29,234	30,993	30,155
Share of associates (surplus)/deficit	-	-	(32)	14
Net bad debts/impairment expense	(82)	230	(65)	220
Impairment of inventory	-	-	1,122	-
Landfill provision	90	(73)	90	(73)
Vested assets	(594)	(827)	(594)	(827)
Transfer from assets under construction to expenses	-	-	-	-
Income tax expense	-	-	31	(620)
<i>Add/(less) movements in working capital:</i>				
(Increase)/decrease in accounts receivable and other assets	(877)	2,200	1,127	1,020
Increase/(decrease) in creditors	308	(4,911)	275	(5,929)
Increase in provisions and other liabilities	630	335	106	445
<i>Add/(less) items classified as investing activities:</i>				
(Gain)/loss on sale of property, plant and equipment and other movements	13	(1,921)	(798)	(543)
Net cash in flows from operating activities	27,726	26,781	30,207	25,519

27. FINANCIAL INSTRUMENTS RISKS

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
FINANCIAL ASSETS				
Fair value through profit and loss – Held for trading				
Derivative financial instrument assets	1,122	1,104	1,122	1,104
	1,122	1,104	1,122	1,104
Loans and receivables				
Cash and cash equivalents	6,430	6,095	6,519	6,119
Debtors and other receivables	12,493	11,507	13,004	11,987
Other financial assets:				
- Community and development loans	18	35	18	35
- Loans to related parties	3,200	3,500	-	-
Total loans and receivables	22,141	21,137	19,541	18,141
Held to maturity				
Other financial assets:				
- NZ Local Government Insurance Company	432	120	432	120
- local authority stock	-	-	-	-
Total held to maturity	432	120	432	120
Fair value through equity				
Other financial assets:				
- local authority stock	-	-	-	-
- unlisted shares	39	39	39	39
- listed shares	-	-	-	-
Total fair value through equity	39	39	39	39
Total financial assets	23,734	22,400	21,134	19,404
FINANCIAL LIABILITIES				
Fair value through profit and loss – Held for trading				
Derivative financial instrument liabilities	5,616	3,623	5,616	3,623
	5,616	3,623	5,616	3,623
Financial liabilities at amortised cost				
Trade Creditors and other payables	18,976	16,333	19,052	16,442
Borrowings:				
- bank overdraft	-	-	-	-
- secured loans	76,853	77,993	87,353	90,593
Total financial liabilities at amortised cost	95,829	94,326	106,405	107,035
Total financial liabilities	101,445	97,949	112,021	110,658

27. FINANCIAL INSTRUMENTS RISKS (CONTINUED)

The Council has a series of policies to manage the risks associated with financial instruments. The Council is risk averse and seeks to minimise exposures from its treasury activities. The Council has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

Market Risk

Price risk

Price risk is the risk the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. The Council is exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through equity. This price risk arises due to market movements in listed securities. The price risk is managed by diversification of the Council’s investment portfolio in accordance with the limits set out in the Council’s Investment Policy.

Currency risk

Currency risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate due to changes in foreign exchange rates. As at 30 June the Council does not have any foreign currency risk (2011: \$nil).

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings and investments issued at fixed rates of interest expose the Council to fair value interest rate risk. The Council’s Liability Management Policy is to maintain approximately between 55% and 95% of its borrowings in fixed rate instruments. Fixed to floating interest rate swaps are entered into to hedge the fair value interest rate risk arising where the Council has borrowed at fixed rates in excess of the policy target range.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows of a financial instrument will fluctuate because of changes in market interest rates. Borrowing and investments issued at variable interest rates expose the Council to cash flow interest rate risk.

Generally, the Council raises long-term borrowings at floating rates and swaps them into fixed rates using interest rate swaps in order to manage the cash flow interest rate risk. Such interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates that are generally lower than those available if the Council borrowed at fixed rates directly. Under the interest rate swaps, the Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

Credit Risk

Credit risk is the risk that a third party will default on its obligation to the Council, causing the Council to incur a loss. Due to the timing of its cash flows and outflows, the Council at times invests surplus cash into bank and term deposits which gives rise to credit risk.

The Council Investment Policy limits the amount of credit exposure to any one financial institution or organisation. The group only invest funds with entities that have a Standard and Poor’s credit rating of at least A- for short term and A- for long-term investments.

The Council has no collateral or other credit enhancements for financial instruments that give rise to credit risk.

Financial instruments which potentially subject the group to credit risk principally consist of cash and/or cash equivalents, trade and other receivables, other assets, financial guarantees and interest rate swaps and options.

The maximum exposure to credit risk:

	NOTE	COUNCIL		GROUP	
		2012 \$000	2011 \$000	2012 \$000	2011 \$000
Cash, cash equivalents and term deposits	9.	6,430	6,095	6,519	6,119
Debtors and other receivables	10.	12,493	11,507	13,004	11,987
Other assets	18.	471	159	471	159
Community and development loans	18.	15	32	15	32
Loans to related parties	18.	3,200	3,500	-	-
Financial guarantees	32.	268	297	268	297
Derivative financial instrument assets (interest rate swaps and options)	11.	1,122	1,104	1,122	1,104
Total credit risk		23,999	22,694	21,399	19,698

The maximum exposures shown above are net of any recognised provisions for losses on these financial instruments. Council and the group hold security for certain amounts included in trade and other receivables and other assets.

27. FINANCIAL INSTRUMENTS RISKS (CONTINUED)

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
COUNTERPARTIES WITH CREDIT RATINGS				
Cash at bank and term deposits				
AA	6,430	6,095	6,519	6,119
Total cash at bank and term deposits	6,430	6,095	6,519	6,119
Derivative financial instrument assets				
AA	1,122	1,104	1,122	1,104
Total derivative financial instrument assets	1,122	1,104	1,122	1,104
COUNTERPARTIES WITHOUT CREDIT RATINGS				
Community and related party loans				
Existing counterparty with no defaults in the past	3,200	3,500	-	-
Existing counterparty with defaults in the past	18	35	18	35
Total community, development and related party loans	3,218	3,535	18	35

Debtors and other receivables mainly arise from the Council's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. The Council has no significant concentrations of credit risk in relation to debtors and other receivables, as it has a large number of credit customers, mainly ratepayers, and the Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Liquidity Risk

Management of liquidity risk

Liquidity risk is the risk that the Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, and the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Council aims to maintain flexibility in funding by keeping committed credit lines available.

The Council manages its borrowings in accordance with its funding and financial policies. These policies have been adopted as part of the Council's Long Term Council Community Plan. The Council has a policy to maintain the overdraft facility to below \$250,000 at any one time, and has undrawn credit facilities totalling \$25 million (2011: \$25 million).

Contractual maturity analysis of financial liabilities

The table on page 132 analyses the Council's financial liabilities into the relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest payments on floating rate debt are based in the floating rate on the instrument at balance date. The amounts disclosed are contractual undiscounted cash flows. Financial guarantees are included in the time band containing the earliest date they can be called upon.

27. FINANCIAL INSTRUMENTS RISKS (CONTINUED)

	CARRYING AMOUNT \$000	CONTRACTUAL CASH FLOWS \$000	LESS THAN 1 YEAR \$000	BETWEEN 1-3 YEARS \$000	BETWEEN 3-5 YEARS \$000	GREATER THAN 5 YEARS \$000
COUNCIL 2012						
Trade Creditors and other payables	9,215	9,215	9,215	-	-	-
Net settled derivative liabilities	-	-	-	-	-	-
Bank overdraft	-	-	-	-	-	-
Secured loans	76,853	83,665	29,330	33,396	10,888	10,052
Finance leases	-	-	-	-	-	-
Financial guarantees	268	268	268	-	-	-
Total	86,336	93,148	38,813	33,396	10,888	10,052
GROUP 2012						
Trade Creditors and other payables	9,215	9,215	9,215	-	-	-
Net settled derivative liabilities	-	-	-	-	-	-
Bank overdraft	-	-	-	-	-	-
Secured loans	87,353	83,665	29,330	33,396	10,888	10,052
Finance leases	-	-	-	-	-	-
Financial guarantees	268	268	268	-	-	-
Total	96,836	93,148	38,813	33,396	10,888	10,052
COUNCIL 2011						
Trade Creditors and other payables	7,630	7,630	7,630	-	-	-
Net settled derivative liabilities	-	-	-	-	-	-
Bank overdraft	-	-	-	-	-	-
Secured loans	77,993	85,211	40,233	13,519	21,407	10,052
Finance leases	-	-	-	-	-	-
Financial guarantees	297	297	297	-	-	-
Total	85,920	93,138	48,160	13,519	21,407	10,052
GROUP 2011						
Trade Creditors and other payables	7,630	7,630	7,630	-	-	-
Net settled derivative liabilities	-	-	-	-	-	-
Bank overdraft	-	-	-	-	-	-
Secured loans	90,593	97,922	52,944	13,519	21,407	10,052
Finance leases	-	-	-	-	-	-
Financial guarantees	297	297	297	-	-	-
Total	98,520	105,849	60,871	13,519	21,407	10,052

Contractual maturity analysis of financial assets

The table below analyses the Council's financial assets into the relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

	CARRYING AMOUNT \$000	CONTRACTUAL CASH FLOWS \$000	LESS THAN 1 YEAR \$000	BETWEEN 1-3 YEARS \$000	BETWEEN 3-5 YEARS \$000	GREATER THAN 5 YEARS \$000
COUNCIL 2012						
Cash and cash equivalents	6,430	6,430	6,430	-	-	-
Debtors and other receivables	12,493	12,493	12,493	-	-	-
Net settled derivative assets	-	-	-	-	-	-
Other financial assets:						
- community and development loans	15	18	13	5	-	-
- loans to related parties	3,200	3,200	3,200	-	-	-
Total	22,138	22,141	22,136	5	-	-
GROUP 2012						
Cash and cash equivalents	6,519	6,519	6,519	-	-	-
Debtors and other receivables	13,004	13,004	13,004	-	-	-
Net settled derivative assets	-	-	-	-	-	-
Other financial assets:						
- community and development loans	15	18	13	5	-	-
- loans to related parties	-	-	-	-	-	-
Total	19,538	19,541	19,536	5	-	-
COUNCIL 2011						
Cash and cash equivalents	6,095	6,095	6,095	-	-	-
Debtors and other receivables	11,507	11,507	11,507	-	-	-
Net settled derivative assets	-	-	-	-	-	-
Other financial assets:						
- community and development loans	32	35	15	20	-	-
- loans to related parties	3,500	3,500	-	3,500	-	-
Total	21,134	21,137	17,617	3,520	-	-

27. FINANCIAL INSTRUMENTS RISKS (CONTINUED)

	CARRYING AMOUNT \$000	CONTRACTUAL CASH FLOWS \$000	LESS THAN 1 YEAR \$000	BETWEEN 1-3 YEARS \$000	BETWEEN 3-5 YEARS \$000	GREATER THAN 5 YEARS \$000
GROUP 2011						
Cash and cash equivalents	6,119	6,119	6,119	-	-	-
Debtors and other receivables	11,987	11,987	11,987	-	-	-
Net settled derivative assets	-	-	-	-	-	-
Other financial assets:						
- community and development loans	32	35	15	20	-	-
- loans to related parties	-	-	-	-	-	-
Total	18,138	18,141	18,121	20	-	-

Sensitivity analysis

The tables below illustrate the potential surplus and deficit and equity (excluding retained earnings) impact for reasonably possible market movements, with all other variables held constant, based on the Council's financial instrument exposure at balance date.

	2012 \$000				2011 \$000			
	-100BPS		+100BPS		-100BPS		+100BPS	
INTEREST RATE RISK	PROFIT	OTHER EQUITY	PROFIT	OTHER EQUITY	PROFIT	OTHER EQUITY	PROFIT	OTHER EQUITY
COUNCIL								
Financial assets								
Cash and cash equivalents	-	-	-	-	-	-	-	-
Derivatives held for trading	(1,965)	-	1,849	-	(1,945)	-	1,818	-
Financial liabilities								
Borrowing:								
- short term loans	270	-	(270)	-	380	-	(380)	-
- term loans	400	-	(400)	-	300	-	(300)	-
Total sensitivity to interest rate risk	(1,295)	-	1,179	-	(1,265)	-	1,138	-

	2012 \$000				2011 \$000			
	-100BPS		+100BPS		-100BPS		+100BPS	
INTEREST RATE RISK	PROFIT	OTHER EQUITY	PROFIT	OTHER EQUITY	PROFIT	OTHER EQUITY	PROFIT	OTHER EQUITY
GROUP								
Financial assets								
Cash and cash equivalents	-	-	-	-	-	-	-	-
Derivatives held for trading	(1,965)	-	1,849	-	(1,945)	-	1,818	-
Financial liabilities								
Borrowing:								
- short term loans	375	-	(375)	-	506	-	(506)	-
- term loans	400	-	(400)	-	300	-	(300)	-
Total sensitivity to interest rate risk	(1,190)	-	1,074	-	(1,139)	-	1,012	-

Explanation of sensitivity analysis

Derivative net financial assets and derivatives held for trading include interest rate swaps with a fair value liability totalling \$4,494,000 (2011 liability: \$2,519,000). A movement in interest rates of plus 1% has an effect of \$1,849,000 (2011: \$1,818,000) on the unrealised value of the derivatives and on realised receipts on the derivatives during the period of \$670,000 (2011: \$670,000).

No equity instruments are held.

Short term loans

Council has short term floating rate debt with a principal amount totalling \$26 million (2011: \$38 million). A movement in interest rates of plus or minus 1% has an effect on interest expense of \$260,000 (2011: \$380,000).

Term loans

Council has term floating rate debt with a principal amount totalling \$50 million (2011: \$30 million). A movement in interest rates of plus or minus 1% has an effect on interest expense of \$500,000 (2011: \$300,000). A movement in market interest rates on fixed rate debt \$10.0 million (2011: \$10.1 million) does not have any impact because secured loans are accounted for at amortised value using the effective interest method.

27. FINANCIAL INSTRUMENTS RISKS (CONTINUED)

Fair value hierarchy disclosures

For those instruments recognised at fair value on the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) - Financial instruments with quoted prices for identified instruments in active markets
- Valuation technique using observable inputs (level 2) - Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) - Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value on the Statement of Financial Position.

	2012				2011			
	VALUATION TECHNIQUE			TOTAL	VALUATION TECHNIQUE			TOTAL
	LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3	
QUOTED MARKET PRICE \$000	OBSERVABLE INPUTS \$000	SIGNIFICANT NON-OBSERVABLE INPUTS \$000		QUOTED MARKET PRICE \$000	OBSERVABLE INPUTS \$000	SIGNIFICANT NON-OBSERVABLE INPUTS \$000		
COUNCIL								
Financial assets								
Derivatives		1,122		1,122		1,104		1,104
Shares			471	471			159	159
Financial liabilities								
Derivatives		5,616		5,616		3,623		3,623
GROUP								
Financial assets								
Derivatives		1,122		1,122		1,104		1,104
Shares			471	471			159	159
Financial liabilities								
Derivatives		5,616		5,616		3,623		3,623

Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation of the opening balance to the closing balance for the level 3 fair value measurements:

	2012 \$000	2011 \$000
Balance at 1 July	159	428
Gain and losses recognised in the surplus or deficit	-	(269)
Gain and losses recognised in other comprehensive income	-	-
Purchases	221	-
Sales	-	-
Transfers into level 3	-	-
Transfers out of level 3	-	-
Balance at 30 June	380	159

28. REMUNERATION

Chief Executive

The Chief Executive received the following remuneration:

	2012				2011			
	SALARY \$	MOTOR VEHICLE \$	POST EMPLOYMENT BENEFITS \$	TOTAL REMUNERATION \$	SALARY \$	MOTOR VEHICLE \$	POST EMPLOYMENT BENEFITS \$	TOTAL REMUNERATION \$
Chief Executive	324,316	10,782	6,486	341,584	312,856	10,457	6,257	329,570

28. REMUNERATION (CONTINUED)

Elected Representatives

Elected representatives received the following remuneration:

MAYOR AND COUNCILLORS	2012			2011		
	COUNCIL	GROUP TOTAL		COUNCIL	GROUP TOTAL	
	REMUNERATION \$	DIRECTOR FEES \$	TOTAL REMUNERATION \$	REMUNERATION \$	DIRECTOR FEES \$	TOTAL REMUNERATION \$
WR Wallace (Mayor from Oct 10)	122,679	-	122,679	91,510	-	91,510
D Bassett (Deputy Mayor from Oct 10)	60,034	-	60,034	50,972	-	50,972
L Bridson**	44,907	-	44,907	29,395	-	29,395
MJ Cousins	57,672	-	57,672	46,476	-	46,476
A Finlayson	52,562	14,960	67,522	48,107	7,192	55,299
VR Jamieson	52,281	12,467	64,748	54,462	5,994	60,456
K Laban**	44,907	-	44,907	29,395	-	29,395
M Lulich**	44,907	-	44,907	33,891	-	33,891
G McDonald	44,907	-	44,907	42,254	-	42,254
C Milne**	44,907	12,467	57,374	35,432	5,994	41,426
MJ Shierlaw	51,644	-	51,644	46,271	-	46,271
RW Styles (Deputy Mayor to Oct 10)	52,581	14,960	67,541	50,256	14,961	65,217
M Willard**	44,907	-	44,907	35,432	-	35,432
DK Ogden (Mayor to Oct 10)*	-	-	-	31,536	-	31,536
JMK Baird*	-	-	-	14,751	7,768	22,519
BG Branch*	-	-	-	12,827	-	12,827
R Day*	-	-	-	15,547	-	15,547
D Hislop*	-	-	-	14,751	-	14,751
Total	718,895	54,854	773,749	683,265	41,909	725,174

Remuneration to Councillors includes annual salary payments and resource consent hearing fees.

An election was held in 2010 a number of Councillors did not stand or were not re-elected as denoted by * (to 18 October 2010) and new elected representatives are denoted with ** (from 18 October 2010).

Meeting attendance of elected representatives

MEETING	COUNCIL	POLICY	CITY & INFRASTRUCTURE	FINANCE & AUDIT	CITY DEVELOPMENT	COMMUNITY PLAN	HUTT VALLEY SERVICES
Number of meetings held	18	6	8	9	6	6	4
WR Wallace	17	3	5	4	5	6	3
D Bassett	17	6	1*	9	6	5	
L Bridson	17	6	7		6	5	
MJ Cousins	18	4		8		6	
A Finlayson	17		8			6	3
VR Jamieson	16	6	8	9		6	
K Laban	15	5	8		5	5	
M Lulich	17		8	9	6	6	
G McDonald	15	6				6	4
C Milne	12			7	5	5	3
MJ Shierlaw	17		8	8	6	6	
RW Styles	15	5		7	6	6	
M Willard	18	3	6		3	5	

* Attended as Acting Mayor

Note: Where no number is shown, the councillor is not a member of that committee.

Employee remuneration

THE NUMBER OF EMPLOYEES EARNING OVER \$100,000 PER ANNUM.	COUNCIL		GROUP	
	2012	2011	2012	2011
Salary range				
\$320,000 - \$329,999	1	-	1	-
\$310,000 - \$319,999	-	1	-	1
\$210,000 - \$219,999	1	-	1	1
\$200,000 - \$209,999	-	-	-	-
\$190,000 - \$199,999	1	-	1	-
\$180,000 - \$189,999	-	2	-	2
\$160,000 - \$169,999	-	1	-	1
\$150,000 - \$159,999	1	-	1	-
\$140,000 - \$149,999	4	4	4	4
\$130,000 - \$139,999	2	1	3	1
\$120,000 - \$129,999	7	5	7	5
\$110,000 - \$119,999	5	6	6	6
\$100,000 - \$109,999	5	7	5	8
	27	27	29	29

No other employees earn over \$100,000 per annum.

29. SEVERANCE PAYMENTS

Severance payments include any consideration (monetary or non-monetary) provided to any employee in respect of the employee's agreement to the termination of their employment with Council.

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Severance payments	32	118	32	118
Number of employees	1	3	1	3

30. RELATED PARTIES TRANSACTIONS

The Council is the ultimate parent of the group and controls two entities, being Urbanplus Limited (formerly Hutt Holdings Limited) and Seaview Marina Limited, and has significant influence over Capacity Infrastructure Services (formerly Wellington Water Management Limited) as an associate.

Related Party Transactions with Subsidiaries, Associates, and Joint Venture:

With Seaview Marina Limited (the Marina)

For the year ended 30 June 2012, the Council charged Seaview Marina Limited accountancy fees \$20,000 (2011: \$4,000), legal fees \$nil (2011: \$4,000), building and resource consents \$1,243 (2011: \$4,705), interest expense \$164,258 (2011: \$175,749) and rates and water \$100,434 (2011: \$89,433).

The total loan from the Council to the Marina outstanding at 30 June 2012 amounted to \$3,200,000 (2011: \$3,500,000) and total advances from the Council to the Marina outstanding at 30 June 2012 amounted to \$75,879 (2011: \$76,634). Borrowings from Hutt City Council are issued at the 3 month BKBM FRA Rate plus a margin of 200 basis points. The maximum amount to be advanced at any time during the term of loan shall not exceed \$3,500,000.

With Urbanplus Limited (Urbanplus)

At 30 June Council owed Urbanplus \$687 (2011: Urbanplus owed Council \$89,260). Interest is charged on outstanding advances at market rates, the net interest paid to Hutt City Council from Urbanplus was \$813 (2011: \$2,398).

During the year Urbanplus paid to the Council \$180,107 (2011: \$169,112) for rates and water, \$45,000 (2011: \$45,000) management fee for services, \$nil (2011: \$166,579) for building and resource consents and \$nil (2011: \$4,062,500) for the purchase of land. The Council paid to Urbanplus \$509,950 (2011: \$471,155) for property services and project management.

As at 30 June Urbanplus has no commitments to Hutt City Council (2011: \$nil).

With Capacity Infrastructure Services (Capacity)

As at 30 June 2012 Council owed Capacity \$421,000 (2011: \$261,000).

As at 30 June 2012 Capacity owed Council \$nil (2011: \$nil).

During the year Capacity paid \$45,000 (2011: \$48,000) to the Council, for services provided.

During the year the Council paid \$1,701,000 (2011: \$1,475,000) to Capacity, for professional services, and \$2,409,000 (2011: \$2,615,000) for City Care Services.

During the year Capacity paid directors fees to Councillor David Bassett \$15,000 (2011: \$7,500, from January 2011) and Mayor Ray Wallace \$nil (2011: \$7,500, retired December 2010).

With Silverstream Gas Joint Venture

During the year the Gas Joint Venture paid \$83,840 for goods and services (2011: \$nil).

Transactions with Key Management Personnel

Key management personnel include the Chief Executive, members of the strategic leadership team, the Mayor and Councillors.

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
KEY MANAGEMENT PERSONNEL COSTS				
Salary and other short term benefits	1,873	2,083	2,171	2,457
Post-employment benefits	16	17	25	21
Other long-term benefits	-	-	-	-
Termination benefits	32	-	32	-
Total key management personnel costs	1,921	2,100	2,228	2,478

During the year Councillors and key management personnel, as part of a normal customer relationship, engaged in minor transactions with Council (such as payment of rates, purchase of rubbish bags, etc). Except for the transactions listed below, and items of trivial nature, no other Councillors or key management personnel entered into any related party transactions with the group. All services supplied to Council were on normal commercial terms.

30. RELATED PARTIES TRANSACTIONS (CONTINUED)

The Mayor, Ray Wallace is an owner and director of Your Local Business Directory Limited. The Council made payments of \$nil (2011: \$895) during the year.

Councillor Margaret Willard and community board member David Elliot are directors of Development Wainuiomata Incorporated. The Council made payments of \$10,764 (2011: \$13,481) for cleaning services in Wainuiomata. The Mayor, Ray Wallace was a former director in 2011.

Councillors David Bassett and Ken Laben are elected members of the Hutt Valley District Health Board. The Council made payments of \$6,607 (2011: \$nil) during the year. The Council received \$185,240 for water charges and venue hire (2011: \$105,372 for the DHB's share of election costs, building consent fees and water charges).

Councillor Ken Laben is an elected member of the Hutt Mana Charitable Trust. In 2011 the Council received \$46,007 for the Trust's share of election costs, no payments were received in 2012. He is also a director of the Wellington Rugby Football Union and Te Omanga Hospice, and chairman of Hutt City Sports Awards and during the year Council made payments of, respectively, \$5,141 for hire fees, \$5,595 for tickets to fundraising dinner and \$1,500 for tickets to the awards dinner.

Councillor David Bassett is a director and shareholder of Tour New Zealand Limited. During the year Council received \$nil (2011: \$33 for displaying brochures). Council paid \$3,500 for promotions (2011: \$nil).

Councillor Chris Milne is a director on the Seaview Marina Board and is a consultant of Zeald Limited, and during the year the Marina purchased services to the value of \$9,527 (2011: \$nil). He is also a partner in Arcadia Associates, and during the course of the year services to the value of \$690 (2011: \$nil) were purchased.

Councillor Margaret Cousins is a Trustee of the Hutt Council of Social Services. The Council made payments of \$40 (2011: \$80 for membership), and received \$nil (2011: \$110 for venue hire).

Councillor Max Shierlaw and community board member Peter-Clinton Foese are trustees of Hutt Valley Youth Health Trust. The Council made payments of \$4,654 (2011: \$9,750) to Hutt Valley Youth Health Trust as a contribution to programmes. \$1,235 was outstanding as at 30 June 2012.

Community board members Peter-Clinton Foese, Heather Robb and Terry Stallworth are staff members of Hutt City Council.

Community board member Karl Dickson is the deputy chairman of the Wainuiomata Community Centre and a board member of the Hutt City Kindergarten Association. The Council made payments of \$59,237 (2011: \$70,582) to the Wainuiomata Community Centre as a contribution to running the community house and \$nil to the Hutt City Kindergarten Association (2011: \$1,645 for environmental sustainability grant).

Community committee member Leigh Sutton is the owner of River Side Media publishers. The Council made payments of \$11,466 (2011: \$7,887) for document publishing and advertising/ column space in various local publications.

Community committee member Fred Allen is the managing director of Kiwi Plants Limited. The Council made payments of \$nil (2011: \$6,472) for plants. There is a balance owed by Council to Kiwi Plants of \$nil (2011: \$31,053) outstanding for unpaid invoices at year-end.

Community committee member Dina Awarau is the chairperson of the Taita Community Trust and Port Nicholson Block Settlement Trust. The Council made payments of \$59,237, (2011: \$nil) and \$46,000 (2011: \$20,000), respectively, for services under service level agreement and grants.

Community committee member (from April 2012) Robert Ashe is board member of The Family Centre. During the year the Council made payments of \$9,545 in grants.

Community committee member Ephraim Gazo is the secretary and youth project co-ordinator of the Hutt Multicultural Council Incorporated. During the year Council made payments of \$3,460 in grants and donations.

Community committee member Barbara Branch is employed by the Hutt Valley Chamber of Commerce as the CBD retail co-ordinator. During the year the Council made payments of \$333,520 (2011: \$301,404) for service delivery, retail co-ordinator and attendance at Chamber events and workshops. There is a balance of \$6,212 (2011: \$nil) outstanding for unpaid invoices at year-end.

There are close family members of key management personnel and community board members employed by the Council and group. The terms and conditions of those arrangements are no more favourable than the Council and group would have adopted if there were no relationship to key management or community boards.

During the year Smartlinx 3 Limited paid \$nil (2011: \$nil) to the Council for the use of storage and the Council paid \$55,000 (2011: \$43,000) to Smartlinx 3 Limited for the provision of broadband, security and WIFI services. There is a balance of \$81,000 (2011: \$26,000) outstanding for unpaid invoices at year-end.

31. CAPITAL COMMITMENTS AND OPERATING LEASES

Capital Commitments

Commitments for capital expenditure contracted, but not provided for:

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Property, plant and equipment	3,513	7,725	3,513	7,790
Intangible assets	-	-	-	-
Investment property	-	-	-	-
Total capital commitments	3,513	7,725	3,513	7,790

There are no capital commitments in relation to the Council’s interest in the Silverstream Gas Joint Venture.

Operating Leases As Lessee

The Council leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months. The future aggregate minimum leases payments payable under non-cancellable leases are as follows:

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Not later than one year	547	568	579	601
Later than one year and not later than five years	612	760	622	790
Later than five years	-	-	-	-
Total non-cancellable operating leases	1,159	1,328	1,201	1,391

The total minimum future sublease payments expected to be received under non-cancellable subleases at balance date is \$nil (2011: \$nil).

Leases can be renewed at the Council’s option, with rents set by reference to current market rates for items of equivalent age and condition. The Council does not have the option to purchase the asset at the end of the lease term.

There are no restrictions placed on the Council by any of the leasing arrangements.

Operating Leases as Lessor

The Council leases property under operating leases. The majority of these leases have a non-cancellable term of 36 months, with the exception of housing leases that have a non-cancellable term of 22 working days. The future aggregate minimum leases payments payable under non-cancellable leases are as follows:

	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Not later than one year	-	-	252	209
Later than one year and not later than five years	-	-	316	471
Later than five years	-	-	-	10
Total operating leases as lessor	-	-	568	690

No contingent rents have been recognised in the Statement of Comprehensive Income during the period.

32. CONTINGENCIES

CONTINGENT LIABILITIES	COUNCIL		GROUP	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Financial guarantees	268	297	268	297
Waste water	4,983	5,276	4,983	5,276
Other legal proceedings	316	250	316	250
Total contingent liabilities	5,567	5,823	5,567	5,823

Guarantees

The value of financial guarantees disclosed as contingent liabilities reflects the Council’s assessment of the undiscounted portion of financial guarantees that are not recognised in the Statement of Financial Position. The Council has recognised \$nil (2011: \$nil) financial guarantees in the Statement of Financial Position.

Waste water

Council has entered into a cancellable contract for the operation of the wastewater treatment plant and associated facilities. The remaining term of the contract is 9 years and payments are calculated based on volume. The contingent liability is calculated based on the minimum payments due under the contract in the event of cancellation, using a discount factor of 6% (2011: 6%).

32. CONTINGENCIES (CONTINUED)

Other legal proceedings

No information has been disclosed as any disclosure may seriously prejudice the outcome.

Unquantified claims

The Council is a participating employer in the Defined Benefit Plan contributors Scheme (the scheme), which is a multi-employer defined benefit scheme. If the participating employers cease to participate in the scheme, the Council could be responsible for any deficit of the scheme. Similarly, if a number of employers cease to participate in the scheme, the Council could be responsible for an increased share of any deficit.

Joint venture contingent liabilities

There are no contingent liabilities associated with the Silverstream Gas Joint Venture (2011: \$nil).

Associate's contingent liabilities

There are no contingent liabilities associated with the Capacity associate (2011: \$nil).

Contingent assets

The Council operates a system whereby community services and sports clubs are able to construct facilities (e.g. club rooms) on reserve land. The community services and clubs control the use of these facilities and the Council will only gain control of the asset if the community service/club vacates the facility, no other organisation is willing to purchase the facility and it is not removed (per the lease agreement). Until these events occur these assets are not recognised as assets in the Statement of Financial Position.

33. MAJOR BUDGET VARIATIONS

Explanations for major variations from Council's budgeted figures in the 2011/2012 Annual Plan are as follows:

The Statement of Comprehensive Income discloses the financial performance of Council and the group for the financial year ended 30 June 2012. The statement shows the operating revenue and expenditure as well as other transactions that have impacted on the Council's and the group's wealth. The following are the significant variances:

- Council made a deficit after tax of \$1.609 million compared with a budgeted surplus after tax of \$1.74 million. The operating result was therefore \$3.349 million worse than budget.
- Revenue of \$126.12 million is lower than budget of \$130.672 million with less user fees and charges, mainly in solid waste and environmental management activities.

- Expenditure of \$127.729 million is lower than budget of \$128.932 million, across all expenditure classes. This resulted from holding staff numbers, good management of operating costs, interest rates being held lower for longer than budgeted, and depreciation lower with the capital works programme not fully completed.
- Other Comprehensive Gains and Losses:
 - o Council revalued its property and infrastructure assets as at 31 December 2011 resulting in a gain on revaluation of \$102 million.
 - o A loss of \$1.975 million was incurred in the fair value of interest rate swaps. The Council had budgeted a gain of \$0.800 million in the expectation of a rise in interest rates over the year.

The Statement of Financial Position (that is what council own and owe) is as at 30 June 2012 (the end of each financial year). The following are significant variances in the Statement of Financial Position:

- Property plant and equipment is \$107 million higher than budget mainly due to a revaluation of assets at 31 December 2011. This has also increased net equity by a similar amount.
- Cash and cash equivalents is \$6 million higher than budget due to the timing of the last rates instalment for the year.
- Net debt ended the year at \$67.4 million compared to a budgeted position of \$60 million due to less asset sales taking place, lower revenues from landfills and payments related to leaky home settlements.

The following are significant variances in the Statement of Cashflows:

- Net cash from operating activities is lower than budget due to less revenue from user fees and charges related to landfills and consents.
- Net cash from investing is comparable to budget.
- Net cash from financing is lower than budget due to less loans repaid than budgeted. Reduced asset sales and less cash from user fees and charges contributed to this variance.

Explanations for further budget variations are shown at the end of the financial performance statement for each activity.

34. CAPITAL MANAGEMENT

The Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are managed largely as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long Term Council Community Plan (LTCCP) to meet the expenditure needs identified in those plans. And the Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTCCP.

Hutt City Council has the following Council created reserves:

- reserves for different areas of benefit
- self insurance reserves
- trust and bequest reserves

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to Trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

35. EVENTS AFTER THE BALANCE SHEET DATE

On 31 August 2012 Council sold its 7% interest in the Silverstream Gas Joint Venture. There have been no other significant events after balance date.

APPENDICES

HUTT CITY PROFILE

Hutt City (geographical name Lower Hutt) is located at the southern end of the North Island of New Zealand. It is the second largest city in the Wellington region and borders onto the capital city, Wellington. The city has an area of around 38,000 hectares and over 40 kilometres of coastline. Hutt City has a vitality and uniqueness that is enhanced by its beautiful natural setting – a combination of hills, valleys, rivers and the sea. This setting offers residents the best of both worlds – the facilities and services provided by a major urban centre, as well as a central location for residents to enjoy a variety of outdoor pursuits.

Hutt City – A Summary Profile

Land area	37,998 hectares
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Population Statistics from NZ Census 2006:

<i>Population</i>	
Northern Ward	15,288
Eastern Ward	16,923
Western Ward	14,256
Central Ward	16,788
Wainuiomata Ward	17,214
Harbour Ward	17,232
Total population	97,701
<i>Number of households</i>	
Northern Ward	5,259
Eastern Ward	6,180
Western Ward	5,196
Central Ward	6,450
Wainuiomata Ward	5,802
Harbour Ward	6,837
Total households	35,724
<i>Age</i>	
Under 15	22.9%
15 to 24	13.7%
25 to 44	29.1%
45 to 64	23.4%
65 and over	10.9%
<i>Ethnicity</i>	
European	65.0%
Maori	17.0%
Pacific Peoples	11.0%
Asian	9.0%
Middle Eastern, Latin American and African	1.0%
Other	10.0%

Hutt City Assets

Total council assets as at 30 June 2012	\$1,360,756,000
Area of parks and reserves	5,305 hectares
Number of swimming pools	6
Number of libraries	8
Length of roads	480 km
Length of footpaths	728 km
Number of street lights	13,618
Length of wastewater pipes	681 km
Length of stormwater pipes	548 km
Length of water pipes	683 km
Rating system	Capital
Rateable properties	38,776
Average rates per residential ratepayer	\$1,815
Rateable capital value of the city (30 June 2012)	\$17,886,570,850

Climate

- Temperature: mean daily maximum temperature of 22°C in January and 12°C in July
- Sunshine hours: around 2,000 hours of sunshine per year
- Rainfall: 1,300 - 1,350 mm of rainfall per year
- Wind: predominant wind 50% of the time is from between the north and west, and 30% of the time from between the southeast and southwest.

DEFINITIONS

These definitions are intended to define terms used in this Annual Report in plain English. For legal definitions see the Local Government Act 2002.

Annual Plan

A plan that describes the activities of the local authority, with a particular focus on the financial year for which the document is produced.

Appropriation/Appropriated

Money that has been set aside from, or brought into, an operating or revenue account.

Asset

Something of value that Council owns on behalf of the people of Hutt City, such as roads, drains, parks and buildings.

Asset Management Plan

A long term plan for managing an asset to ensure that its capacity to provide a service is kept up and costs over the life of the asset are kept to a minimum.

Capital Expenditure

Expenditure that will increase the value of Council's assets.

Capital Value

Value of land including any improvements.

Community Boards

Local elected bodies set up under the Local Government Act. Community boards are consulted by Council and can represent community concerns to Council. Hutt City Council has three community boards: Eastbourne, Petone and Wainuiomata.

Community Committees

Local committees set up by Council. Community committees are consulted by Council and can represent community concerns to Council. Hutt City Council had four community committees: Central, Western, Northern and Eastern.

Community Outcome

An outcome for the community that is identified as a priority.

Council-Controlled Organisations (CCOs)

Companies in which Council is at least 50% shareholder that independently manage facilities and deliver services and undertake developments on behalf of the Hutt City community. Where necessary, Council funds these organisations.

Council-Controlled Trading Organisations (CCTOs)

CCTOs that operate a trading undertaking for the purpose of making a profit.

Employee Costs

Expenditure on staff. This includes wages, salaries and related taxes, training and recruitment costs. Remuneration of elected and appointed representatives is also included under this heading.

Financial Year

Council's financial year runs from 1 July to 30 June of the following year.

Forecast Financial Statement

This is a 10-year plan for Council's revenue and expenditure, cash flows, and borrowing programme.

Land Value

Value of land, excluding any improvements.

Local Government Act 2002

The key legislation that defines the powers and responsibilities of local authorities like Hutt City Council.

Long Term Plan or Long Term Council Community Plan (LTP or LTCCP)

A plan that describes the activities of the local authority, the community outcomes and long term focus for the decisions and activities of the local authority.

Maintenance Costs

Expenditure in relation to repairs and maintenance of Council's assets.

Mana Whenua

People with the mana of the land.

Operating Expenditure

Expenditure for the normal services of Council.

Operating Projects

Significant projects that do not result in the creation of Council assets.

Performance Measure

A measure that shows how well Council is doing in achieving the goals it has set for itself.

Port Nicholson Block Settlement Trust

A Trust established in August 2008 to receive and manage the settlement package for Taranaki Whanui ki Te Upoko o Te Ika who can whakapapa to Wellington at 1840.

Rates

Funds collected by Council from levies on property. These are based on the capital value of the property but the term is often used to also include Targeted Rates.

Significance

Degree of importance of the issue, proposal, decision or matter as assessed by the local authority in terms of its likely consequences for the current and future social, economic, environmental or cultural wellbeing of the community.

Significant Activities

The Annual Plan lists 18 separate significant activities that fall within five groups of activities.

Supplier Costs

Expenditure for the purchase of general goods and services.

Support Costs

The internal allocation of expenditure incorporated in the Managing Services activity.

Taonga

A highly prized resource.

Targeted Rates

Any rate levied other than the general rate, which is targeted at users of a service such as water supply, wastewater and the Jackson Street Programme.

Te Atiawa

Local tangata whenua with inherited land ownership and kinship to Northern Taranaki Te Atiawa.

Te Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui

A representative Maori Council made up from local tangata whenua and representing the eight Taranaki tribes within the Wellington region.

User Charges

Income to Council through fees paid by those who use specific services provided by Council.

Wellington Tenths Trust

Local tangata whenua with inherited land ownership in Wellington and Hutt Valley and kinship to Northern Taranaki Te Atiawa.

SOURCE OF INFORMATION FOR LEVEL OF ACHIEVEMENT

Our Annual Report indicates the source of information for each performance measure in the interests of improving accountability and transparency. A more detailed discussion of the main sources of information is provided below.

NRB Communitrak Survey

The National Research Bureau Limited undertakes these annual surveys for participating local authorities. The results also include national and peer group comparisons. Hutt City Council has commissioned these surveys since 1994. Our Communitrak survey utilises 500 telephone interviews, 100 more than the standard Communitrak survey, to ensure adequate representation from each ward. Randomised sampling methods are used to access residents over the age of 18 and weightings are applied to reflect the ward, gender and age proportions of the area. The maximum margin of error at the 95% level of confidence for Hutt City Council's survey is +/- 4% and the maximum level of significant difference at the 95% level of confidence is 6%. These maximums for the margin of error and significant difference will occur when the sample is split 50/50 on an issue. The level of achievement in terms of measuring satisfaction levels is calculated after excluding the responses of those unable to comment on the specific service being measured.

Management Reports

Management reports encompass a range of documentation and records, such as reports from internal service providers to asset managers and reports from contractors to managers. Quality assurance in the level of performance of Council is very important. For infrastructural renewal and capital programmes, management reports include quality assurance procedures such as certificates of completion verified by third parties. These certificates confirm that the appropriate technical standards and specifications have been met. For all regulatory services, ISO systems and procedures provide quality assurance in service delivery and achievement reporting. Internal and external audits also form part of Council's quality assurance programmes.

Best Workplaces Survey

We participate in the annual Kenexa Best Workplaces Survey, formerly known as the John Robertson & Associates' Best Places to Work Survey. This survey provides Council with important information on how staff view Council, and how this compares with other organisations.

CONTACT DETAILS

Mayor and Councillors

	TELEPHONE	MOBILE	EMAIL
Mayor			
Ray Wallace, JP	570 6846	-	ray.wallace@huttcity.govt.nz
Deputy Mayor			
David Bassett, JP	566 4929	021 135 9391	david.bassett@huttcity.govt.nz
Councillors			
Lisa Bridson	569 4690	021 879 468	lisa.bridson@huttcity.govt.nz
Margaret Cousins, JP	586 2135	-	margaret.cousins@huttcity.govt.nz
Angus Finlayson, QSM, JP	566 5046	027 445 3035	angus.finlayson@huttcity.govt.nz
Ross Jamieson, JP	562 7231	027 442 7319	ross.jamieson@huttcity.govt.nz
Ken Laban	971 8982	029 200 0044	ken.laban@huttcity.govt.nz
Michael Lulich	977 3166	021 030 4561	michael.lulich@huttcity.govt.nz
Gwen McDonald	563 7212	027 454 0546	gwen.mcdonald@huttcity.govt.nz
Chris Milne	586 3890	027 442 2708	chris.milne@huttcity.govt.nz
Max Shierlaw	589 3669	027 260 6852	max.shierlaw@huttcity.govt.nz
Roger Styles	934 3270	027 480 0072	roger.styles@huttcity.govt.nz
Margaret Willard	973 1378	027 363 2967	margaret.willard@huttcity.govt.nz

Community Board Members

	TELEPHONE	MOBILE	EMAIL
EASTBOURNE COMMUNITY BOARD			
Derek Wilshere CHAIR	562 7920	027 430 3596	derek.wilshere@huttcity.govt.nz
Virginia Horrocks DEPUTY CHAIR	562 8381	021 230 8210	virginia.horrocks@huttcity.govt.nz
Robert Ashe	562 0293	027 499 0409	robert.ashe@huttcity.govt.nz
Sarah Crawford	-	-	sarah.crawford@huttcity.govt.nz
Murray Gibbons	562 8567	021 236 1099	murray.gibbons@huttcity.govt.nz
PETONE COMMUNITY BOARD			
Gerald Davidson CHAIR	938 3723	-	gerald.davidson@huttcity.govt.nz
Mason Branch DEPUTY CHAIR	569 1270	027 480 0365	mason.branch@huttcity.govt.nz
Richard Cole	586 1113	-	richard.cole@huttcity.govt.nz
Mike Fisher	976 7322	021 252 1773	mike.fisher@huttcity.govt.nz
Peter Foese	586 2945	0274 610 376	peter.foese@huttcity.govt.nz
Tui Lewis	970 5159	021 271 6249	tui.lewis@huttcity.govt.nz
WAINUIOMATA COMMUNITY BOARD			
Terry Stallworth CHAIR	-	0272 749 511	terry.stallworth@huttcity.govt.nz
Karl Dickson DEPUTY CHAIR	564 9001	0274 341 682	karl.dickson@huttcity.govt.nz
Campbell Barry	564 5590	0272 160 364	campbell.barry@huttcity.govt.nz
David Elliott	973 2239	021 284 1494	david.elliott@huttcity.govt.nz
Heather Robb	564 8577	-	heather.robb@huttcity.govt.nz
Samantha Scott	564 4196	-	samantha.scott@huttcity.govt.nz

Community Committee Members

	TELEPHONE	MOBILE	EMAIL
CENTRAL COMMUNITY COMMITTEE			
Sue Lafrentz CHAIR	567 0856	021 058 1088	sue.lafrentz@huttcity.govt.nz
Alison McKone DEPUTY CHAIR	973 0977	027 693 4028	alison.mckone@huttcity.govt.nz
Glenda Barratt	976 8500	021 128 9377	glenda.barratt@huttcity.govt.nz
Matt Renata	938 0300	027 323 4683	matt.renata@huttcity.govt.nz
EASTERN COMMUNITY COMMITTEE			
Ted Heslin CHAIR	567 7753	-	ted.heslin@huttcity.govt.nz
Michael Ellis DEPUTY CHAIR	577 3877	-	michael.ellis@huttcity.govt.nz
Barbara Branch	565 3303	027 485 9101	barbara.branch@huttcity.govt.nz
Ephraim Gazo	970 4473	021 053 5628	ephraim.gazo@huttcity.govt.nz
NORTHERN COMMUNITY COMMITTEE			
Leigh Sutton CHAIR	563 5184	027 306 8362	leigh.sutton@huttcity.govt.nz
Dina Awarau DEPUTY CHAIR	567 6414	027 224 5824	dina.awarau@huttcity.govt.nz
Fred Allen	934 0559	027 222 2100	fred.allen@huttcity.govt.nz
Leole Malama	567 5073	027 368 6587	leole.malama@huttcity.govt.nz
WESTERN COMMUNITY COMMITTEE			
Rick Mooney CHAIR	586 1895	021 742 596	rick.mooney@huttcity.govt.nz
Pete Matcham DEPUTY CHAIR	565 1083	021 525 849	pete.matcham@huttcity.govt.nz
Jill Berridge, JP	566 8781	021 488 682	jill.berridge@huttcity.govt.nz
Linda Brewer	565 0248	021 246 8334	linda.brewer@huttcity.govt.nz

Strategic Leadership Team

	POSITION	TELEPHONE	EMAIL
Tony Stallinger	Chief Executive	570 6773	tony.stallinger@huttcity.govt.nz
Joycelyn Foo	General Manager Governance & Regulatory	570 6736	joycelyn.foo@huttcity.govt.nz
Kim Kelly	General Manager Strategic Services	570 6949	kim.kelly@huttcity.govt.nz
Matt Reid	General Manager Community Services	570 6878	matt.reid@huttcity.govt.nz
Bruce Sherlock	General Manager City Infrastructure	570 6833	bruce.sherlock@huttcity.govt.nz

Hutt City Council

Address:	Administration Building, 30 Laings Road, Lower Hutt
Postal Address:	Private Bag 31 912, Lower Hutt 5040
Telephone:	570 6666
	0800 HUTT CITY
<i>After Hours</i>	
Emergencies:	570 6666
Facsimile:	569 4290
Email:	contact@huttcity.govt.nz
Website:	www.huttcity.govt.nz
War Memorial Library	
Address:	Cnr Queens Drive & Woburn Road, Lower Hutt
Telephone:	570 6633
Eastbourne Community Library	
Address:	Rimu Street, Eastbourne
Telephone:	562 8042
Moera Community Library	
Address:	Cnr Randwick Road & Randwick Crescent, Moera
Telephone:	568 4720
Naenae Community Library	
Address:	Hillary Court, Naenae
Telephone:	567 2859
Petone Community Library	
Address:	Britannia Street, Petone
Telephone:	568 6253
Stokes Valley Community Library	
Address:	Scott Court, Stokes Valley
Telephone:	562 9050
Taita Community Library	
Address:	Taine Street, Taita
Telephone:	567 2767
Wainuiomata Community Library	
Address:	Queen Street, Wainuiomata
Telephone:	564 5822