

*We Are*  
**PROUD**

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We are proud to present  
Hutt City Council's  
Annual Report for the  
2013-14 financial year.



**Ray Wallace**  
Mayor

**Tony Stallinger**  
Chief Executive



This Report outlines our ongoing work to deliver our vision of Hutt City as a great place to live, work and play. A key focus over the past 12 months has been on how we will deliver this vision, and we have developed four key strategies for this.

**We are developing our Infrastructure Strategy, which will cover a period of at least 30 years** and provide us with the opportunity to look at significant issues, risks, opportunities and costs to utilities such as roads and water networks over time. In anticipation of this strong focus on network resilience, substantial background work has gone into developing our resilience related projects. This includes plans to complete our long term Bridge Strengthening Programme as well as the strengthening of retaining walls below Eastern Hutt Road through Taita Gorge.



**The Urban Growth Strategy to 2032 outlines our plans for growth and development in the city.** The Strategy was adopted in March and includes new ideas and bold proposals for at least doubling the current rate of housing growth in Hutt City. Our Economic Development Incentive policies support the Urban Growth Strategy by offering remittance of rates on particular developments. We saw an increase of 82% on the previous year in remitted rates for residential and commercial developments, showing that the desired growth is occurring.



**The Environmental Sustainability Strategy is being reviewed with the aim of taking a longer-term approach to issues affecting the environment.** Our Environmental Sustainability Strategy encompasses all our community outcomes, with corporate sustainability, waste management, recycling and environmental protection being primary subjects. A number of initiatives have been introduced that complement this Strategy with a key focus being on sustainable methods and approaches in schools. Hutt City is already home to 13 Enviroschools, supported by facilitators who work with each school to map out paths towards becoming more sustainable. This year this initiative was extended to kindergartens across the region.



**The Leisure and Wellbeing Strategy to 2032 encompasses safety, youth development, and recreation and culture,** with a particular focus on improving outcomes in the North East. Our Integrated Facilities Plan released in August highlights some key outcomes to be included in the Leisure and Wellbeing Strategy. This plan focuses on grouping together social and sporting clubs to create fit-for-purpose facilities of both regional and national significance. Fraser Park Sportsville is leading the way with Stage One now underway.

Another measure of success is members of our community participating in arts, cultural activities, and sports and recreation. Over 8,000 people attended Big Day Down in March; a record turnout for this free, family-friendly event. The McKenzie Baths in Petone were upgraded and used by 5,000 swimmers in the first week of reopening in November.

We monitor our customers' satisfaction levels through our annual NRB Communitrak Survey and achieved our target of 90% customer satisfaction for the third consecutive year. These results are above the average of our peer councils and we are committed to sustaining this high level of satisfaction.

Our Annual Report demonstrates Council's continuing strength in financial management and the secure basis we have for continuing to develop and deliver our vision. Financial services company Standard & Poor's reaffirmed Council's AA credit rating in their most recent evaluation. This is something we are very proud of and a success not many local bodies achieve.

**“Our Annual Report demonstrates Council’s continuing strength in financial management and the secure basis we have for continuing to develop and deliver our vision.”**

We achieved a net surplus of \$758,000, which was \$4 million better than budget, and Council's net debt reduced by over \$3 million during the year.

The decision to preserve an important heritage building in our Civic Centre Precinct and develop a fantastic centre that will meet current and future community needs was a major decision of 2014. This was one of 30 significant projects to be decided on in the 2014-15 Annual Plan process between April and July.

We are very proud of our achievements this year and are determined to continue delivering on our plans to rejuvenate Hutt City and make it a great place to live, work and play.

**Ray Wallace**  
Mayor

**Tony Stallinger**  
Chief Executive

# OUR VISION FOR HUTT CITY

Our vision is to  
make Hutt City a  
great place to live,  
work and play.

In our 2012-2022 Long Term Plan we signalled that we would develop four key strategic areas to deliver this vision.

In particular we're focussing on providing a healthy environment with quality infrastructure, growth and development in the local economy, and a wide range of activities and initiatives for our residents' leisure and overall wellbeing.

These include:

**Infrastructure**

Contributing to a great place to live

**Growth and Development**

Contributing to a great place to work

**Leisure and Wellbeing**

Contributing to a great place to play

**Environmental Sustainability**

Contributing to a great place to live,  
work and play.

# OUR COMMUNITY GOALS

The high level goals residents have identified as important to them for achieving our vision are primary outcomes of our four strategic areas:

## A safe community

We live in a safe city, free from crime and injury. Our city is prepared for emergencies.

## A strong and diverse economy

A city that grows existing businesses and attracts new business activity, with a focus on the research and development sector. All members of our community benefit from a strong economy, and we attract increasing numbers of visitors.

## An accessible and connected city

A city that is easy to move about with well-designed roads, cycleways and footpaths. Members of our community are connected to the digital world.

## Healthy people

We live healthy lives, and our city's services help to protect our health and our environment.

## A healthy natural environment

We value and protect the natural environment and promote a sustainable city. Resources are used efficiently and there is minimal waste and pollution.

## Actively engaged in community activities

Members of our community participate in arts, cultural, sports and other recreational and leisure activities. The city provides for and encourages participation in these activities.

## Strong and inclusive communities

People feel a sense of belonging and are included in the community. Our city is built on strong communities that value diversity and support newcomers.

## A healthy and attractive built environment

Our built environment enhances our quality of life. Our city is vibrant, attractive, healthy and well-designed. We promote development that is sustainable, and that values and protects our built heritage and the natural environment.

## A well-governed city

All members of our community are empowered to participate in decision-making and to contribute to society. Their values and ideas are reflected.

# HUTT CITY COUNCIL

Hutt City Council was established in 1989 through the amalgamation of the former Lower Hutt City, Eastbourne Borough, Petone Borough and Wainuiomata District Councils, and the Hutt Valley Drainage Board. Its jurisdiction covers the city of Lower Hutt.

Its purpose is:

- (a) to enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

Its role is to have particular regard to the contribution that the following core services make to its communities:

- (a) network infrastructure
- (b) public transport services
- (c) solid waste collection and disposal
- (d) the avoidance or mitigation of natural hazards
- (e) libraries, museums, reserves, recreational facilities, and other community infrastructure.

## 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 three priority areas:

| PRIORITY AREA                                 | ORGANISATIONAL OBJECTIVES   |
|---|---|
| Services – deliver great customer experiences | Making it easier to do business, through fresh solutions and use of technology<br>Delivering excellent and innovative services that provide value for money                                       |
| Lead a future focused city                    | Leading the city's growth and development to ensure a vibrant and thriving Hutt City<br>Taking action in response to the communities' changing economic, environmental, social and cultural needs |
| Staff – achieve through our great people      | Providing staff with the environment, skills, information and tools they need to do their jobs  |

### Customer services

Customer service continues to be a priority with ongoing initiatives to enhance the quality and cost-effectiveness of how our customers deal with us. Council's Strategic Customer Experience Refresh Programme involved all staff and looked at ways in which Council could deliver consistently high standards of service across the organisation. This included three big customer commitments Council-wide which help staff focus on continuous improvement:

- **Work with** – by making it happen and keeping our promises
- **Take accountability** – by owning our enquiries and continuously improving
- **Make it easy** – by giving you choices and keeping things simple.

We have introduced more online services and new payment options in line with these three customer commitments in order to give our customers more choice. We have combined our two front counters at our temporary premises on High Street resulting in more requests being dealt with at first point of contact. The drive to enhance the service we deliver extends even to how we cope with emergencies. Business continuity plans have been updated and processes are in place for any emergencies such as storms or earthquakes. Our after-hour's service provider, Palmerston North City Council, is available for us to switch to in such cases.

### Requests for service

Our Customer Call Centre received 25,035 enquiries. Requests for service during the year are broken down as follows:

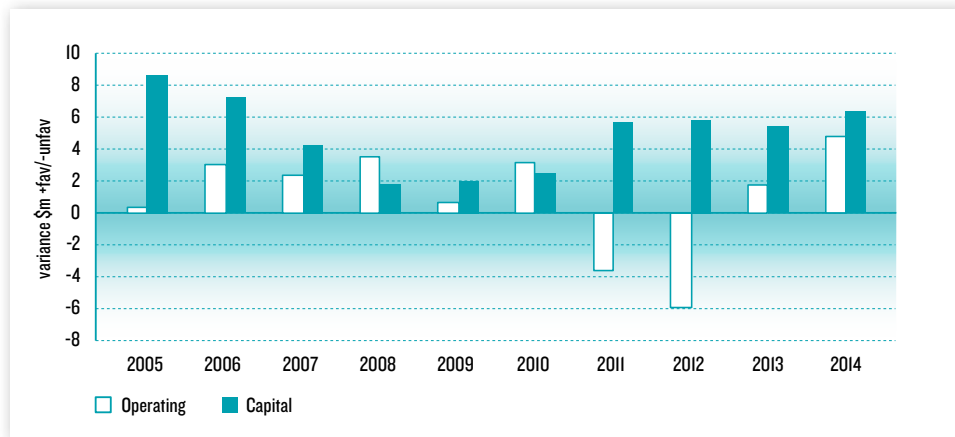
|  |               |
|--|---------------|
| After hours                                | 7,408         |
| Animal services                            | 4,271         |
| Building/plumbing and drainage inspections | 98            |
| Environmental inspections                  | 404           |
| Hazardous substances                       | 88            |
| Health                                     | 348           |
| Noise complaints                           | 4,506         |
| Parking control                            | 421           |
| Parks services                             | 1,722         |
| Planning and resource management           | 226           |
| Property maintenance                       | 1,714         |
| Road maintenance and construction          | 4,548         |
| Stormwater                                 | 643           |
| Traffic lights, signs, road markings       | 1,348         |
| Wastewater                                 | 1,012         |
| Water supply                               | 3,686         |
| <b>Total</b>                               | <b>25,035</b> |

# KEY PERFORMANCE INDICATORS

There are five key performance indicators for these areas, which are in addition to the performance measures and targets for each of the 17 core activities.

## Budget management

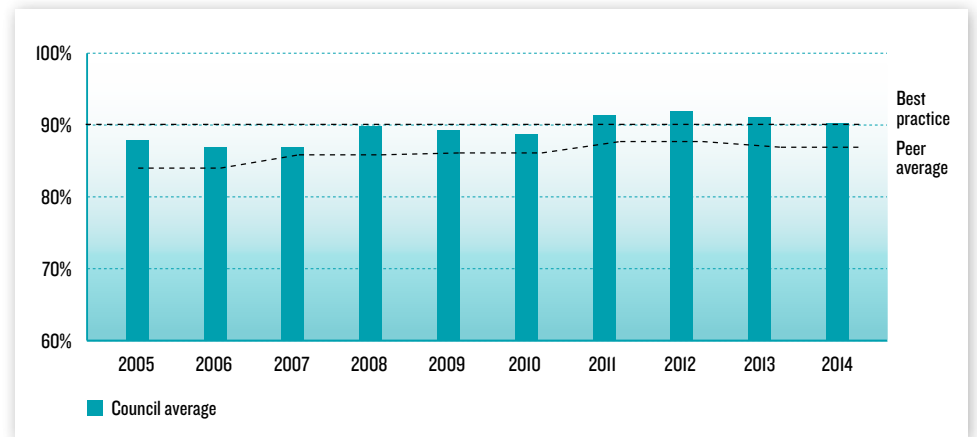
This key performance indicator compares results with budget targets. All activities are expected to operate within net capital and operating budgets. Despite budgeting for a deficit Council has managed to produce an operating surplus for 2014 mainly due to higher revenues and the deferral of some projects. The performance this year contributes positively towards the achievement of Council's Financial Strategy.



## Customer satisfaction

Council monitors customer satisfaction levels through an independent annual survey, and the target of achieving 90.2% satisfaction was achieved for the first time in 2011 and has been maintained for three consecutive years. The results are above the average of our peer councils (86.9%), and we are committed to sustaining this high level of satisfaction.

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



## Compliance

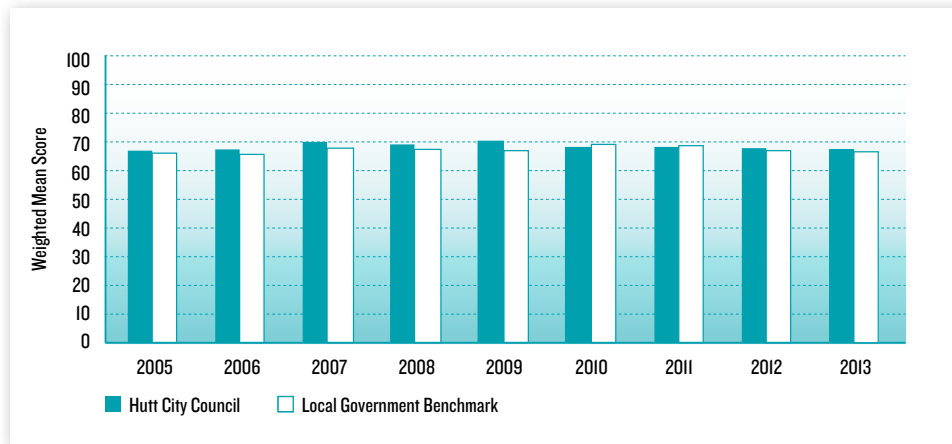
It is vital for staff, contractors and other businesses associated with Council to comply with the law, contracts, consents, employment agreements, health and safety requirements and Council policy.

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 has been one minor breach, this has been fixed with no significant impact on Council operations.

| YEAR | NON-COMPLIANCE INSTANCES |             |
|------|--------------------------|-------------|
|      | INSIGNIFICANT            | SIGNIFICANT |
| 2005 | 6                        |             |
| 2006 | 1                        |             |
| 2007 | 3                        |             |
| 2008 | 1                        |             |
| 2009 | 1                        |             |
| 2010 | 1                        |             |
| 2011 | 2                        |             |
| 2012 | 4                        |             |
| 2013 | 1                        |             |
| 2014 | 1                        |             |

## Staff perceptions

Council measures staff perceptions using Kenexa Best Workplaces Survey. The graph depicts Council's overall performance index score (67.1%) compared with the overall local government performance index score (66.6%). Current initiatives to support staff include a strong internal communications strategy, learning and development opportunities, and health and wellbeing initiatives.



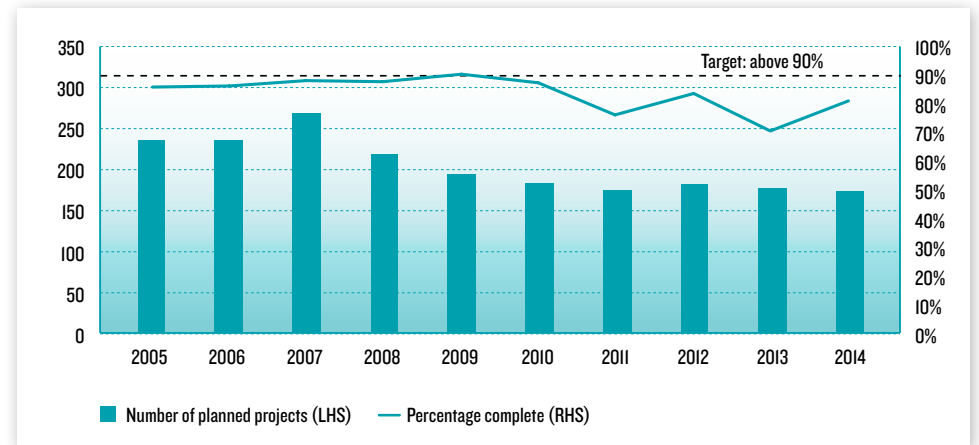
## Project completion

Every year Council commits to as many as 300 projects through the Annual Plan. Inevitably some projects 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 2013-14 a number of projects were not completed mainly due to delays. Some were deferred until 2014-15, the most significant being the Taita Community and Sports Centre, Fraser Park Sportsville Stage One, the Wainuiomata Hill Summit Bridge, Kelson/Fairway Drive Link Water Main, Trunk DBO Network Cyclic Replacement, Vista Grove Sewer Replacement, Strategic Property Purchases, IT System Maintenance, and the Development Stimulus Package.

Some projects involving improvements and maintenance of buildings were not completed. These included the Little Theatre, and various community halls, pending the outcome of proposals for the development of community hubs.

The McKenzie Pool Redevelopment was completed and work started on the strengthening of Council's Administration Building.



# GROUP ORGANISATION

Contributing  
to all community  
outcomes for  
Hutt City:

## GROUP ORGANISATION PERFORMANCE SUMMARY

| ACTIVITY           | ACHIEVEMENT OF PERFORMANCE MEASURES  |
|--------------------|--|
| Elected Members    | Residents' satisfaction with public consultation and engagement was down slightly this year at 86% compared to the previous year of 91%. All other performance measures were achieved covering satisfaction with the Mayor's and Councillors' performance, and satisfaction with the way rates were spent. |
| Advice and Support | All performance measures were achieved this year, covering Councillors' and community board and committee members' satisfaction with the formal advice and responses to requests they received from officers.  |
| Managing Services  | All three 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 RESIDENTS*** |
|--------------------|---------------------------------|-------------------------------|---------------------------------|-----------------------------------|
|                    | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | ACTUAL<br>30 JUNE 2014<br>\$000   |
| Elected Members    | (1,902)                         | (2,029)                       | (1,888)                         | 18.48                             |
| Advice and Support | (4,364)                         | (4,366)                       | (3,821)                         | 42.41                             |
| Managing Services* | 3,768                           | 3,315                         | 3,443                           | (36.62)                           |

\*The rate requirement figures are shown excluding total rate income.

\*\* The (Deficit)/Surplus before tax shows the net cost of the Council's activities for the year in comparison to the 2013-1014 Annual Plan and the previous year.

\*\*\*The rate per resident shows the average costs 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 FUNDING IMPACT STATEMENT

For year ended 30 June 2014

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | BUDGET<br>30 JUNE 2014<br>\$000 | LTP<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | BUDGET<br>30 JUNE 2013<br>\$000 |
|--|---------------------------------|---------------------------------|------------------------------|---------------------------------|---------------------------------|
| <b>Sources of operating funding</b>                                      |                                 |                                 |                              |                                 |                                 |
| General rates, uniform annual general charges, rates penalties           | 2,089                           | (2,379)                         | 6,318                        | 3,085                           | 2,598                           |
| Targeted rates (other than a targeted rate for water supply)             | -                               | -                               | -                            | -                               | -                               |
| Subsidies and grants for operating purposes                              | 15                              | -                               | -                            | -                               | -                               |
| Fees, charges and targeted rates for water supply                        | 1,124                           | 951                             | 1,199                        | 1,077                           | 1,171                           |
| Internal charges and overheads recovered                                 | 16,515                          | 16,512                          | 15,893                       | 14,318                          | 16,382                          |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 1,089                           | 1,112                           | 586                          | 377                             | 425                             |
| <b>Total operating funding (A)</b>                                       | <b>20,832</b>                   | <b>16,196</b>                   | <b>23,996</b>                | <b>18,857</b>                   | <b>20,576</b>                   |
| <b>Applications of operating funding</b>                                 |                                 |                                 |                              |                                 |                                 |
| Payments to staff and suppliers  | 14,199                          | 14,227                          | 13,548                       | 11,756                          | 12,959                          |
| Finance costs  | 588                             | 682                             | 77                           | 33                              | 79                              |
| Internal charges and overheads applied                                   | 4,946                           | 4,946                           | 4,641                        | 4,398                           | 4,783                           |
| Other operating funding applications                                     | 3,302                           | 3,210                           | 3,312                        | 3,222                           | 3,210                           |
| <b>Total applications of operating funding (B)</b>                       | <b>23,035</b>                   | <b>23,065</b>                   | <b>21,578</b>                | <b>19,409</b>                   | <b>21,031</b>                   |
| <b>Surplus (deficit) of operating funding (A-B)</b>                      | <b>(2,203)</b>                  | <b>(6,869)</b>                  | <b>2,418</b>                 | <b>(552)</b>                    | <b>(455)</b>                    |
| <b>Sources of capital funding</b>  |                                 |                                 |                              |                                 |                                 |
| Subsidies and grants for capital expenditure                             | -                               | -                               | -                            | -                               | -                               |
| Development and financial contributions                                  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) in debt  | 6,429                           | 8,760                           | (156)                        | 2,927                           | (672)                           |
| Gross proceeds from sale of assets                                       | -                               | -                               | -                            | -                               | -                               |
| Lump sum contributions   | -                               | -                               | -                            | -                               | -                               |
| Other dedicated capital funding  | -                               | -                               | -                            | -                               | -                               |
| <b>Total sources of capital funding (C)</b>                              | <b>6,429</b>                    | <b>8,760</b>                    | <b>(156)</b>                 | <b>2,927</b>                    | <b>(672)</b>                    |
| <b>Application of capital funding</b>                                    |                                 |                                 |                              |                                 |                                 |
| Capital expenditure  |                                 |                                 |                              |                                 |                                 |
| - to meet additional demand  | -                               | -                               | -                            | -                               | -                               |
| - to improve level of service  | 3,299                           | 2,724                           | 1,145                        | 1,208                           | (560)                           |
| - to replace existing assets   | 927                             | (833)                           | 1,117                        | 1,167                           | (567)                           |
| Increase (decrease) in reserves  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) of investments                                       | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of capital funding (D)</b>                         | <b>4,226</b>                    | <b>1,891</b>                    | <b>2,262</b>                 | <b>2,375</b>                    | <b>(1,127)</b>                  |
| <b>Surplus (deficit) of capital funding (C-D)</b>                        | <b>2,203</b>                    | <b>6,869</b>                    | <b>(2,418)</b>               | <b>552</b>                      | <b>455</b>                      |
| <b>Funding balance ((A-B)+(C-D))</b>                                     | <b>-</b>                        | <b>-</b>                        | <b>-</b>                     | <b>-</b>                        | <b>-</b>                        |

## 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 success of our services

| MEASURE  | ACHIEVED 2011-12 | ACHIEVED 2012-13 | PEER AVERAGE 2013-14 | ACHIEVED 2013-14   | SOURCE OF INFORMATION        |
|--|------------------|------------------|----------------------|--|------------------------------|
| Residents' satisfaction with the Mayor's and Councillors' performance:<br>≥ 90% of those expressing an opinion | 97%              | 97%              | 84%                  | 95% of those expressing an opinion. 7% of residents did not express an opinion | NRB<br>Communitrak<br>Survey |
| Residents' satisfaction with the way we spend their rates:<br>≥ 83% of those expressing an opinion             | 89%              | 86%              | 73%                  | 89% of those expressing an opinion. 4% of residents did not express an opinion | NRB<br>Communitrak<br>Survey |
| Residents' satisfaction with our public consultation:<br>Improvement   | 89%              | 91%              | N/A                  | 86% of those expressing an opinion. 4% of residents did not express an opinion | NRB<br>Communitrak<br>Survey |

Note: Survey percentages quoted exclude those who responded 'don't know'. Percentages have been rounded and may not equal 100.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 9                               | -                             | 9                                 | 6                               |
| Operating Subsidies and Grants                    | -                               | -                             | -                                 | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | -                               | -                             | -                                 | -                               |
| Gain/(Loss) on Property Disposals                 | -                               | -                             | -                                 | -                               |
| <b>Total Revenue</b>                              | <b>9</b>                        | <b>-</b>                      | <b>9</b>                          | <b>6</b>                        |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | 18                              | -                             | (18)                              | -                               |
| Support Costs                                     | 776                             | 776                           | -                                 | 644                             |
| Operating Costs                                   | 1,113                           | 1,249                         | 136                               | 1,246                           |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | -                               | -                             | -                                 | -                               |
| Depreciation                                      | 4                               | 4                             | -                                 | 4                               |
| <b>Total Expenditure</b>                          | <b>1,911</b>                    | <b>2,029</b>                  | <b>118</b>                        | <b>1,894</b>                    |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(1,902)</b>                  | <b>(2,029)</b>                | <b>127</b>                        | <b>(1,888)</b>                  |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (1,902)                         | (2,029)                       | 127                               | (1,888)                         |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>(1,902)</b>                  | <b>(2,029)</b>                | <b>127</b>                        | <b>(1,888)</b>                  |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | -                               | -                             | -                                 | -                               |
| Capital Expenditure - to improve level of service | -                               | -                             | -                                 | -                               |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| <b>Less Depreciation</b>                          | <b>4</b>                        | <b>4</b>                      | <b>-</b>                          | <b>4</b>                        |
| <b>Total Loan Funding Requirement</b>             | <b>4</b>                        | <b>4</b>                      | <b>-</b>                          | <b>4</b>                        |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(1,898)</b>                  | <b>(2,025)</b>                | <b>127</b>                        | <b>(1,884)</b>                  |

## Operating Projects

|                            | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|----------------------------|---------------------------------|-------------------------------|-----------------------------------|
| Regional Governance Review | 30                              | 30                            | -                                 |

## Significant Operating Variations from the 2013-14 Annual Plan

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

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

There were no significant asset acquisitions, replacements or variations from the Annual Plan.



## ADVICE AND SUPPORT

### What we do

This activity comprises of 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 success of our services

| MEASURE   | ACHIEVED 2011-12 | ACHIEVED 2012-13  | PEER AVERAGE 2013-14 | ACHIEVED 2013-14  | SOURCE OF INFORMATION                   |
|---|------------------|---|----------------------|---|---|
| Councillors' are satisfied or more than satisfied with the formal advice they received from officers:<br>≥ 80% of those expressing an opinion                                     | 100%             | Too few Councillors' responded to the survey to be able to make a sound judgement on levels of satisfaction | N/A                  | 91% of those expressing an opinion. One Councillor did not express an opinion | Survey of Elected and Appointed Members |
| Councillors' are satisfied or more than satisfied with responses to requests for help from officers:<br>≥ 80% of those expressing an opinion                                      | 100%             | Too few Councillors' responded to the survey to be able to make a sound judgement on levels of satisfaction | N/A                  | 82% of those expressing an opinion. One Councillor did not express an opinion | Survey of Elected and Appointed Members |
| Community board and community committee members' are satisfied or more than satisfied with the formal advice they received from officers:<br>≥ 80% of those expressing an opinion | 90%              | 95%   | N/A                  | 95% of those expressing an opinion. One member did not express an opinion     | 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:<br>≥ 80% of those expressing an opinion   | 80%              | 95%   | N/A                  | 97% of those expressing an opinion. One member did not express an opinion     | Survey of Elected and Appointed Members |

Note: Survey percentages quoted exclude those who responded 'don't know'. Percentages have been rounded and may not equal 100.

## Significant Operating Variations from the 2013-14 Annual Plan

There were no significant variations from the Annual Plan.

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

There were no significant asset acquisitions, replacements or variations from the Annual Plan.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | -                               | -                             | -                                 | -                               |
| Operating Subsidies and Grants                    | -                               | -                             | -                                 | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | 187                             | 170                           | 17                                | -                               |
| Gain/(Loss) on Property Disposals                 | -                               | -                             | -                                 | -                               |
| <b>Total Revenue</b>                              | <b>187</b>                      | <b>170</b>                    | <b>17</b>                         | <b>-</b>                        |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | 19                              | 22                            | 3                                 | 2                               |
| Support Costs                                     | 4,170                           | 4,170                         | -                                 | 3,754                           |
| Operating Costs                                   | 362                             | 344                           | (18)                              | 65                              |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | -                               | -                             | -                                 | -                               |
| Depreciation                                      | -                               | -                             | -                                 | -                               |
| <b>Total Expenditure</b>                          | <b>4,551</b>                    | <b>4,536</b>                  | <b>(15)</b>                       | <b>3,821</b>                    |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(4,364)</b>                  | <b>(4,366)</b>                | <b>2</b>                          | <b>(3,821)</b>                  |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (4,364)                         | (4,366)                       | 2                                 | (3,821)                         |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>(4,364)</b>                  | <b>(4,366)</b>                | <b>2</b>                          | <b>(3,821)</b>                  |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | -                               | -                             | -                                 | -                               |
| Capital Expenditure - to improve level of service | -                               | -                             | -                                 | -                               |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| <b>Less Depreciation</b>                          | <b>-</b>                        | <b>-</b>                      | <b>-</b>                          | <b>-</b>                        |
| <b>Total Loan Funding Requirement</b>             | <b>-</b>                        | <b>-</b>                      | <b>-</b>                          | <b>-</b>                        |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(4,364)</b>                  | <b>(4,366)</b>                | <b>2</b>                          | <b>(3,821)</b>                  |

## 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 success of our services

| MEASURE  | ACHIEVED 2011-12         | ACHIEVED 2012-13         | PEER AVERAGE 2013-14 | ACHIEVED 2013-14         | SOURCE OF INFORMATION      |
|--|--------------------------|--------------------------|----------------------|--------------------------|----------------------------|
| Staff turnover:<br>Less than 12%   | 9.58%                    | 9.42%                    | N/A                  | 8.73%                    | Monthly Management Reports |
| Legal and policy requirements:<br>No significant instances of non-compliance | No significant instances | No significant instances | N/A                  | No significant instances | Monthly Management Reports |
| Work-related accidents:<br>No more than four resulting in time off work      | Four                     | Four                     | N/A                  | Two                      | Monthly Management Reports |

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                      |                                 |                               |                                   |                                 |
| Rates Income  | 90,056                          | 89,789                        | 267                               | 88,325                          |
| User Charges  | 1,115                           | 950                           | 165                               | 1,071                           |
| Operating Subsidies and Grants                      | 15                              | -                             | 15                                | -                               |
| UHCC Operating Subsidy                              | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                   | -                               | -                             | -                                 | -                               |
| Development Contributions                           | -                               | -                             | -                                 | -                               |
| Interest Earned                                     | 677                             | 760                           | (83)                              | 244                             |
| Dividends   | 6                               | -                             | 6                                 | -                               |
| Vested Assets                                       | -                               | -                             | -                                 | -                               |
| Other Revenue                                       | 216                             | 182                           | 34                                | 133                             |
| Gain/(Loss) on Property Disposals                   | 3                               | -                             | 3                                 | -                               |
| <b>Total Revenue</b>                                | <b>92,088</b>                   | <b>91,681</b>                 | <b>407</b>                        | <b>89,773</b>                   |
| <b>EXPENDITURE</b>                                  |                                 |                               |                                   |                                 |
| Employee Costs                                      | 8,982                           | 8,927                         | (55)                              | 8,362                           |
| Support Costs                                       | (16,512)                        | (16,512)                      | -                                 | (14,318)                        |
| Operating Costs                                     | 3,702                           | 3,686                         | (16)                              | 2,132                           |
| Loss on Property Disposals                          | -                               | -                             | -                                 | (51)                            |
| Finance Cost  | 588                             | 682                           | 94                                | 33                              |
| Depreciation  | 1,504                           | 1,794                         | 290                               | 1,847                           |
| <b>Total Expenditure</b>                            | <b>(1,736)</b>                  | <b>(1,423)</b>                | <b>313</b>                        | <b>(1,995)</b>                  |
| <b>SURPLUS BEFORE TAX</b>                           | <b>93,824</b>                   | <b>93,104</b>                 | <b>720</b>                        | <b>91,768</b>                   |
| Gain/(Loss) on Revaluation of Financial Instruments | 973                             | -                             | 973                               | 1,485                           |
| <b>RATES FUNDING REQUIREMENT</b>                    |                                 |                               |                                   |                                 |
| Surplus Before Tax                                  | 93,824                          | 93,104                        | 720                               | 91,768                          |
| Add Capital Contributions                           | -                               | -                             | -                                 | -                               |
| Rate Funded Debt Repayment                          | 3,976                           | 8,667                         | (4,691)                           | -                               |
| <b>Total Rates Funding Requirement</b>              | <b>97,800</b>                   | <b>101,771</b>                | <b>(3,971)</b>                    | <b>91,768</b>                   |
| <b>LOAN FUNDING REQUIREMENT</b>                     |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets    | (927)                           | (1,167)                       | 240                               | (1,167)                         |
| Capital Expenditure - to improve level of service   | (3,299)                         | (4,053)                       | 754                               | (1,208)                         |
| Capital Expenditure - to meet additional demand     | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                          | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                     | -                               | -                             | -                                 | -                               |
| Less Depreciation                                   | 1,507                           | 1,794                         | (287)                             | 1,848                           |
| Less Rate Funded Debt Repayment                     | (3,976)                         | (8,667)                       | 4,691                             | -                               |
| <b>Total Loan Funding Requirement</b>               | <b>(6,695)</b>                  | <b>(12,093)</b>               | <b>5,398</b>                      | <b>(527)</b>                    |
| <b>TOTAL FUNDING REQUIREMENT</b>                    | <b>91,105</b>                   | <b>89,678</b>                 | <b>1,427</b>                      | <b>91,241</b>                   |

## Operating Projects

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|
| Research - Monitoring and Evaluation of Outcome   | 46                              | 50                            | 4                                 |
| Internet Design                                   | 5                               | 61                            | 56                                |
| Development Stimulus Marketing                    | 22                              | 25                            | 3                                 |
| Regional Governance Review                        | 510                             | -                             | (510)                             |
| Admin Building Temporary Accommodation            | 504                             | 939                           | 435                               |
| Administration Building Upgrade Non Capital Costs | 204                             | 526                           | 322                               |
| Horticultural and Town Hall Upgrade Non Capital   | 137                             | -                             | (137)                             |

## Significant Operating Variations from the 2013-14 Annual Plan

Revenue was over budget mainly due to higher rates from new properties and unbudgeted rental income from temporary accommodation. Operating costs were under budget mainly due to savings in insurance costs and bank charges. There were also savings in internet design costs due to completing many tasks internally without the need for external costly resources and also by managing the amount of planned change, against what was deemed essential. There were also savings resulting from delays in the Administration Building Upgrade.

## Capital Projects Acquisitions and Renewals

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>                    |                                 |                               |                                   |
| Network Storage/Server Hardware and PC Replacement Programme | 344                             | 295                           | (49)                              |
| Pavilion Maintenance   | -                               | 15                            | 15                                |
| System Maintenance   | 254                             | 612                           | 358                               |
| System Upgrades  | 294                             | 220                           | (74)                              |
| Telecommunications   | 17                              | 25                            | 8                                 |
| <b>Capital to Improve Level of Service</b>                   |                                 |                               |                                   |
| Vehicle Purchase   | 17                              | -                             | (17)                              |
| Admin Building Strengthening                                 | 2,863                           | 3,460                         | 597                               |
| Mobile Devices   | 20                              | 123                           | 103                               |
| Other (IT) Projects  | 314                             | 375                           | 61                                |
| Internet Online Services                                     | 101                             | 95                            | (6)                               |

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

A saving of \$58,000 and a carryover of \$300,000 was applied to System Maintenance. Some work had to be delayed due to other higher priorities and the savings were achieved due to careful choices made in terms of core systems maintenance versus extending the lifespan of some systems.

Overspending against computer hardware items and some upgrades were offset against savings resulting from other projects with the net affect leading to an overall saving of \$101,000 for IT Systems Capital.

Construction commenced on the Civic Centre Redevelopment in the 2013-14 financial year. Some of the planned work was rescheduled to dates later than originally anticipated which resulted in an underspend for the period.

## COUNCIL-CONTROLLED ORGANISATIONS

### Council operates four Council-Controlled Organisations:

- Seaview Marina Ltd
- Urbanplus Ltd
- Capacity Infrastructure Services Ltd (trading as Capacity)
- Hutt City Community Facilities Trust (CFT).

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

### Seaview Marina Ltd (SML)

*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 the company to own and operate 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   |
|---|--|
| Maintain asset management plans annually as detailed in the Operational Plan 2013-14                                  | Achieved   |
| Develop and complete asset management plans annually as detailed in the Operational Plan 2013-14                      | Achieved – the Asset Management Plan was updated and contractors hired to begin a major refurbishment to replace metal componentry identified for upgrading. This project will be spread over two years. Other maintenance work programmed over the year was completed   |
| Management rating   | Achieved – 92% positive response rate  |
| Boatyard rating   | Achieved – 89% positive response rate  |
| Recommend Seaview Marina to others  | Achieved – 89% positive response rate  |
| Construct and lease a café as an economic rental on the Marina site   | Not Achieved – this project was reviewed in light of an approach from the LBYC for SML to purchase their clubrooms, with the view of using part of the structure for a café. Unfortunately the club members voted against this proposal, which meant no action was possible on developing a café on site. The project is on hold for 12 months                               |
| Upgrade the old toilet block at the end of the central causeway   | Achieved – the upgrade was completed on time and within budget and provides the licensees on D and E pier with two superior unisex shower and toilet facilities  |
| Purchase and develop an additional hardstand area   | Not Achieved – the proposal was developed by SML management and put to Council. It did not receive the support from Council and so the project was not able to proceed   |
| Construct the second stage of the walkway within the Marina to eventually join up with the Greater Wellington Walkway | Achieved – this project was completed on budget and on time by the end of 2013. It has been an extremely successful addition to the Marina landscape and is encouraging the general public to utilise the Marina for recreational purposes   |
| Construct rubbish bin compounds   | Partially Achieved – the purchase of the containers and the rationalisation of the waste bins was arranged at the end of the financial year but the changes did not get implemented until the beginning of the 2014-15 financial year  |
| Install pier gate structures  | Not Achieved – the newly formed Marina Users Association lobbied the Council and the Board on this development with the consequence that the two gate structures have been put on hold. A change in the design has been approved by the Board, which will be cheaper but still functional. These will be constructed when the F and G pier development goes ahead in 2014-15 |
| Work with the Council to develop a strategy that will encourage the public to use the Marina                          | Achieved – the stage two pathway has been installed and is now operational. Good feedback has been received from the general public and Marina clients. There is now only one section to be completed and this will form the completed link between the Eastern Bays Walkway and the Hutt River Walkway  |
| Maintain staffing at agreed levels with suitably qualified personnel  | Achieved – staffing levels were maintained but an additional part time employee was taken to handle the upgrade work necessary after the June 2013 storm   |
| Full compliance with financial, technical and regulatory standards  | Achieved   |

## Urbanplus 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 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:***

Activities include property development, rental property management, facilities management of Council property, provision of strategic property advice to Council and the purchase of surplus property from Council.

| KEY PERFORMANCE TARGETS   | LEVEL OF ACHIEVEMENT   |
|---|--|
| <b>Facilities Management</b>  |  |
| Capital and operational expenditure within budget   | Not Achieved – \$365,980 due to June 2013 storm damage   |
| Achieve a gross return of 20% on expense  | Achieved – 48%   |
| Residents' satisfaction with public halls greater than or equal to peer average, subject to Council funding                     | Achieved – 93% of residents' who expressed an opinion. Peer average is 83%   |
| Residents' satisfaction with public toilets greater than or equal to peer average within five years, subject to Council funding | Achieved – 81% of residents' who expressed an opinion. Peer average is 78%   |
| Tenant satisfaction with Council-owned community buildings greater than or equal to 90%   | Not Achieved – 83% of residents' who expressed an opinion. Peer average is 93%   |
| Council satisfaction with building management greater than or equal to 90%  | Achieved – 93%   |
| <b>Rental Housing</b>   |  |
| Capital and operational expenditure within budget   | Partially Achieved – operational costs of \$1,159,304 and capital costs of \$1,493,418. Capital expenditure was not within budget due to property acquisitions and selected losses on sale                                 |
| A return on equity before depreciation and after interest and tax greater than or equal to 3.5%                                 | Achieved – 4.25%   |
| Tenant satisfaction with the provision of the company's rental housing greater than or equal to 90%                             | Achieved – 91%   |
| Percentage of total housing units occupied by elderly/ socially disadvantaged greater than or equal to 85%                      | Achieved – 98% due to the sale of 990 High Street where a number of tenants were 'market' and/or sickness beneficiaries  |
| <b>Property Development</b>   |  |
| Capital and operational expenditure within budget   | Partially Achieved – operational costs of \$627,237 and capital costs of \$1,556,985. Operational expenditure was over budget due to pre-project due-diligence costs associated with projects that we did not proceed with |
| A return of 10% after interest and tax  | Not Achieved – 23.5% due to pre-project due-diligence costs associated with projects that we did not proceed with  |

## 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 and other shareholding councils. 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 36 to 44)                              | Achieved 13 of the 14 measures. Water quality at main recreational beaches target 90% not achieved (average 83% of sampling days achieved standard) |
| Number of dwelling flood notifications received as a result of a 1:50 year flood (or less)                                | Mainly Achieved   |
| Achievement of key milestones in asset management plan improvement project, planning and production                       | Mainly Achieved   |
| Trend of the operating cost of delivering water supply, wastewater and stormwater services relative to a national average | Achieved as part of WaterNZ   |
| Deliver operating projects within budget and timeframes   | Achieved  |
| Deliver capital projects within budget and timeframes   | Mainly Achieved   |
| Manage Capacity within budget   | Achieved  |
| Full compliance with relevant standards, resource consents and legislation  | Full compliance with all relevant legislation including Health and Safety in the Employment Act 1992  |



## Hutt City Community Facilities Trust (CFT)

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

On 13 March 2012 Council agreed to a proposal to establish a Charitable Trust to manage and develop its leisure and community facilities.

Council's objective for this Trust is for it to enhance the health and wellbeing of the city's communities through the effective and efficient provision, development and operation of leisure and community facilities throughout Hutt City.

Hutt City Council's Integrated Community Facilities Plan will see a series of 'community hubs' cluster civic and sporting facilities into more user-friendly, efficient and well-utilised centres which fit the needs of the communities that make up Hutt City now and into the future. The Hutt City Community Facilities Trust has been entrusted to help Council deliver on this plan.

Council has established the Hutt City Community Facilities Trust, a team of dedicated and experienced local businesspeople, to lead the rejuvenation of key community facilities, including the development of the Taita Community and Sports Centre, Fraser Park Sportsville, the Wellington Regional Bowls Centre and other projects.

### *Nature and scope of its activities:*

Council expects the company to: establish a development fund to enable investment and improvement of community facilities, develop new or enhance existing facilities, administer any facilities vested in the Trust, and provide strategic direction, expert advice and champion ongoing investment and development.

| KEY PERFORMANCE TARGETS   | LEVEL OF ACHIEVEMENT  |
|---|---|
| <b>Governance</b>   |   |
| 100% of CCO accountability requirements met   | Achieved  |
| <b>Financial</b>  |   |
| CFT operational budget is not exceeded  | Achieved  |
| <b>Administration</b>   |   |
| General Manager appointed, staff contracted and office systems established  | Achieved  |
| <b>Fundraising</b>  |   |
| Taita Community and Sports Centre – target \$3 million  | \$2 million raised to date  |
| Fraser Park Sportsville Stage One – target \$500,000  | Fundraising commences 2014-15   |
| Wellington Regional Bowls Centre – target \$50,000  | \$51,000 raised to date   |
| <b>Planning</b>   |   |
| Strategic Plan established by November 2014   | On track. Work commenced during early 2014 and draft plan circulated in July 2014   |
| <b>Reporting</b>  |   |
| Annual Report, six-monthly report and Statement of Intent completed within required timeframes                          | Achieved  |
| <b>Project Delivery</b>   |   |
| Taita Community and Sports Centre – budget \$12 million – tender approved by 30 June 2014                               | Contractor appointed 26 June 2014, agreed contract sum within budgeted estimate   |
| Fraser Park Sportsville Stage One – budget \$3 million – tender approved by 30 June 2014                                | Contractor appointed 7 July 2014. Contract sum within 2% of budget estimate   |
| Wellington Regional Bowls Centre – concept and preliminary design completed by 30 June 2014. Club partnership confirmed | Preliminary design completed May 2014. Stakeholding clubs agreed to concept. \$2.25 million capital expenditure included in the Hutt City Council Annual Plan 2014-15 |

## PARTNERSHIPS WITH MĀORI

Waiho 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 Māori 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 Māori 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 Whānui, represented by the Port Nicholson Block Settlement Trust.

Council will consult with Te Rānanganui o Taranaki Whānui ki te Upoko o te Ika a Maui as a mana whenua organisation.

In fulfilling its obligations, Council will also consult other Māori 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-Kākiri 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's 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 Whānui 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 Māori 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 Māori community and provide opportunities for Māori to contribute to Council's decision-making.

The key to this will be to foster and maintain strong relationships with Māori organisations within the city – in particular, Te Rānanganui o Taranaki Whānui 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 Māori
- Promoting tikanga Māori (Te Atiawa protocol) throughout Council
- Providing opportunities for Māori to contribute to Council's 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 Māori 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 Māori 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 Māori in general involved in the decision-making process, including looking at ways of engaging that make it easier and more appealing for Māori to have their say.



*We Are*  
**RESILIENT**

# GROUP UTILITY SERVICES

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Contributing to Infrastructure  
and making Hutt City a great  
place to live.

The activities in Group Utility Services are key areas of focus in our Infrastructure Strategy that is currently being developed.

# RESILIENCY IN INFRASTRUCTURE

In anticipation of a strong focus on network resilience in the upcoming three year (2015-18) funding round, substantial background work has gone into developing our funding applications to the New Zealand Transport Agency (NZTA) for resilience related projects.

We are planning to complete the seismic strengthening of the three remaining bridges from our long term Bridge Strengthening Programme. Work to an estimated value of \$680,000 is programmed for 2015-16 and includes the Wingate Overbridge along with two smaller bridges across the Waiwhetu Stream on Wainui Road and Seaview Road.

These bridges are essential for securing access to the regionally critical Seaview industrial area.

A network resilience study has also identified the need to strengthen retaining walls below the Eastern Hutt Road through Taita Gorge to secure the links between the upper and lower Hutt Valley. It needs to be noted that State Highway 2 (SH2) has also proved to be vulnerable over this section and there is no viable alternative route. The physical work of approximately \$3 million is programmed for 2020-21.

In addition, with climate change on our mind, the new emphasis on network resilience will strengthen our bid for NZTA funding for the Eastern Bays Walkway. Although this project had previously gained subsidy, our application was declined in the current three year funding

round primarily due to strong competition for a limited national cycleway pool exacerbated by the fact our project had a relatively high cost per kilometre. This cost is attributable to the value of the seawall required to support the shared path. There is a strong case for separating this seawall component of the project and applying for funding under a new resilience work category on the basis a new wall will result in less road closures.



## HIGHLIGHTS

### Capital Improvements

All capital roading projects were completed other than the Wainuiomata Hill Summit Cyclist Overbridge. This project was deferred in anticipation of gaining NZTA funding in 2014-15. Our road resealing contractors performed particularly well as they cleared a backlog of \$1 million taking the total value of resealing work completed in the year to almost \$7 million.

Although all clean-up work relating to the major 20th June 2013 wind storm event was completed in the 2012-13 year, subsequent physical repair work on damaged assets amounting to \$300,000 was undertaken in 2013-14 including work to seawalls around the Eastern Bays.

\$370,000 was spent on our cycle network with new bike lanes, bike crossings, and other safety provisions to improve cyclist's visibility on the road completed in targeted areas across the city.

Our earthquake resiliency programme for water networks across Hutt City continued. Both Konini and Kingsley Reservoirs were strengthened and the major water main that travels beneath the Kennedy Good Bridge was renewed.

Work continued on our major renewal programme of wastewater pipes in Wainuiomata, Naenae, Alicetown and Point Howard. Stormwater pumps were installed at the Kelson Pump Station and both wastewater and stormwater mains were renewed in Stokes Valley.

### New Funding Stream

The introduction of a new funding stream targeting the construction of footpaths in hill road areas saw the completion of both Howard Road and Wairere Road. Previously our focus has been on upgrading substandard roads to meet the full District Plan standard. While work remains on key routes under the ongoing substandard road upgrade programme we acknowledge it is not appropriate to strive for these standards in some of the quieter, low trafficked roads. Through the new substandard road footpath programme we aim to improve pedestrian safety while maintaining low traffic speeds and minimising the visual impact of extensive road widening works.

### Education on Water-Use

Council continues to raise awareness in the community on issues affecting water networks. A number of water conservation resources are now available to schools via the internet and visits have been made to major water users in the city to learn more about their water use.

### New Framework

A 'criticality' framework was developed which considers the consequences of a utility such as a pipe or pump station failing. This will be used in conjunction with the models used for asset condition, to improve our decision-making for renewal investment. The model will also be used to prioritise maintenance activities based on how critical the asset is; this means we will be able to target our inspections or data collection to get the most benefit from the funding available.

### Graffiti Removal and Prevention

Approximately 16,000 square metres of graffiti was removed from across the city by contractors, 93% of which was removed within 48 hours of it being reported. The number of graffiti-related jobs increased by 29% this year with 2,403 jobs despatched from the Council Call Centre. The balance was proactive work on behalf of the contractors. Community groups continue to be supportive and are taking responsibility for a large number of alleyways across the city. Additional funding was gained from the Ministry of Justice to support schools to educate children about graffiti. It will also facilitate the design and painting of their own murals that will be erected along alleyways near their school.

You can report graffiti in your area between working hours to the hotline at the Council Call Centre on 570 6666 or alternatively text 'TAG' followed by the address to 3143.

### Safety Improvements at Crossings

Sensors were installed at two major crossings, one on Hutt Road, beneath the Dowse overbridge, and the other on High Street, near the Park Avenue shops. The sensors detect the presence of pedestrians and automatically activate the usual pole-mounted lights resulting in greater pedestrian visibility and a safer crossing. Additionally, 40 kilometres per hour variable speed limits were set around school zones on Hutt Road, Railway Avenue, Waiwhetu Road, and Knights Road.

### Pomare Development

The Pomare residential development of 150 homes is making progress with civil engineering well underway. The first new home was officially opened by Minister of Conservation, Housing, Building and Construction Nick Smith in April, one of the 40 homes to be built in the first stage. The developers, City Living Group, are providing a mixture of housing including social housing and homes for private ownership aimed at first home buyers and growing families.

## Group Utility Services Performance Summary

| ACTIVITY            | ACHIEVEMENT OF PERFORMANCE MEASURES   |
|---------------------|---|
| Roading and Traffic | Seven out of nine performance measures were achieved covering satisfaction with footpaths, roads and parking and roads and gutters being litter free as well as the Road Condition Index, 'Quality of Ride', and accident trend. We were 2% behind the national average of resident satisfaction for street lighting at 90%, and dipped slightly lower than our traffic control satisfaction historical average.  |
| Water Supply        | All six performance measures were achieved covering satisfaction with the city water supply, compliance with national drinking water standards, water quality, reliability of water supply, response to disruptions and average unmetered water consumption.  |
| Wastewater          | All four performance measures were achieved covering satisfaction with the city wastewater service, resource consent compliance, reliability and prompt response to wastewater disruptions.   |
| Stormwater          | Three out of four performance measures were achieved covering satisfaction with stormwater services, reliability of the service and response to disruptions. The target of 90% for water quality at main recreational beaches was not achieved, falling short by 7%. The lower than expected result was due to a number of 'wet samples' undertaken during or shortly after heavy rainfall, when the 'first flush' effects are recorded. Follow up testing after the rainfall recorded low achieving results. |
| Solid Waste         | Three out of four performance measures were achieved covering satisfaction with rubbish collection, recycling and compliance with resource consents. Satisfaction with refuse disposal was 8% below target at 83%.  |

## Group Utility Services Financial Summary

|                     | (DEFICIT)/SURPLUS BEFORE TAX    |                               | RATE REQUIREMENT PER RESIDENTS  |                              |
|---------------------|---------------------------------|-------------------------------|---------------------------------|------------------------------|
|                     | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | ACTUAL<br>30 JUNE 2014<br>\$ |
| Roading and Traffic | (13,312)                        | (13,295)                      | (13,838)                        | 129.37                       |
| Water Supply        | (11,786)                        | (12,017)                      | (11,806)                        | 114.54                       |
| Wastewater          | (16,009)                        | (16,410)                      | (16,300)                        | 155.58                       |
| Stormwater          | (6,806)                         | (6,960)                       | (6,973)                         | 66.14                        |
| Solid Waste         | 4,792                           | 4,804                         | 4,551                           | (46.57)                      |

Note: The (Deficit)/Surplus before tax shows the net cost of the Council's activities for the year in comparison to the 2013-2014 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.



## 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 success of our services

| MEASURE   | ACHIEVED 2011-12                       | ACHIEVED 2012-13                       | PEER AVERAGE 2013-14                   | ACHIEVED 2013-14   | SOURCE OF INFORMATION  |
|---|--|--|--|--|--|
| Residents' satisfaction with:<br>- street lighting<br>- roads and gutters being free of litter<br>- traffic control<br>- footpaths<br>- roads<br>- parking in and around Hutt City<br>Better than our historical average or the average of our peer councils, whichever is the higher, for each of these measures | 90%<br>94%<br>92%<br>87%<br>87%<br>85% | 91%<br>89%<br>90%<br>86%<br>86%<br>81% | 92%<br>87%<br>N/A<br>79%<br>80%<br>61% | 90%<br>89%<br>89%<br>81%<br>83%<br>83%   | NRB Communitrak Survey   |
| 'Road Condition Index', which measures the condition of the road surface:<br>Hold or improve rating<br>Note: A lower number indicates an improved rating  | 1.7                                    | 1.2                                    | N/A                                    | 1.5<br>Note: As half the city is surveyed in alternate years, the 2013-14 figure needs to be compared with 2011-12   | Data from the Road Assessment and Maintenance Management System (RAMM) |
| 'Quality of Ride' measured by the road network with roughness less than 150 NAASRA (National Association of Australian State Roading Authorities) counts.<br>Hold or improve rating<br>Note: A higher percentage indicates an improved rating   | 79.1%                                  | 79.6%                                  | N/A                                    | 79.5%<br>Note: As half the city is surveyed in alternate years, the 2013-14 figure needs to be compared with 2011-12 | Data from RAMM   |
| Accident trend:<br>Contribute to a reducing trend over 10 years   | 130                                    | 146                                    | N/A                                    | 116  | Data from NZTA   |

Note: Survey percentages quoted exclude those who responded 'don't know'. Some percentages have been rounded and may not equal 100. We work to meet these measures through Capacity.

## Statement of Comprehensive Income

For year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 4,214                           | 4,221                         | (7)                               | 4,258                           |
| Operating Subsidies and Grants                    | 3,389                           | 3,312                         | 77                                | 3,333                           |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | 4,210                           | 4,740                         | (530)                             | 3,529                           |
| Development Contributions                         | 11                              | 70                            | (59)                              | 26                              |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | 558                             | 273                           | 285                               | 242                             |
| Other Revenue                                     | 519                             | 450                           | 69                                | 476                             |
| Gain/(Loss) on Property Disposals                 | 10                              | -                             | 10                                | -                               |
| <b>Total Revenue</b>                              | <b>12,911</b>                   | <b>13,066</b>                 | <b>(155)</b>                      | <b>11,864</b>                   |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | 1,220                           | 1,215                         | (5)                               | 1,133                           |
| Support Costs                                     | 2,475                           | 2,475                         | -                                 | 1,970                           |
| Operating Costs                                   | 11,093                          | 11,023                        | (70)                              | 11,079                          |
| Loss on Property Disposals                        | -                               | -                             | -                                 | 206                             |
| Finance Cost                                      | 1,495                           | 1,495                         | -                                 | 1,575                           |
| Depreciation                                      | 9,940                           | 10,153                        | 213                               | 9,739                           |
| <b>Total Expenditure</b>                          | <b>26,223</b>                   | <b>26,361</b>                 | <b>138</b>                        | <b>25,702</b>                   |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(13,312)</b>                 | <b>(13,295)</b>               | <b>(17)</b>                       | <b>(13,838)</b>                 |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (13,312)                        | (13,295)                      | (17)                              | (13,838)                        |
| Add Capital Contributions                         | (4,221)                         | (4,810)                       | 589                               | (3,555)                         |
| <b>Total Rates Funding Requirement</b>            | <b>(17,533)</b>                 | <b>(18,105)</b>               | <b>572</b>                        | <b>(17,393)</b>                 |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | (7,661)                         | (7,333)                       | (328)                             | (5,523)                         |
| Capital Expenditure - to improve level of service | (1,239)                         | (2,501)                       | 1,262                             | (1,509)                         |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | 4,221                           | 4,810                         | (589)                             | 3,555                           |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 9,940                           | 10,153                        | (213)                             | 9,739                           |
| <b>Total Loan Funding Requirement</b>             | <b>5,261</b>                    | <b>5,129</b>                  | <b>132</b>                        | <b>6,262</b>                    |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(12,272)</b>                 | <b>(12,976)</b>               | <b>704</b>                        | <b>(11,131)</b>                 |

## Funding Impact Statement

For year ended 30 June 2014

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | BUDGET<br>30 JUNE 2014<br>\$000 | LTP<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | BUDGET<br>30 JUNE 2013<br>\$000 |
|--|---------------------------------|---------------------------------|------------------------------|---------------------------------|---------------------------------|
| <b>Sources of operating funding</b>                                      |                                 |                                 |                              |                                 |                                 |
| General rates, uniform annual general charges, rates penalties           | 18,091                          | 18,378                          | 17,677                       | 17,393                          | 17,861                          |
| Targeted rates (other than a targeted rate for water supply)             | -                               | -                               | -                            | -                               | -                               |
| Subsidies and grants for operating purposes                              | 3,389                           | 3,312                           | 3,539                        | 3,333                           | 3,504                           |
| Fees, charges and targeted rates for water supply                        | 4,214                           | 4,221                           | 3,764                        | 4,258                           | 3,676                           |
| Internal charges and overheads recovered                                 | -                               | -                               | -                            | -                               | -                               |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 529                             | 450                             | 527                          | 476                             | 515                             |
| <b>Total operating funding (A)</b>                                       | <b>26,223</b>                   | <b>26,361</b>                   | <b>25,507</b>                | <b>25,460</b>                   | <b>25,556</b>                   |
| <b>Applications of operating funding</b>                                 |                                 |                                 |                              |                                 |                                 |
| Payments to staff and suppliers  | 12,313                          | 12,238                          | 12,261                       | 12,418                          | 12,074                          |
| Finance costs  | 1,495                           | 1,495                           | 1,528                        | 1,575                           | 1,575                           |
| Internal charges and overheads applied                                   | 2,475                           | 2,475                           | 2,072                        | 1,970                           | 2,136                           |
| Other operating funding applications                                     | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of operating funding (B)</b>                       | <b>16,283</b>                   | <b>16,208</b>                   | <b>15,861</b>                | <b>15,963</b>                   | <b>15,785</b>                   |
| <b>Surplus (deficit) of operating funding (A-B)</b>                      | <b>9,940</b>                    | <b>10,153</b>                   | <b>9,646</b>                 | <b>9,497</b>                    | <b>9,771</b>                    |
| <b>Sources of capital funding</b>  |                                 |                                 |                              |                                 |                                 |
| Subsidies and grants for capital expenditure                             | 4,210                           | 4,740                           | 4,214                        | 3,529                           | 4,112                           |
| Development and financial contributions                                  | 11                              | 70                              | 82                           | 26                              | 80                              |
| Increase (decrease) in debt  | (5,261)                         | (5,129)                         | (5,261)                      | (6,262)                         | (5,344)                         |
| Gross proceeds from sale of assets                                       | -                               | -                               | -                            | -                               | -                               |
| Lump sum contributions   | -                               | -                               | -                            | -                               | -                               |
| Other dedicated capital funding  | -                               | -                               | -                            | -                               | -                               |
| <b>Total sources of capital funding (C)</b>                              | <b>(1,040)</b>                  | <b>(319)</b>                    | <b>(965)</b>                 | <b>(2,707)</b>                  | <b>(1,152)</b>                  |
| <b>Application of capital funding</b>                                    |                                 |                                 |                              |                                 |                                 |
| Capital expenditure  |                                 |                                 |                              |                                 |                                 |
| - to meet additional demand  | -                               | -                               | -                            | -                               | -                               |
| - to improve level of service  | 1,239                           | 2,501                           | 1,942                        | 1,509                           | 2,046                           |
| - to replace existing assets   | 7,661                           | 7,333                           | 6,739                        | 5,523                           | 6,573                           |
| Increase (decrease) in reserves  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) of investments                                       | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of capital funding (D)</b>                         | <b>8,900</b>                    | <b>9,834</b>                    | <b>8,681</b>                 | <b>7,032</b>                    | <b>8,619</b>                    |
| <b>Surplus (deficit) of capital funding (C-D)</b>                        | <b>(9,940)</b>                  | <b>(10,153)</b>                 | <b>(9,646)</b>               | <b>(9,739)</b>                  | <b>(9,771)</b>                  |
| <b>Funding balance ((A-B)+(C-D))</b>                                     | <b>-</b>                        | <b>-</b>                        | <b>-</b>                     | <b>(242)</b>                    | <b>-</b>                        |

## Operating Projects

|                                       | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|---------------------------------------|---------------------------------|-------------------------------|-----------------------------------|
| Roading and Traffic Transport Studies | 77                              | 100                           | 23                                |

### Significant Operating Variations from the 2013-14 Annual Plan

Revenue was under budget due to the non-approval of the anticipated NZTA subsidy on the Wainuiomata Hill Summit Bridge. This was offset to some extent by greater than anticipated receipts of vested assets through an increase in land subdivision activity along with a significant increase in associated subdivisional engineering fee revenue. Excluding a \$200,000 favourable variance in depreciation there was an unfavourable variance of \$70,000 in operating costs. This over expenditure representing less than 1% of the \$11 million operating cost budget was directly attributable to repairs of damage caused by the major wind storm of 20th June 2013.

### Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

Council had a capital maintenance budget of \$7.7 million of which almost \$7 million was targeted at NZTA subsidised carriageway resealing and repair work across the 480 kilometres of road network. The roading contractors performed well to complete a larger than normal works programme as this figure included \$1 million carried over from the previous year. The \$2.1 million capital improvements budget was underspent by \$979,000 primarily due to the deferral of the Wainuiomata Hill Summit Bridge project due to lack of NZTA funding as mentioned above. It should be noted that this subsidy has subsequently been approved in the 2014-15 year.

## Capital Projects Acquisitions and Renewals

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>  |                                 |                               |                                   |
| Area Wide Pavement Treatment               | 1,905                           | 1,893                         | (12)                              |
| Carpark Resurfacing                        | 52                              | 51                            | (1)                               |
| Footpath Resurfacing and Replacement       | 201                             | 205                           | 4                                 |
| Pavement Surfacing                         | 3,454                           | 3,680                         | 226                               |
| Minor Safety Works                         | 48                              | 51                            | 3                                 |
| Minor Road and Footpath Construction       | 81                              | 74                            | (7)                               |
| Pedestrian Crossing Maintenance            | 32                              | 31                            | (1)                               |
| Road Smoothing                             | 300                             | 302                           | 2                                 |
| Streetlight Lantern Replacement Programme  | 50                              | 51                            | 1                                 |
| Streetlight Standard Replacement           | 100                             | 100                           | -                                 |
| Street Name Sign Replacement               | 20                              | 20                            | -                                 |
| Traffic Signal Replacement                 | 161                             | 165                           | 4                                 |
| Wainuiomata Hill Road Safety Seal          | 1,256                           | 1,075                         | (181)                             |
| <b>Capital to Improve Level of Service</b> |                                 |                               |                                   |
| Roads Broad Band Ducting                   | 21                              | 21                            | -                                 |
| Cycleways Continued Development            | 371                             | 351                           | (20)                              |
| Local Area Traffic Management              | 53                              | 51                            | (2)                               |
| Land Purchase for Roads                    | -                               | 20                            | 20                                |
| Pedestrian Crossings New                   | 51                              | 53                            | 2                                 |
| Substandard Roads Upgrade                  | 351                             | 360                           | 9                                 |
| School Speed Zone Programme                | 60                              | 60                            | -                                 |
| Traffic Safety Improvements                | 331                             | 400                           | 69                                |
| Wainuiomata Hill Summit Bridge             | -                               | 820                           | 820                               |

## 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 (GWRC), 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 success of our services

| MEASURE   | ACHIEVED 2011-12         | ACHIEVED 2012-13         | PEER AVERAGE 2013-14 | ACHIEVED 2013-14   | SOURCE OF INFORMATION   |
|---|--------------------------|--------------------------|----------------------|--|---|
| Residents' satisfaction with the city water supply:<br>≥ 95% of those expressing an opinion   | 96%                      | 98%                      | 88%                  | 96% of those expressing an opinion. 2% of residents did not express an opinion | NRB Communitrak Survey  |
| Compliance with New Zealand Drinking Water Standards:<br>Full compliance  | Achieved full compliance | Achieved full compliance | N/A                  | Achieved full compliance   | Portable Water Testing Contract Reports   |
| Quality of water:<br>Achieve 'b' grading from the Ministry of Health for the Hutt City water supply<br><small>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</small> | Achieved a 'b' grading   | Achieved a 'b' grading   | N/A                  | Achieved a 'b' grading   | Ministry of Health Register of Community Drinking Water Suppliers Grading Report  |
| Provide a reliable water supply service:<br>Fewer than four unplanned supply cuts per 1000 connections  | 2.9                      | 2.7                      | N/A                  | 1.9  | Operations and Maintenance Contract Monthly Report  |
| Respond promptly to water supply disruptions:<br>≥ 97% of requests responded to within one hour of notification   | 100%                     | 98.8%                    | N/A                  | 97.2%  | Operations and Maintenance Contract Monthly Report  |
| Maintain the average unmetered water consumption in Hutt City:<br>Less than 350 litres per head per day   | 308 litres               | 290 litres               | N/A                  | 280 litres   | Monthly 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'. Some percentages have been rounded and may not equal 100. We work to meet these measures through Capacity.

## Statement of Comprehensive Income

For year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 2,118                           | 2,310                         | (192)                             | 2,156                           |
| Operating Subsidies and Grants                    | -                               | -                             | -                                 | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | 4                               | 35                            | (31)                              | 9                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | 213                             | 114                           | 99                                | 60                              |
| Other Revenue                                     | -                               | -                             | -                                 | -                               |
| Gain/(Loss) on Property Disposals                 | -                               | -                             | -                                 | -                               |
| <b>Total Revenue</b>                              | <b>2,335</b>                    | <b>2,459</b>                  | <b>(124)</b>                      | <b>2,225</b>                    |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | -                               | -                             | -                                 | -                               |
| Support Costs                                     | 357                             | 357                           | -                                 | 319                             |
| Operating Costs                                   | 10,174                          | 10,586                        | 412                               | 10,133                          |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | 313                             | 313                           | -                                 | 331                             |
| Depreciation                                      | 3,277                           | 3,220                         | (57)                              | 3,248                           |
| <b>Total Expenditure</b>                          | <b>14,121</b>                   | <b>14,476</b>                 | <b>355</b>                        | <b>14,031</b>                   |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(11,786)</b>                 | <b>(12,017)</b>               | <b>231</b>                        | <b>(11,806)</b>                 |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (11,786)                        | (12,017)                      | 231                               | (11,806)                        |
| Add Capital Contributions                         | (4)                             | (35)                          | 31                                | (9)                             |
| <b>Total Rates Funding Requirement</b>            | <b>(11,790)</b>                 | <b>(12,052)</b>               | <b>262</b>                        | <b>(11,815)</b>                 |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | (2,313)                         | (2,489)                       | 176                               | (1,793)                         |
| Capital Expenditure - to improve level of service | (241)                           | (476)                         | 235                               | (92)                            |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | 4                               | 35                            | (31)                              | 9                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 3,277                           | 3,220                         | 57                                | 3,248                           |
| <b>Total Loan Funding Requirement</b>             | <b>727</b>                      | <b>290</b>                    | <b>437</b>                        | <b>1,372</b>                    |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(11,063)</b>                 | <b>(11,762)</b>               | <b>699</b>                        | <b>(10,443)</b>                 |

## Funding Impact Statement

For the year ended 30 June 2014

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | BUDGET<br>30 JUNE 2014<br>\$000 | LTP<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | BUDGET<br>30 JUNE 2013<br>\$000 |
|--|---------------------------------|---------------------------------|------------------------------|---------------------------------|---------------------------------|
| <b>Sources of operating funding</b>                                      |                                 |                                 |                              |                                 |                                 |
| General rates, uniform annual general charges, rates penalties           | -                               | -                               | -                            | -                               | -                               |
| Targeted rates (other than a targeted rate for water supply)             | -                               | -                               | 12,387                       | 11,815                          | 12,010                          |
| Subsidies and grants for operating purposes                              | -                               | -                               | -                            | -                               | -                               |
| Fees, charges and targeted rates for water supply                        | 14,121                          | 14,476                          | 2,365                        | 2,156                           | 2,310                           |
| Internal charges and overheads recovered                                 | -                               | -                               | -                            | -                               | -                               |
| Local authorities fuel tax, fines, infringement fees, and other receipts | -                               | -                               | -                            | -                               | -                               |
| <b>Total operating funding (A)</b>                                       | <b>14,121</b>                   | <b>14,476</b>                   | <b>14,752</b>                | <b>13,971</b>                   | <b>14,320</b>                   |
| <b>Applications of operating funding</b>                                 |                                 |                                 |                              |                                 |                                 |
| Payments to staff and suppliers  | 10,174                          | 10,586                          | 10,874                       | 10,133                          | 10,360                          |
| Finance costs  | 313                             | 313                             | 321                          | 331                             | 330                             |
| Internal charges and overheads applied                                   | 357                             | 357                             | 361                          | 319                             | 372                             |
| Other operating funding applications                                     | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of operating funding (B)</b>                       | <b>10,844</b>                   | <b>11,256</b>                   | <b>11,556</b>                | <b>10,783</b>                   | <b>11,062</b>                   |
| <b>Surplus (deficit) of operating funding (A-B)</b>                      | <b>3,277</b>                    | <b>3,220</b>                    | <b>3,196</b>                 | <b>3,188</b>                    | <b>3,258</b>                    |
| <b>Sources of capital funding</b>  |                                 |                                 |                              |                                 |                                 |
| Subsidies and grants for capital expenditure                             | -                               | -                               | -                            | -                               | -                               |
| Development and financial contributions                                  | 4                               | 35                              | 41                           | 9                               | 40                              |
| Increase (decrease) in debt  | (727)                           | (290)                           | (824)                        | (1,372)                         | (860)                           |
| Gross proceeds from sale of assets                                       | -                               | -                               | -                            | -                               | -                               |
| Lump sum contributions   | -                               | -                               | -                            | -                               | -                               |
| Other dedicated capital funding  | -                               | -                               | -                            | -                               | -                               |
| <b>Total sources of capital funding (C)</b>                              | <b>(723)</b>                    | <b>(255)</b>                    | <b>(783)</b>                 | <b>(1,363)</b>                  | <b>(820)</b>                    |
| <b>Application of capital funding</b>                                    |                                 |                                 |                              |                                 |                                 |
| Capital expenditure  |                                 |                                 |                              |                                 |                                 |
| - to meet additional demand  | -                               | -                               | -                            | -                               | -                               |
| - to improve level of service  | 241                             | 476                             | 154                          | 92                              | 440                             |
| - to replace existing assets   | 2,313                           | 2,489                           | 2,259                        | 1,793                           | 1,998                           |
| Increase (decrease) in reserves  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) of investments                                       | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of capital funding (D)</b>                         | <b>2,554</b>                    | <b>2,965</b>                    | <b>2,413</b>                 | <b>1,885</b>                    | <b>2,438</b>                    |
| <b>Surplus (deficit) of capital funding (C-D)</b>                        | <b>(3,277)</b>                  | <b>(3,220)</b>                  | <b>(3,196)</b>               | <b>(3,248)</b>                  | <b>(3,258)</b>                  |
| <b>Funding balance ((A-B)+(C-D))</b>                                     | <b>-</b>                        | <b>-</b>                        | <b>-</b>                     | <b>(60)</b>                     | <b>-</b>                        |

### Significant Operating Variations from the 2013-14 Annual Plan

Revenue was under budget mainly due to less income from metered water consumers and Development Contributions. There was increased income from vested assets. Expenditure was under budget mainly due to reduced bulk water charges.

### Capital Projects Acquisitions and Renewals

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>                  |                                 |                               |                                   |
| Hawthorn Crescent - Main/Rider/Services Renewals           | 225                             | 200                           | (25)                              |
| Kelson PS Renewal  | 491                             | 468                           | (23)                              |
| Kingsley Street Reservoir Outlet Main Renewal Stage 2      | 282                             | 315                           | 33                                |
| Konini Road Reservoir Outlet Main - Main/Services Renewals | 99                              | 127                           | 28                                |
| Minor Works (Water Supply)                                 | 83                              | 150                           | 67                                |
| Pump Station Minor Works                                   | 120                             | 100                           | (20)                              |
| Reservoir Minor Work                                       | 69                              | 51                            | (18)                              |
| SCADA Renewals Water Supply                                | 44                              | 100                           | 56                                |
| Kelson/Fairway Drive Link Main Renewal Stage 2             | 516                             | 405                           | (111)                             |
| Konini Road Reservoir Outlet Main Renewal Stage 2          | 117                             | 250                           | 133                               |
| Stokes Valley Road - Main/Rider/Services Renewals Stage 2  | 267                             | 323                           | 56                                |
| <b>Capital to Improve Level of Service</b>                 |                                 |                               |                                   |
| Emergency Water Supply Earthquake Mitigation               | 149                             | 154                           | 5                                 |
| Kelson/Fairway Drive Link Main                             | 92                              | 322                           | 230                               |

### Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

Approximately \$2.6 million was spent on upgrading and maintaining the water main network and pumping stations in the city. Significant projects included renewal of the Kelson Pump Station, Kingsley Street Reservoir Outlet Main, Konini Road Reservoir Outlet Main, Kelson/Fairway Drive Link Main, Stokes Valley Road Water Main and Hawthorn Crescent Water Main.

Four projects weren't completed due to delays in the resource consent process, withdrawal of preferred tender, project scope change and construction delays due to risks associated with wet weather working on steep slopes. The funding to complete these projects has been carried forward into 2014-15.

## 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 success of our services

| MEASURE  | ACHIEVED 2011-12 | ACHIEVED 2012-13 | PEER AVERAGE 2013-14 | ACHIEVED 2013-14   | SOURCE OF INFORMATION                              |
|--|------------------|------------------|----------------------|--|--|
| Residents' satisfaction with the city wastewater service:<br>≥ 95% of those expressing an opinion  | 99%              | 99%              | 90%                  | 96% of those expressing an opinion. 4% of residents did not express an opinion | NRB Communitrak Survey                             |
| No resource consent-related infringement notices received from Greater Wellington Regional Council (GWRC):<br>100% compliance            | 100% compliance  | 100% compliance  | N/A                  | 100% compliance  | Compliance reports from GWRC                       |
| Provide a reliable wastewater service:<br>Fewer than 1.2 wastewater incidents reported per kilometre of wastewater reticulation pipeline | 0.9              | 0.74             | N/A                  | 0.68   | Operations and Maintenance Contract Monthly Report |
| Respond promptly to wastewater disruptions:<br>≥ 97% of requests responded to within one hour of notification                            | 100%             | 97.7%            | N/A                  | 98.8%  | Operations and Maintenance Contract Monthly Report |

Note: Survey percentages quoted exclude those who responded 'don't know'. Some percentages have been rounded and may not equal 100. We work to meet these measures through Capacity.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 1,067                           | 1,091                         | (24)                              | 963                             |
| Operating Subsidies and Grants                    | -                               | -                             | -                                 | -                               |
| UHCC Operating Subsidy                            | 2,397                           | 2,530                         | (133)                             | 2,580                           |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | 244                             | 350                           | (106)                             | 460                             |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | 341                             | 114                           | 227                               | 46                              |
| Other Revenue                                     | -                               | -                             | -                                 | -                               |
| Gain/(Loss) on Property Disposals                 | -                               | -                             | -                                 | -                               |
| <b>Total Revenue</b>                              | <b>4,049</b>                    | <b>4,085</b>                  | <b>(36)</b>                       | <b>4,049</b>                    |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | -                               | -                             | -                                 | -                               |
| Support Costs                                     | 790                             | 790                           | -                                 | 766                             |
| Operating Costs                                   | 11,604                          | 12,086                        | 482                               | 11,956                          |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | 766                             | 766                           | -                                 | 808                             |
| Depreciation                                      | 6,898                           | 6,853                         | (45)                              | 6,819                           |
| <b>Total Expenditure</b>                          | <b>20,058</b>                   | <b>20,495</b>                 | <b>437</b>                        | <b>20,349</b>                   |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(16,009)</b>                 | <b>(16,410)</b>               | <b>401</b>                        | <b>(16,300)</b>                 |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (16,009)                        | (16,410)                      | 401                               | (16,300)                        |
| Add Capital Contributions                         | (244)                           | (350)                         | 106                               | (460)                           |
| <b>Total Rates Funding Requirement</b>            | <b>(16,253)</b>                 | <b>(16,760)</b>               | <b>507</b>                        | <b>(16,760)</b>                 |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | (4,101)                         | (5,048)                       | 947                               | (4,409)                         |
| Capital Expenditure - to improve level of service | (332)                           | (400)                         | 68                                | (915)                           |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | 244                             | 350                           | (106)                             | 460                             |
| Less UHCC Capital Contributions                   | 377                             | 627                           | (250)                             | -                               |
| Less Depreciation                                 | 6,898                           | 6,853                         | 45                                | 6,819                           |
| <b>Total Loan Funding Requirement</b>             | <b>3,086</b>                    | <b>2,382</b>                  | <b>704</b>                        | <b>1,955</b>                    |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(13,167)</b>                 | <b>(14,378)</b>               | <b>1,211</b>                      | <b>(14,805)</b>                 |

## Funding Impact Statement

For the year ended 30 June 2014

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | BUDGET<br>30 JUNE 2014<br>\$000 | LTP<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | BUDGET<br>30 JUNE 2013<br>\$000 |
|--|---------------------------------|---------------------------------|------------------------------|---------------------------------|---------------------------------|
| <b>Sources of operating funding</b>                                      |                                 |                                 |                              |                                 |                                 |
| General rates, uniform annual general charges, rates penalties           | -                               | -                               | -                            | -                               | -                               |
| Targeted rates (other than a targeted rate for water supply)             | 16,594                          | 16,874                          | 15,827                       | 16,760                          | 16,173                          |
| Subsidies and grants for operating purposes                              | 2,397                           | 2,530                           | 2,391                        | 2,580                           | 2,420                           |
| Fees, charges and targeted rates for water supply                        | 1,067                           | 1,091                           | 1,110                        | 963                             | 1,084                           |
| Internal charges and overheads recovered                                 | -                               | -                               | -                            | -                               | -                               |
| Local authorities fuel tax, fines, infringement fees, and other receipts | -                               | -                               | -                            | -                               | -                               |
| <b>Total operating funding (A)</b>                                       | <b>20,058</b>                   | <b>20,495</b>                   | <b>19,328</b>                | <b>20,303</b>                   | <b>19,677</b>                   |
| <b>Applications of operating funding</b>                                 |                                 |                                 |                              |                                 |                                 |
| Payments to staff and suppliers  | 11,604                          | 12,086                          | 11,182                       | 11,956                          | 11,374                          |
| Finance costs  | 766                             | 766                             | 784                          | 808                             | 808                             |
| Internal charges and overheads applied                                   | 790                             | 790                             | 808                          | 766                             | 833                             |
| Other operating funding applications                                     | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of operating funding (B)</b>                       | <b>13,160</b>                   | <b>13,642</b>                   | <b>12,774</b>                | <b>13,530</b>                   | <b>13,015</b>                   |
| <b>Surplus (deficit) of operating funding (A-B)</b>                      | <b>6,898</b>                    | <b>6,853</b>                    | <b>6,554</b>                 | <b>6,773</b>                    | <b>6,662</b>                    |
| <b>Sources of capital funding</b>  |                                 |                                 |                              |                                 |                                 |
| Subsidies and grants for capital expenditure                             | -                               | 627                             | 696                          | -                               | 666                             |
| Development and financial contributions                                  | 244                             | 350                             | 420                          | 460                             | 410                             |
| Increase (decrease) in debt  | (2,709)                         | (2,382)                         | (2,723)                      | (1,955)                         | (2,359)                         |
| Gross proceeds from sale of assets                                       | -                               | -                               | -                            | -                               | -                               |
| Lump sum contributions   | -                               | -                               | -                            | -                               | -                               |
| Other dedicated capital funding  | -                               | -                               | -                            | -                               | -                               |
| <b>Total sources of capital funding (C)</b>                              | <b>(2,465)</b>                  | <b>(1,405)</b>                  | <b>(1,607)</b>               | <b>(1,495)</b>                  | <b>(1,283)</b>                  |
| <b>Application of capital funding</b>                                    |                                 |                                 |                              |                                 |                                 |
| Capital expenditure  |                                 |                                 |                              |                                 |                                 |
| - to meet additional demand  | -                               | -                               | -                            | -                               | -                               |
| - to improve level of service  | 332                             | 400                             | 870                          | 915                             | 850                             |
| - to replace existing assets   | 4,101                           | 5,048                           | 4,077                        | 4,409                           | 4,529                           |
| Increase (decrease) in reserves  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) of investments                                       | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of capital funding (D)</b>                         | <b>4,433</b>                    | <b>5,448</b>                    | <b>4,947</b>                 | <b>5,324</b>                    | <b>5,379</b>                    |
| <b>Surplus (deficit) of capital funding (C-D)</b>                        | <b>(6,898)</b>                  | <b>(6,853)</b>                  | <b>(6,554)</b>               | <b>(6,819)</b>                  | <b>(6,662)</b>                  |
| <b>Funding balance (A-B)+(C-D)</b>                                       | <b>-</b>                        | <b>-</b>                        | <b>-</b>                     | <b>(46)</b>                     | <b>-</b>                        |



## Operating Projects

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--|---------------------------------|-------------------------------|-----------------------------------|
| Wastewater Flow Management Wainuiomata | 78                              | 100                           | 22                                |
| Rising Main Vulnerability Assessment   | 50                              | 50                            | -                                 |

## Significant Operating Variations from the 2013-14 Annual Plan

Revenue was under budget mainly due to less income from user charges, operating subsidies and development contributions. The income from vested assets was higher than budget. Expenditure was below budget mainly due to reduced operating costs for trunk wastewater, including favourable insurance costs and a one-off tax change credit. The favourable operating costs resulted in a lower operating subsidy than budget.

## Capital Projects Acquisitions and Renewals

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>  |                                 |                               |                                   |
| Cheviot Road Sewer Renewals                | 89                              | 90                            | 1                                 |
| Local Pumping Station Wastewater           | 97                              | 82                            | (15)                              |
| Minor Asset Renewals                       | 160                             | 170                           | 10                                |
| Naenae Sewer Renewal                       | 382                             | 300                           | (82)                              |
| Pressure Testing of Sewers                 | 213                             | 300                           | 87                                |
| SCADA Renewals Wastewater                  | 28                              | 27                            | (1)                               |
| Trunk DBO Asset Replacement Fund           | 1,170                           | 1,238                         | 68                                |
| Trunk Non-DBO Minor Works                  | 10                              | 10                            | -                                 |
| Trunk DBO Pipeline Cyclic Replacement      | 38                              | 578                           | 540                               |
| Tui Street Sewer Renewals                  | 220                             | 270                           | 50                                |
| Vista Grove Sewer Replacement              | 7                               | 290                           | 283                               |
| Wainuiomata Catchment Sewer Renewals       | 1,441                           | 1,323                         | (118)                             |
| Westhill/Howard Sewer Renewal              | 246                             | 370                           | 124                               |
| <b>Capital to Improve Level of Service</b> |                                 |                               |                                   |
| Trunk DBO Type A Network Development       | 142                             | 200                           | 58                                |
| Trunk DBO Type B Network Development       | 190                             | 200                           | 10                                |

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

Approximately \$1.5 million was spent on upgrades and maintenance to the trunk sewer network. Tenders for the Trunk DBO Pipeline Cyclic Replacement project were not accepted and the seasonal dependent project was deferred to 2014-15. Work continued on sewer renewals in local sewer networks with spending at approximately \$2.9 million. Significant projects included sewer renewals in Wainuiomata, Naenae, Tui Street and Westhill/Howard Roads.

The Vista Grove Sewer Replacement project was deferred to 2014-15 due to an access issue with the owner. Options are being investigated by Council. Year-end underspend is due to the two carryover projects, favourable contract prices and changes of scope to projects during the investigation phase.

## STORMWATER

### What we do

We provide a stormwater drainage system to manage the surface water run-off from urban catchments, providing flood protection and control. 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 success of our services

| MEASURE  | ACHIEVED 2011-12 | ACHIEVED 2012-13 | PEER AVERAGE 2013-14 | ACHIEVED 2013-14  | SOURCE OF INFORMATION                              |
|--|------------------|------------------|----------------------|---|--|
| Residents' satisfaction with the city stormwater service:<br>≥ 80% of those expressing an opinion  | 90%              | 87%              | 83%                  | 84% of those who expressed an opinion. 2% of residents did not express an opinion | NRB Communitrak Survey                             |
| Provide a reliable stormwater service:<br>Fewer than 0.5 stormwater incidents reported per kilometre of stormwater pipeline                  | 0.0595           | 0.09             | N/A                  | 0.09  | Operations and Maintenance Contract Monthly Report |
| Achieve water quality at main recreational beaches:<br>90% of sampling days when water quality meets Ministry for the Environment guidelines | 92%              | 89%              | N/A                  | 83%   | Operations and Maintenance Contract Monthly Report |
| Respond promptly to stormwater disruptions:<br>≥ 97% of requests responded to within one hour of notification                                | 100%             | 98.4%            | N/A                  | 97.2%   | Operations and Maintenance Contract Monthly Report |

Note: Survey percentages quoted exclude those who responded 'don't know'. Some percentages have been rounded and may not equal 100. We work to meet these measures through Capacity.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 5                               | 3                             | 2                                 | 3                               |
| Operating Subsidies and Grants                    | 17                              | 9                             | 8                                 | 8                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | 5                               | 150                           | (145)                             | 22                              |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | 321                             | 114                           | 207                               | 56                              |
| Other Revenue                                     | -                               | -                             | -                                 | -                               |
| Gain/(Loss) on Property Disposals                 | -                               | -                             | -                                 | -                               |
| <b>Total Revenue</b>                              | <b>348</b>                      | <b>276</b>                    | <b>72</b>                         | <b>89</b>                       |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | -                               | -                             | -                                 | -                               |
| Support Costs                                     | 339                             | 339                           | -                                 | 323                             |
| Operating Costs                                   | 3,373                           | 3,509                         | 136                               | 3,306                           |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | 472                             | 472                           | -                                 | 498                             |
| Depreciation                                      | 2,970                           | 2,916                         | (54)                              | 2,935                           |
| <b>Total Expenditure</b>                          | <b>7,154</b>                    | <b>7,236</b>                  | <b>82</b>                         | <b>7,062</b>                    |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(6,806)</b>                  | <b>(6,960)</b>                | <b>154</b>                        | <b>(6,973)</b>                  |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (6,806)                         | (6,960)                       | 154                               | (6,973)                         |
| Add Capital Contributions                         | (5)                             | (150)                         | 145                               | (22)                            |
| <b>Total Rates Funding Requirement</b>            | <b>(6,811)</b>                  | <b>(7,110)</b>                | <b>299</b>                        | <b>(6,995)</b>                  |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | (259)                           | (351)                         | 92                                | (792)                           |
| Capital Expenditure - to improve level of service | (699)                           | (711)                         | 12                                | (1,774)                         |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | 5                               | 150                           | (145)                             | 22                              |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 2,970                           | 2,916                         | 54                                | 2,935                           |
| <b>Total Loan Funding Requirement</b>             | <b>2,017</b>                    | <b>2,004</b>                  | <b>13</b>                         | <b>391</b>                      |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(4,794)</b>                  | <b>(5,106)</b>                | <b>312</b>                        | <b>(6,604)</b>                  |

## Funding Impact Statement

For the year ended 30 June 2014

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | BUDGET<br>30 JUNE 2014<br>\$000 | LTP<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | BUDGET<br>30 JUNE 2013<br>\$000 |
|--|---------------------------------|---------------------------------|------------------------------|---------------------------------|---------------------------------|
| <b>Sources of operating funding</b>                                      |                                 |                                 |                              |                                 |                                 |
| General rates, uniform annual general charges, rates penalties           | 7,132                           | 7,224                           | 7,073                        | 6,995                           | 7,103                           |
| Targeted rates (other than a targeted rate for water supply)             | -                               | -                               | -                            | -                               | -                               |
| Subsidies and grants for operating purposes                              | 17                              | 9                               | 7                            | 8                               | 7                               |
| Fees, charges and targeted rates for water supply                        | 5                               | 3                               | 3                            | 3                               | 3                               |
| Internal charges and overheads recovered                                 | -                               | -                               | -                            | -                               | -                               |
| Local authorities fuel tax, fines, infringement fees, and other receipts | -                               | -                               | -                            | -                               | -                               |
| <b>Total operating funding (A)</b>                                       | <b>7,154</b>                    | <b>7,236</b>                    | <b>7,083</b>                 | <b>7,006</b>                    | <b>7,113</b>                    |
| <b>Applications of operating funding</b>                                 |                                 |                                 |                              |                                 |                                 |
| Payments to staff and suppliers  | 3,373                           | 3,509                           | 3,341                        | 3,306                           | 3,313                           |
| Finance costs  | 472                             | 472                             | 483                          | 498                             | 498                             |
| Internal charges and overheads applied                                   | 339                             | 339                             | 348                          | 323                             | 359                             |
| Other operating funding applications                                     | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of operating funding (B)</b>                       | <b>4,184</b>                    | <b>4,320</b>                    | <b>4,172</b>                 | <b>4,127</b>                    | <b>4,170</b>                    |
| <b>Surplus (deficit) of operating funding (A-B)</b>                      | <b>2,970</b>                    | <b>2,916</b>                    | <b>2,911</b>                 | <b>2,879</b>                    | <b>2,943</b>                    |
| <b>Sources of capital funding</b>  |                                 |                                 |                              |                                 |                                 |
| Subsidies and grants for capital expenditure                             | -                               | -                               | -                            | -                               | -                               |
| Development and financial contributions                                  | 5                               | 150                             | 174                          | 22                              | 170                             |
| Increase (decrease) in debt  | (2,017)                         | (2,004)                         | (1,162)                      | (391)                           | (773)                           |
| Gross proceeds from sale of assets                                       | -                               | -                               | -                            | -                               | -                               |
| Lump sum contributions   | -                               | -                               | -                            | -                               | -                               |
| Other dedicated capital funding  | -                               | -                               | -                            | -                               | -                               |
| <b>Total sources of capital funding (C)</b>                              | <b>(2,012)</b>                  | <b>(1,854)</b>                  | <b>(988)</b>                 | <b>(369)</b>                    | <b>(603)</b>                    |
| <b>Application of capital funding</b>                                    |                                 |                                 |                              |                                 |                                 |
| Capital expenditure  |                                 |                                 |                              |                                 |                                 |
| - to meet additional demand  | -                               | -                               | -                            | -                               | -                               |
| - to improve level of service  | 699                             | 711                             | 1,172                        | 1,774                           | 1,590                           |
| - to replace existing assets   | 259                             | 351                             | 751                          | 792                             | 750                             |
| Increase (decrease) in reserves  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) of investments                                       | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of capital funding (D)</b>                         | <b>958</b>                      | <b>1,062</b>                    | <b>1,923</b>                 | <b>2,566</b>                    | <b>2,340</b>                    |
| <b>Surplus (deficit) of capital funding (C-D)</b>                        | <b>(2,970)</b>                  | <b>(2,916)</b>                  | <b>(2,911)</b>               | <b>(2,935)</b>                  | <b>(2,943)</b>                  |
| <b>Funding balance ((A-B)+(C-D))</b>                                     | <b>-</b>                        | <b>-</b>                        | <b>-</b>                     | <b>(56)</b>                     | <b>-</b>                        |

## Operating Projects

|                                       | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|---------------------------------------|---------------------------------|-------------------------------|-----------------------------------|
| Waiwhetu Stream Flood Management Plan | 2                               | 50                            | 48                                |

## Significant Operating Variations from the 2013-14 Annual Plan

Revenue was higher than budget mainly due to more income from vested assets. We did however receive less income from development contributions. Expenditure was under budget mainly due to reduced operating costs.

## Capital Projects Acquisitions and Renewals

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>  |                                 |                               |                                   |
| Minor Works Stormwater                     | 79                              | 120                           | 41                                |
| SCADA Renewals Stormwater                  | 42                              | 26                            | (16)                              |
| Tawhai Street Stormwater Renewal           | 56                              | 128                           | 72                                |
| Total Renewals Utilities Stormwater        | 82                              | 77                            | (5)                               |
| <b>Capital to Improve Level of Service</b> |                                 |                               |                                   |
| Awamutu Stream                             | 248                             | 250                           | 2                                 |
| Hutt River Backflow Electrical             | 193                             | 205                           | 12                                |
| Hutt River Floodplain                      | 258                             | 256                           | (2)                               |

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

Approximately \$1 million was spent on stormwater upgrades and renewals across the city. This work included channel upgrade works within the lower reaches of the Awamutu Stream and stormwater outlet upgrading works as part of Hutt River flood protection work being undertaken by GWRC.

## SOLID WASTE

### What we do

We manage contracts for the collection of the city's refuse and recycling, and own and operate a landfill and a cleanfill 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 success of our services

| MEASURE   | ACHIEVED 2011-12 | ACHIEVED 2012-13 | PEER AVERAGE 2013-14 | ACHIEVED 2013-14   | SOURCE OF INFORMATION        |
|---|------------------|------------------|----------------------|--|------------------------------|
| Residents' satisfaction with:   |                  |                  |                      |  | NRB<br>Communitrak<br>Survey |
| - rubbish collection<br>≥ 93% of those expressing an opinion                            | 92%              | 95%              | 93%                  | 93% of residents expressing an opinion.<br>10% of residents did not express an opinion |                              |
| - refuse disposal<br>≥ 91% of those expressing an opinion                               | 91%              | 81%              | 85%                  | 83% of residents expressing an opinion.<br>18% of residents did not express an opinion |                              |
| - recycling<br>≥ 86% of those expressing an opinion                                     | 94%              | 93%              | 90%                  | 93% of residents expressing an opinion.<br>4% of residents did not express an opinion  |                              |
| No resource consent-related infringement notices received from GWRC:<br>100% compliance | 100% compliance  | 100% compliance  | N/A                  | 100% compliance  | Compliance reports from GWRC |

Note: Survey percentages quoted exclude those who responded 'don't know'. Percentages have been rounded and may not equal 100. We work to meet these measures through Capacity.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 12,911                          | 10,652                        | 2,259                             | 10,949                          |
| Operating Subsidies and Grants                    | -                               | -                             | -                                 | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | (3)                             | 1                             | (4)                               | 78                              |
| Gain/(Loss) on Property Disposals                 | 8                               | -                             | 8                                 | -                               |
| <b>Total Revenue</b>                              | <b>12,916</b>                   | <b>10,653</b>                 | <b>2,263</b>                      | <b>11,027</b>                   |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | -                               | -                             | -                                 | -                               |
| Support Costs                                     | 182                             | 182                           | -                                 | 164                             |
| Operating Costs                                   | 7,091                           | 5,105                         | (1,986)                           | 5,721                           |
| Loss on Property Disposals                        | -                               | -                             | -                                 | (231)                           |
| Finance Cost                                      | 305                             | -                             | (305)                             | 315                             |
| Depreciation                                      | 546                             | 562                           | 16                                | 507                             |
| <b>Total Expenditure</b>                          | <b>8,124</b>                    | <b>5,849</b>                  | <b>(2,275)</b>                    | <b>6,476</b>                    |
| <b>SURPLUS BEFORE TAX</b>                         | <b>4,792</b>                    | <b>4,804</b>                  | <b>(12)</b>                       | <b>4,551</b>                    |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Surplus Before Tax                                | 4,792                           | 4,804                         | (12)                              | 4,551                           |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>4,792</b>                    | <b>4,804</b>                  | <b>(12)</b>                       | <b>4,551</b>                    |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | -                               | -                             | -                                 | -                               |
| Capital Expenditure - to improve level of service | (1,100)                         | (722)                         | (378)                             | (2,470)                         |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 546                             | 562                           | (16)                              | 507                             |
| <b>Total Loan Funding Requirement</b>             | <b>(554)</b>                    | <b>(160)</b>                  | <b>(394)</b>                      | <b>(1,963)</b>                  |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>4,238</b>                    | <b>4,644</b>                  | <b>(406)</b>                      | <b>2,588</b>                    |

## Funding Impact Statement

For the year ended 30 June 2014

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | BUDGET<br>30 JUNE 2014<br>\$000 | LTP<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | BUDGET<br>30 JUNE 2013<br>\$000 |
|--|---------------------------------|---------------------------------|------------------------------|---------------------------------|---------------------------------|
| <b>Sources of operating funding</b>                                      |                                 |                                 |                              |                                 |                                 |
| General rates, uniform annual general charges, rates penalties           | (5,992)                         | (6,004)                         | (7,016)                      | (5,751)                         | (6,831)                         |
| Targeted rates (other than a targeted rate for water supply)             | 1,200                           | 1,200                           | 1,229                        | 1,200                           | 1,200                           |
| Subsidies and grants for operating purposes                              | -                               | -                               | -                            | -                               | -                               |
| Fees, charges and targeted rates for water supply                        | 12,911                          | 10,652                          | 12,162                       | 10,949                          | 11,877                          |
| Internal charges and overheads recovered                                 | -                               | -                               | -                            | -                               | -                               |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 5                               | 1                               | 10                           | 78                              | 10                              |
| <b>Total operating funding (A)</b>                                       | <b>8,124</b>                    | <b>5,849</b>                    | <b>6,385</b>                 | <b>6,476</b>                    | <b>6,256</b>                    |
| <b>Applications of operating funding</b>                                 |                                 |                                 |                              |                                 |                                 |
| Payments to staff and suppliers  | 7,091                           | 5,105                           | 5,747                        | 5,490                           | 5,612                           |
| Finance costs  | 305                             | -                               | -                            | 315                             | -                               |
| Internal charges and overheads applied                                   | 182                             | 182                             | 174                          | 164                             | 179                             |
| Other operating funding applications                                     | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of operating funding (B)</b>                       | <b>7,578</b>                    | <b>5,287</b>                    | <b>5,921</b>                 | <b>5,969</b>                    | <b>5,791</b>                    |
| <b>Surplus (deficit) of operating funding (A-B)</b>                      | <b>546</b>                      | <b>562</b>                      | <b>464</b>                   | <b>507</b>                      | <b>465</b>                      |
| <b>Sources of capital funding</b>  |                                 |                                 |                              |                                 |                                 |
| Subsidies and grants for capital expenditure                             | -                               | -                               | -                            | -                               | -                               |
| Development and financial contributions                                  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) in debt  | 554                             | 160                             | 258                          | 1,963                           | 1,730                           |
| Gross proceeds from sale of assets                                       | -                               | -                               | -                            | -                               | -                               |
| Lump sum contributions   | -                               | -                               | -                            | -                               | -                               |
| Other dedicated capital funding  | -                               | -                               | -                            | -                               | -                               |
| <b>Total sources of capital funding (C)</b>                              | <b>554</b>                      | <b>160</b>                      | <b>258</b>                   | <b>1,963</b>                    | <b>1,730</b>                    |
| <b>Application of capital funding</b>                                    |                                 |                                 |                              |                                 |                                 |
| Capital expenditure  |                                 |                                 |                              |                                 |                                 |
| - to meet additional demand  | -                               | -                               | -                            | -                               | -                               |
| - to improve level of service  | 1,100                           | 722                             | 722                          | 2,470                           | 2,195                           |
| - to replace existing assets   | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) in reserves  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) of investments                                       | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of capital funding (D)</b>                         | <b>1,100</b>                    | <b>722</b>                      | <b>722</b>                   | <b>2,470</b>                    | <b>2,195</b>                    |
| <b>Surplus (deficit) of capital funding (C-D)</b>                        | <b>(546)</b>                    | <b>(562)</b>                    | <b>(464)</b>                 | <b>(507)</b>                    | <b>(465)</b>                    |
| <b>Funding balance ((A-B)+(C-D))</b>                                     | <b>-</b>                        | <b>-</b>                        | <b>-</b>                     | <b>-</b>                        | <b>-</b>                        |

### Significant Operating Variations from the 2013-14 Annual Plan

Revenue was over budget at year end due to higher volumes at the landfills. About \$1 million of the revenue relates to treatment of the Ministry for the Environment levy which is offset by a similar overspend in operating costs. The finance costs variance relates to landfills aftercare costs.

### Capital Projects Acquisitions and Renewals

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>              |                                 |                               |                                   |
| Cleanfill Site Development                             | -                               | 10                            | 10                                |
| Silverstream Landfill Stage 2, Design and Construction | 1,092                           | 712                           | (380)                             |
| Wainuomata Landfill - Closure Costs                    | 8                               | -                             | (8)                               |

### Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

The development of the Silverstream Landfill is an ongoing project to provide for future solid waste disposal in the Hutt Valley. The overspend was due to bringing forward planned development work to cater for higher volumes which will be offset by savings in the next financial year. No further development of the Cleanfill Site was carried out.



*We Are*  
**ECO-MINDED**



# GROUP ENVIRONMENT

---

Contributing to Environmental Sustainability and making Hutt City a great place to live, work and play.

The activities undertaken in Group Environment contribute to our Environmental Sustainability Strategy.

# SUSTAINABILITY AT HUTT CITY SCHOOLS

This year, Hutt City Enviroschools was extended to kindergartens across the region. Extending support for sustainability action to the early childhood sector in partnership with the Hutt Kindergarten Association marks a significant milestone for Hutt City Council as it responds to demand in the community for support in this area.

Hutt City Enviroschools are supported through regional and local facilitators who work with each school individually to map out paths towards becoming more sustainable.

Implementing actions around recycling systems, composting, gardening, water and energy conservation can all be part of the journey.

Hutt City is home to 13 Enviroschools, three of which have now reached 'Green Gold' achievement level, the highest achievement level within Enviroschools. Initially five Hutt City kindergartens have committed to an ongoing sustainability journey through the Enviroschools Programme: Naenae, Boulcott, Kelson, Waiwhetu, and Arakura. Once the programme is progressing well with the original five kindergartens, the intention is to develop this model to include more kindergartens with support from the "foundation" group of five.

“Enviroschools offers Hutt City Council a dynamic and effective vehicle to implement our sustainability strategy. It gives schools access to Council and enables us to deliver effective sustainability messages to schools.”

Mayor Ray Wallace, *Hutt City Council*



## HIGHLIGHTS

### Sustainable Fleet Vehicle Policy

The Sustainable Fleet Vehicle Policy has now been implemented at Council with GPS systems fitted to all fleet cars. As a result, fuel efficiency and driver behaviour has improved. The workplace travel plan continues to offer subsidies to encourage staff to use public transport and to cycle to work, and Council now provides one electric bike and three pedal bikes for staff to use for site visits and lunchtime exercise.

### Business Sustainability

Our Sustainability Team works closely with the Hutt Valley Chamber of Commerce to deliver events such as Sustainable Business Network meetings. Business sustainability presentations were delivered through a series of breakfast events and will reoccur in the 2014-15 financial year.

### Sustainable Living Centre

A temporary Sustainable Living Centre is now up and running which was created through the About Space programme, situated at 151 High Street in an empty shop. Hutt City Transition Towns and our sustainability officers have helped to develop the interactive education and information hub. A coordinator role has now been established, which is partly funded by Council. It is hoped that the Centre will become a permanent CBD fixture in the near future.

### Community Unity Project

Council now provide funding assistance to the Epuni School Community Unity Project which brings together the local community and the school to teach children how to grow, cook food and make healthy food choices. The project also provides for bike repair and sewing lessons.

### Eco Fashion Show

Our inaugural Eco Fashion Show took place in September with two evenings of catwalk shows displaying a number of national and international designers' creations. This is now an annual event that has been enthusiastically supported by local businesses.

### World of Waste

World of Waste tours have been successfully running for several years now, and are aimed at Hutt City primary and intermediate schools. The World of Waste is a full day field trip that includes tours of Waste Management's recycling sorting depot, Silverstream Landfill and Earthlink's recycling shop and operations. The tour and associated teacher support is designed to enhance students' understanding about the nature and volume of waste that households and schools generate, and to offer alternative ideas to landfill disposal.

### Waste Diversion from Silverstream Landfill

Council contract Earthlink to maintain a presence at the landfill to encourage users to recycle items such as waste electronics, bikes, ovens, beds, mowers and furniture, and some reusable items are dismantled at the landfill. Earthlink also provides a free recycling service for e-waste for all Hutt City residents, and maintains a curtain bank for Community Card holders.

### Keep Hutt City Beautiful

The annual Keep Hutt City Beautiful Week campaign included both a Petone clean-up and a Wainuiomata clean-up. There were 40 volunteers in total, including 10 divers, who took to the water around Petone Wharf. The divers collected 138 kilograms of rubbish, with the surface volunteers collecting a further 38 kilograms. The volunteers in Wainuiomata collected over 10 bags of rubbish at Hugh Sinclair Park and surrounding areas.

### Eco Design Advisor

Council now has a free Eco Design Advisor service for all Hutt City residents. The advisor offers independent advice to the public on how to make their homes warmer, drier and healthier. Advice is also given on suggested changes to house plans in order to take advantage of solar gain, thermal efficiency, types of insulation, and so on; with an emphasis on making houses more efficient at no additional cost.

### Silver Lining

Council contracts WelTec to deliver the Silver Lining programme which aims to help businesses reduce waste to landfills by funding waste audits and finding solutions for difficult waste streams. The Earthlink contract was renewed and aims to divert waste from landfill and e-waste collection through education and awareness raising. One of the most successful projects has been a project to upcycle old uniforms into children's clothes, which has become an exciting new business.

### Friends of Waiwhetu Stream

Council provided Friends of Waiwhetu Stream with over 1,500 eco-sourced native plants along Riverside Drive South in order to protect two small clumps of the native aquatic species *schoenoplectus validus* (lake clubrush). Planting was continuous from July, including native ferns along the stream edge, and 23 small plantings from Bell Road to Waddington Drive.

## Group Environment Performance Summary

| ACTIVITY                 | ACHIEVEMENT OF PERFORMANCE MEASURES   |
|--------------------------|---|
| Environmental Management | 16 out of 18 performance measures were achieved this year covering satisfaction with Animal Services, parking, and environmental health services; compliance with processing times for LIMs, building consents, PIMs, resource consents, solar panel applications, premise and code compliance certificates; monitoring of resource consents; Animal Services opening hours; and response to dog attacks, but were 4% behind target for our response to other dog complaints at 91%. Our aim is to have 100% of fireplace applications processed within five days however we had two processed within six days resulting in being 7% below target at 93%. |
| Emergency Management     | All three 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 RESIDENTS  |                              |
|--------------------------|---------------------------------|-------------------------------|---------------------------------|------------------------------|
|                          | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | ACTUAL<br>30 JUNE 2014<br>\$ |
| Environmental Management | (6,738)                         | (6,070)                       | (5,690)                         | 65.48                        |
| Emergency Management     | (731)                           | (796)                         | (736)                           | 7.10                         |

Note: The (Deficit)/Surplus before tax shows the net cost of the Council's activities for the year in comparison to the 2013-2014 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 Funding Impact Statement

For year ended 30 June 2014

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | BUDGET<br>30 JUNE 2014<br>\$000 | LTP<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | BUDGET<br>30 JUNE 2013<br>\$000 |
|--|---------------------------------|---------------------------------|------------------------------|---------------------------------|---------------------------------|
| <b>Sources of operating funding</b>                                      |                                 |                                 |                              |                                 |                                 |
| General rates, uniform annual general charges, rates penalties           | 7,469                           | 6,866                           | 6,492                        | 6,426                           | 6,612                           |
| Targeted rates (other than a targeted rate for water supply)             | -                               | -                               | -                            | -                               | -                               |
| Subsidies and grants for operating purposes                              | 9                               | -                               | 350                          | 341                             | 341                             |
| Fees, charges and targeted rates for water supply                        | 3,620                           | 3,030                           | 3,440                        | 3,149                           | 3,359                           |
| Internal charges and overheads recovered                                 | -                               | -                               | -                            | -                               | -                               |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 1,061                           | 1,021                           | 194                          | 789                             | 190                             |
| <b>Total operating funding (A)</b>                                       | <b>12,159</b>                   | <b>10,917</b>                   | <b>10,476</b>                | <b>10,705</b>                   | <b>10,502</b>                   |
| <b>Applications of operating funding</b>                                 |                                 |                                 |                              |                                 |                                 |
| Payments to staff and suppliers  | 9,604                           | 8,369                           | 7,835                        | 8,576                           | 7,781                           |
| Finance costs  | -                               | -                               | -                            | -                               | -                               |
| Internal charges and overheads applied                                   | 2,508                           | 2,505                           | 2,610                        | 2,091                           | 2,690                           |
| Other operating funding applications                                     | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of operating funding (B)</b>                       | <b>12,112</b>                   | <b>10,874</b>                   | <b>10,445</b>                | <b>10,667</b>                   | <b>10,471</b>                   |
| <b>Surplus (deficit) of operating funding (A-B)</b>                      | <b>47</b>                       | <b>43</b>                       | <b>31</b>                    | <b>38</b>                       | <b>31</b>                       |
| <b>Sources of capital funding</b>  |                                 |                                 |                              |                                 |                                 |
| Subsidies and grants for capital expenditure                             | -                               | -                               | -                            | -                               | -                               |
| Development and financial contributions                                  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) in debt  | (47)                            | (43)                            | (31)                         | 565                             | (31)                            |
| Gross proceeds from sale of assets                                       | -                               | -                               | -                            | -                               | -                               |
| Lump sum contributions   | -                               | -                               | -                            | -                               | -                               |
| Other dedicated capital funding  | -                               | -                               | -                            | -                               | -                               |
| <b>Total sources of capital funding (C)</b>                              | <b>(47)</b>                     | <b>(43)</b>                     | <b>(31)</b>                  | <b>565</b>                      | <b>(31)</b>                     |
| <b>Application of capital funding</b>                                    |                                 |                                 |                              |                                 |                                 |
| Capital expenditure  |                                 |                                 |                              |                                 |                                 |
| - to meet additional demand  | -                               | -                               | -                            | -                               | -                               |
| - to improve level of service  | -                               | -                               | -                            | 515                             | -                               |
| - to replace existing assets   | -                               | -                               | -                            | 88                              | -                               |
| Increase (decrease) in reserves  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) of investments                                       | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of capital funding (D)</b>                         | <b>-</b>                        | <b>-</b>                        | <b>-</b>                     | <b>603</b>                      | <b>-</b>                        |
| <b>Surplus (deficit) of capital funding (C-D)</b>                        | <b>(47)</b>                     | <b>(43)</b>                     | <b>(31)</b>                  | <b>(38)</b>                     | <b>(31)</b>                     |
| <b>Funding balance ((A-B)+(C-D))</b>                                     | <b>-</b>                        | <b>-</b>                        | <b>-</b>                     | <b>-</b>                        | <b>-</b>                        |

# 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 success of our services

| MEASURE  | ACHIEVED 2011-12   | ACHIEVED 2012-13   | PEER AVERAGE 2013-14 | ACHIEVED 2013-14  | SOURCE OF INFORMATION       |
|--|--|--|----------------------|---|-----------------------------|
| Residents' satisfaction with:  |  |  |                      |   |                             |
| - animal services<br>≥ 82% of those expressing an opinion  | 89%  | 87%  | 81%                  | 82% of those expressing an opinion.<br>8% of residents did not express an opinion   | NRB Communitrak Survey      |
| - parking services<br>≥ 65% of those expressing an opinion   | 78%  | 69%  | 69%                  | 83% of those expressing an opinion.<br>2% of residents did not express an opinion   | NRB Communitrak Survey      |
| - environmental health services<br>≥ 75%   | 100%   | 100%   | N/A                  | 90%   | Independent Customer Survey |
| Land Information Memoranda's (LIMs) processed to comply with statutory requirements:<br>≥ 90% processed within nine working days   | 98%  | 100%   | N/A                  | 98%   | Independent Customer Survey |
| Building consent/project information and resource consents processed to comply with the Building Code, Resource Management Act 1991 (RMA) and District Plan requirements:<br>≥ 80% of building and non-notified land use consents processed within 18 working days | 100% of building consents and 99% of non-notified land use consents  | 99% of building consents and 96% of non-notified land use consents   | N/A                  | 85% of building consents and 99% of non-notified land use consents  | Monthly Management Reports  |
| 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:<br>≥ 90% of resource consents monitored within these timeframes              | 99% of resource consents monitored within 5 working days<br>100% of resource consents monitored within six months of the consent being granted | 99% of resource consents monitored within 5 working days<br>100% of resource consents monitored within six months of the consent being granted | N/A                  | 100% of resource consents monitored within 5 working days<br>100% of resource consents monitored within six months of the consent being granted | Computer Database Records   |
| Requests for service referred to RMA monitoring and enforcement team responded to within required timeframes:<br>100% acknowledged within 24 hours   | 99%  | 100%   | N/A                  | 100%  | Computer Database Reports   |
| Building consents for fireplaces processed in a timely manner:<br>100% processed within five working days  | 100%   | 100%   | N/A                  | 93%   | Computer Database Reports   |

| MEASURE   | ACHIEVED<br>2011-12  | ACHIEVED<br>2012-13  | PEER AVERAGE<br>2013-14 | ACHIEVED<br>2013-14  | SOURCE OF<br>INFORMATION   |
|---|--|--|-------------------------|--|----------------------------|
| Building consents for solar panels processed in a timely manner:<br>100% processed within five working days   | 100%   | 100%   | N/A                     | 100%   | Computer Database Reports  |
| Food premises operating under the Food Hygiene Regulations 1974:<br>≥ 90% registered or licensed within 30 days of application<br>Food premises with a Food Control Plan operating under the Food Act 1981:<br>≥ 90% registered or licensed within three months | 100%   | 100%   | N/A<br><br>N/A          | 99%<br><br>95%   | Computer Database Reports  |
| Code compliance certificates issued within 20 working days to comply with statutory requirements in the Building Act 2004:<br>100% issued within 20 working days; 80% issued within 18 working days   | 100% issued within 20 working days<br>100% issued within 18 working days | 100% issued within 20 working days<br>100% issued within 18 working days | N/A                     | 99% issued within 20 working days<br>95% issued within 18 working days | Computer Database Records  |
| Animal Service Centre open 300 days per year:<br>100%   | 100%   | 100%   | N/A                     | 100%   | Monthly Management Reports |
| Dog complaints are responded to:<br>- within 30 minutes for dog attacks<br>≥ 95%<br>- within 24 hours for other complaints<br>≥ 95%   | 99%<br><br>98%   | 96%<br><br>97%   | N/A<br><br>N/A          | 100%<br><br>91%  | Monthly Management Reports |
| Noise complaints responded to within 45 minutes:<br>≥ 85%   | 97.5%  | 97%  | N/A                     | 92%  | Computer Database Records  |

Note: Survey percentages quoted exclude those who responded 'don't know'. Some percentages have been rounded and may not equal 100.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 3,618                           | 3,018                         | 600                               | 3,140                           |
| Operating Subsidies and Grants                    | 9                               | -                             | 9                                 | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | 1,061                           | 1,021                         | 40                                | 756                             |
| Gain/(Loss) on Property Disposals                 | -                               | -                             | -                                 | -                               |
| <b>Total Revenue</b>                              | <b>4,688</b>                    | <b>4,039</b>                  | <b>649</b>                        | <b>3,896</b>                    |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | 5,511                           | 5,399                         | (112)                             | 5,232                           |
| Support Costs                                     | 2,330                           | 2,327                         | (3)                               | 1,832                           |
| Operating Costs                                   | 3,573                           | 2,365                         | (1,208)                           | 2,514                           |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | -                               | -                             | -                                 | -                               |
| Depreciation                                      | 12                              | 18                            | 6                                 | 8                               |
| <b>Total Expenditure</b>                          | <b>11,426</b>                   | <b>10,109</b>                 | <b>(1,317)</b>                    | <b>9,586</b>                    |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(6,738)</b>                  | <b>(6,070)</b>                | <b>(668)</b>                      | <b>(5,690)</b>                  |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (6,738)                         | (6,070)                       | (668)                             | (5,690)                         |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>(6,738)</b>                  | <b>(6,070)</b>                | <b>(668)</b>                      | <b>(5,690)</b>                  |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | -                               | -                             | -                                 | -                               |
| Capital Expenditure - to improve level of service | -                               | -                             | -                                 | (515)                           |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 12                              | 18                            | (6)                               | 8                               |
| <b>Total Loan Funding Requirement</b>             | <b>12</b>                       | <b>18</b>                     | <b>(6)</b>                        | <b>(507)</b>                    |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(6,726)</b>                  | <b>(6,052)</b>                | <b>(674)</b>                      | <b>(6,197)</b>                  |

## Significant Operating Variations from the 2013-14 Annual Plan

Revenue is over budget due to higher consent fees offset by additional salaries to cater for additional consent activity and unbudgeted costs related to weathertightness home claims.

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

There were no significant asset acquisitions, replacements or variations from the Annual Plan.



## EMERGENCY MANAGEMENT

### What we do

Civil Defence Emergency Management (CDEM) within Hutt City is managed by the Wellington Region Emergency Management Office (WREMO). WREMO is a semi-autonomous team supporting all nine councils of the region. This new organisation, created on 2 July 2012, presents an opportunity to deliver more from existing resources by taking a coordinated, integrated, holistic and functional approach to the design and delivery of CDEM services, building on established relationships within and between councils, within the community, and with traditional emergency service partners such as Police, Fire, District Health Boards etc.

WREMO has two primary missions:

1. Building resilience in the community - resilient households, businesses, neighbourhoods, and therefore communities are better able to withstand the effects of, respond to, and recover from a disaster
2. Building and maintaining operational readiness capability - ensuring emergency management facilities, systems and partners are capable of responding effectively in the event of a disaster.

Pending the establishment of an Enlarged Rural Fire District (ERFD) which will manage our obligations under the Forest and Rural Fires Act 1975, WREMO staff will continue to manage the city's rural fire obligations. From 1 October 2013, the new ERFD team based out of Porirua will manage the current rural fire operational responsibilities of Upper Hutt, Hutt City, Wellington, Porirua and Kapiti Coast councils.

### Why we do it

The Wellington region has a well-established risk profile of hazards. These include earthquakes, tsunami, flooding, storms, landslides, utility failures, drought, fire, biological, chemical and terrorism threats. There is much, however, that we can do to reduce the impact and consequences of these hazards on our community. Our approach to emergency management and rural fire is therefore based on the established principles of reduction of risk, readiness, response and recovery.

### How we measure the success of our services

| MEASURE   | ACHIEVED 2011-12 | ACHIEVED 2012-13 | PEER AVERAGE 2013-14 | ACHIEVED 2013-14   | SOURCE OF INFORMATION                                    |
|---|------------------|------------------|----------------------|--|--|
| Percentage of households that are prepared for a civil defence emergency:<br>≥ 60% of those expressing an opinion   | 80%              | 78%              | N/A                  | 83% of those expressing an opinion. 1% of residents did not express an opinion | NRB<br>Communitrak<br>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:<br>100% | 100%             | 100%             | N/A                  | 100%   | Monthly<br>Management<br>Reports<br>and Debrief<br>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:<br>100%   | 100%             | 100%             | N/A                  | 100%   | Wellington<br>Regional<br>Rural Fire<br>Committee        |

Note: Survey percentages quoted exclude those who responded 'don't know'. Percentages have been rounded and may not equal 100.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 2                               | 12                            | (10)                              | 9                               |
| Operating Subsidies and Grants                    | -                               | -                             | -                                 | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | 341                             |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | -                               | -                             | -                                 | 33                              |
| Gain/(Loss) on Property Disposals                 | -                               | -                             | -                                 | -                               |
| <b>Total Revenue</b>                              | <b>2</b>                        | <b>12</b>                     | <b>(10)</b>                       | <b>383</b>                      |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | -                               | -                             | -                                 | (6)                             |
| Support Costs                                     | 178                             | 178                           | -                                 | 259                             |
| Operating Costs                                   | 520                             | 605                           | 85                                | 836                             |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | -                               | -                             | -                                 | -                               |
| Depreciation                                      | 35                              | 25                            | (10)                              | 30                              |
| <b>Total Expenditure</b>                          | <b>733</b>                      | <b>808</b>                    | <b>75</b>                         | <b>1,119</b>                    |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(731)</b>                    | <b>(796)</b>                  | <b>65</b>                         | <b>(736)</b>                    |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (731)                           | (796)                         | 65                                | (736)                           |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>(731)</b>                    | <b>(796)</b>                  | <b>65</b>                         | <b>(736)</b>                    |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | -                               | -                             | -                                 | (88)                            |
| Capital Expenditure - to improve level of service | -                               | -                             | -                                 | -                               |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 35                              | 25                            | 10                                | 30                              |
| <b>Total Loan Funding Requirement</b>             | <b>35</b>                       | <b>25</b>                     | <b>10</b>                         | <b>(58)</b>                     |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(696)</b>                    | <b>(771)</b>                  | <b>75</b>                         | <b>(794)</b>                    |

## Significant Operating Variations from the 2013-14 Annual Plan

Expenditure was under budget mainly due to savings in specialist services costs.

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

There were no significant asset acquisitions, replacements or variations from the Annual Plan.



*We Are*  
**GROWING**

# GROUP ECONOMY

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Contributing to growth  
and development and  
making Hutt City a great  
place to work.

The activities undertaken by Group Economy contribute to our long term strategy for growth and development in our city, and includes the Urban Growth Strategy 2012-2032.

# A NEW VISION FOR OUR CBD

Following on from the Council decision to retain and strengthen the main Administration Building, budget allowance was made to upgrade the Town and Horticultural Halls. Council's seismic strengthening working group spent time with an expert team of engineers and architects exploring options to develop a new multipurpose Civic Centre.

After careful consideration of around 15 options, Council decided on option 3E+ with budget initially provided between the 2015-17 financial years. This option was to involve the demolition of both halls.

Council's seismic strengthening working group commissioned an independent survey in the New Year to gauge opinion on a new option for the Civic Centre. Option 3F would

retain and upgrade the heritage of the Town Hall while replacing the Horticultural Hall with a modern, flexible space for community, conference, event and exhibition use. Following a positive response from the public, option 3F was included in the Draft Annual Plan 2014-15 public consultation. Option 3F was chosen and the budget was brought forward to the 2014-16 financial years allowing for the earliest possible start and completion.

Staff were relocated to 531 High Street in early April so that work could commence on the partial demolition of the Administration Building prior to its seismic strengthening. Demolition specialists have carefully removed internal walls and fixtures to make way for big machinery for the major aspect of the demolition, the west wing. Detailed design work is currently underway with the replacement of the Horticultural Hall and upgrade of the Town Hall expected to commence early in 2015, with the new building opening in 2016.

**“The facility will enable us to host events and conferences that will greatly boost the vibrancy of the central Hutt and play a big part in driving our local economy forward.”**

*Mayor Ray Wallace, Hutt City Council*



Artist's impression of option 3F

## HIGHLIGHTS

### Economic Development Incentive Policies

Our Economic Development Incentives policies are in place to encourage businesses to establish themselves long term in the CBD. There is also the additional incentive that if certain criteria is met the development will also be eligible for 100% rates remission for up to five years. As a direct result there were 35 commercial and residential developments across the Hutt Valley that had fees remitted, totalling \$873,000. This is \$714,000 more than the year previous, an increase of 82%.

### Dowse Square Award

The Dowse Square, at the heart of our Civic Centre precinct, won an award in the Planning and Urban Design category at the annual New Zealand Institute of Architects (NZIA) awards. Described as a 'refreshing and sustaining community asset' and a 'catalyst for future local development' by NZIA, the Dowse Square will serve as a focal point for the remaining work to be completed in and around the precinct.

### WelTec Scholarships for Engineering

Council joined engineering companies KiwiRail, Fraser Engineering, Beca, Spencer Holmes, Opus and others to provide scholarships for students to study diplomas and degrees in engineering at WelTec in Petone. At \$25,000 per annum, Council views the investment in young people who wish to study engineering at an advanced level as critical to ensuring our innovation-led companies can continue to grow.

### About Space

About Space had another successful year hosting pop-up stores across the city. To name a few; Rudolph Steiner School set up a Performing Arts Showcase which included a Shakespearian play and a pop-up cinema. The Learning Connexion provided a free one-day art class for students during their lunch break as well as a separate store displaying and selling 12 students' artwork. Discover Your Creativity's display at 151 High Street showcased 100 local artists who exhibited more than 200 items over a range of mediums. The aim of this campaign is to reinvigorate vacant shop spaces in order to aid existing shop owners as well as attract new ones.

### huttcity.govt.nz

Council's website went responsive this year and is now more user friendly for smart phones and tablet devices. The Association of Local Government Information Management (ALGIM) has since rated huttcity.govt.nz the 17th best Council website in New Zealand in 2014, up from 61st in 2013.

### GIS Viewer

A new GIS application for our GIS Viewer was introduced combining existing maps, property, rates and Land Information Memorandum (LIM) requests. New features include District Plan maps, wind zones, sewer, stormwater and water main details. New historic aerial images have also been made available online through our GIS Viewer. The images are on a slider so that users can slide their way from 1939 to 2010 and see how the land has changed.

### Mural Art Competition

In January Naylor Love and Council coordinated the Mural Art Competition. Children from primary and intermediate schools across Hutt City were invited to take part, depicting what they love about living in Hutt City on hoarding boards. The materials were donated by Carters and Resene Paints and, following the judging, were given a protective coat and now surround the building site, to remain for the duration of the project.

### Science Education in Hutt City

A report was commissioned by Council that looks at the current state of science education in secondary schools in Hutt City. This report puts forward recommended actions for making strong connections between schools and industry. We will now work with school students, teachers and principals as well as local businesses and tertiary education providers to ensure all the links are being made.

The Hutt Valley Primary Science Education Network was launched by Education Minister Hekia Parata in February at an event jointly hosted by Council and the Open Polytechnic. The collaborative network will provide a platform to build a strong collegial leadership base in science teaching in Hutt City primary schools with principals and teachers sharing their experiences to encourage more young people to study science.

### Stopbank Upgrades

We have been working with GWRC and the NZTA to maximise the potential of planned stopbank upgrades and SH2 improvements at Melling. It is hoped that a strong connection can be created between the CBD and river, that future building development can open directly onto a riverside promenade, that high levels of amenity can be designed into redeveloped floodplains, and that traffic benefits will result for vehicles, cyclists, public transport, and pedestrians. The construction of new stopbanks is expected to start in 2017.

## Bus Shelter Improvements in CBD

We have been focusing on improving bus waiting facilities in the CBD. Issues being addressed include the grouping of waiting facilities, public safety, good quality public space, walking connections, and future retail opportunities. Short term improvements have been carried out at Bunny Street to alleviate immediate public safety concerns. Design of the long term improvements is expected to be agreed during 2014-15.

## Technology and Minoh

In March, NEC New Zealand partnered with Council to install Live Skype Windows with our Sister City in Minoh, Japan that allows for real time cultural exchanges. The conferencing links were established at Epuni Primary School and Todoromi No Mori Gakuen, Tui Glen School and Saito No Oka Gakuen, and our War Memorial Library and the Multicultural Centre in Minoh.

## LITTLE Café

LITTLE Café opened next to the War Memorial Library in February to positive acclaim in the Dominion Post. Fitted out by award-winning architect Mary Daish, the modern space focuses on using locally-sourced ingredients like organic milk, yoghurt and cheese, cordials and beverages.

## Petone Town Clock Centennial

The centennial of the Petone Town Clock was marked in July. Organised by the Jackson Street Programme, there was a parade of vintage cars, a Town Crier, a colouring-in competition, performances by local talents, and cake for 300. Mayor Ray Wallace and Mayoress Linda Goss-Wallace dressed in period costume to cut the ribbon to formally mark the occasion.

## Sculpture for Seaview

Council facilitated a partnership between the E Tu Te Awakairangi Hutt Public Arts Trust and the Seaview Gracefield Working Group to commission a significant public sculpture in Seaview Gracefield. This will be a signifier of this important industrial region. Advanced planning is currently underway with the expectation of construction and completion over the next 12 months.

## Rimutaka Cycle Trail

The Rimutaka Cycle Trail was officially opened in October by the Prime Minister at the start of the regional trail in Petone. It runs up the Hutt River Trail, over the Rimutaka Rail Trail and beside Lake Wairarapa. The Ocean Beach to Orongorongo coastal section of the Rimutaka Cycle Trail became operational in February 2014 with Council securing land access for the trail and the installation of a new car park at Orongorongo River.

## Building Consent Figures on Rise

Building consent figures to March 2014 show a shift in building confidence in the city. Consent values rose from \$69 million for the nine month period to March 2012 to \$114 million for the nine month period to March 2014. This is an increase of 61%.

## District Plan Changes

The District Plan is subject to ongoing monitoring and review throughout its lifetime. Plan changes to update the District Plan may be initiated by Council or by individuals and may be required because of new information, because of research, or to respond to the changing needs and values of the community.

District Plan Change 25 – a framework was established that provides for the activities of WelTec while maintaining the amenity of the surrounding areas.

District Plan Changes 26 and 27 – these Plan Changes provide for residential development on surplus recreation land in Stokes Valley.

### Group Economy Performance Summary

| ACTIVITY                | ACHIEVEMENT OF PERFORMANCE MEASURES   |
|-------------------------|---|
| Local Urban Environment | Five out of seven performance measures were achieved covering overall look and feel of the city and satisfaction with litter control and recycling, and access to recycling facilities. Use of recycling services was 1% below target at 85% and 8% lower than our previous year. As a result, we had 75 tonnes less recycled per annum than our previous year. |
| 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 RESIDENTS |
|-------------------------|---------------------------------|-------------------------------|---------------------------------|--------------------------------|
|                         | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | ACTUAL<br>30 JUNE 2014<br>\$   |
| Local Urban Environment | (983)                           | (1,055)                       | (1,310)                         | 9.55                           |
| Economic Development    | (2,904)                         | (3,830)                       | (1,942)                         | 28.22                          |

Note: The (Deficit)/Surplus before tax shows the net cost of the Council's activities for the year in comparison to the 2013-2014 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 Funding Impact Statement

For year ended 30 June 2014

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | BUDGET<br>30 JUNE 2014<br>\$000 | LTP<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | BUDGET<br>30 JUNE 2013<br>\$000 |
|--|---------------------------------|---------------------------------|------------------------------|---------------------------------|---------------------------------|
| <b>Sources of operating funding</b>                                      |                                 |                                 |                              |                                 |                                 |
| General rates, uniform annual general charges, rates penalties           | 3,774                           | 4,781                           | 3,859                        | 3,147                           | 4,066                           |
| Targeted rates (other than a targeted rate for water supply)             | 114                             | 114                             | 110                          | 110                             | 110                             |
| Subsidies and grants for operating purposes                              | -                               | -                               | -                            | -                               | -                               |
| Fees, charges and targeted rates for water supply                        | -                               | 2                               | 1                            | 2                               | 1                               |
| Internal charges and overheads recovered                                 | -                               | -                               | -                            | -                               | -                               |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 933                             | 881                             | 877                          | 727                             | 857                             |
| <b>Total operating funding (A)</b>                                       | <b>4,821</b>                    | <b>5,778</b>                    | <b>4,847</b>                 | <b>3,986</b>                    | <b>5,034</b>                    |
| <b>Applications of operating funding</b>                                 |                                 |                                 |                              |                                 |                                 |
| Payments to staff and suppliers  | 3,980                           | 4,799                           | 3,807                        | 3,026                           | 3,963                           |
| Finance costs  | 45                              | 45                              | 16                           | 16                              | 16                              |
| Internal charges and overheads applied                                   | 682                             | 682                             | 706                          | 693                             | 728                             |
| Other operating funding applications                                     | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of operating funding (B)</b>                       | <b>4,707</b>                    | <b>5,526</b>                    | <b>4,529</b>                 | <b>3,735</b>                    | <b>4,707</b>                    |
| <b>Surplus (deficit) of operating funding (A-B)</b>                      | <b>114</b>                      | <b>252</b>                      | <b>318</b>                   | <b>251</b>                      | <b>327</b>                      |
| <b>Sources of capital funding</b>  |                                 |                                 |                              |                                 |                                 |
| Subsidies and grants for capital expenditure                             | -                               | -                               | -                            | -                               | -                               |
| Development and financial contributions                                  | 1                               | 10                              | 8                            | 5                               | 8                               |
| Increase (decrease) in debt  | 167                             | 1,056                           | (62)                         | 165                             | 225                             |
| Gross proceeds from sale of assets                                       | -                               | -                               | -                            | -                               | -                               |
| Lump sum contributions   | -                               | -                               | -                            | -                               | -                               |
| Other dedicated capital funding  | -                               | -                               | -                            | -                               | -                               |
| <b>Total sources of capital funding (C)</b>                              | <b>168</b>                      | <b>1,066</b>                    | <b>(54)</b>                  | <b>170</b>                      | <b>233</b>                      |
| <b>Application of capital funding</b>                                    |                                 |                                 |                              |                                 |                                 |
| Capital expenditure  |                                 |                                 |                              |                                 |                                 |
| - to meet additional demand  | -                               | -                               | -                            | -                               | -                               |
| - to improve level of service  | 271                             | 1,286                           | 231                          | 404                             | 528                             |
| - to replace existing assets   | 11                              | 32                              | 33                           | 17                              | 32                              |
| Increase (decrease) in reserves  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) of investments                                       | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of capital funding (D)</b>                         | <b>282</b>                      | <b>1,318</b>                    | <b>264</b>                   | <b>421</b>                      | <b>560</b>                      |
| <b>Surplus (deficit) of capital funding (C-D)</b>                        | <b>(114)</b>                    | <b>(252)</b>                    | <b>(318)</b>                 | <b>(251)</b>                    | <b>(327)</b>                    |
| <b>Funding balance ((A-B)+(C-D))</b>                                     | <b>-</b>                        | <b>-</b>                        | <b>-</b>                     | <b>-</b>                        | <b>-</b>                        |

## 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 success of our services

| MEASURE  | ACHIEVED 2011-12             | ACHIEVED 2012-13 | PEER AVERAGE 2013-14 | ACHIEVED 2013-14   | SOURCE OF INFORMATION      |
|--|------------------------------|------------------|----------------------|--|----------------------------|
| Residents feel a sense of pride in the way the city looks and feels:<br>≥ previous results   | 90%                          | 87%              | N/A                  | 87%  | NRB Communitrak Survey     |
| Businesses feel a sense of pride in the way the city looks and feels:<br>≥ previous results  | N/A: measured every 2nd year | 49%              | N/A                  | N/A: measured every 2nd year   | Biennial Business Survey   |
| Residents' satisfaction with:<br>- litter control:<br>≥ 86% of those expressing an opinion<br>- recycling:<br>≥ 86% of those expressing an opinion | 94%                          | 89%              | 87%                  | 89% of those expressing an opinion. 1% of residents did not express an opinion | NRB Communitrak Survey     |
| Percentage of households that have used the recycling service in the previous 12 months:<br>≥ 86%  | 93%                          | 97%              | 90%                  | 93% of those expressing an opinion. 4% of residents did not express an opinion | NRB Communitrak Survey     |
| Percentage of households that have used the recycling service in the previous 12 months:<br>≥ 86%  | 86%                          | 93%              | N/A                  | 85%  | NRB Communitrak Survey     |
| All residents have access to community recycling facilities:<br>100%   | 100%                         | 100%             | N/A                  | 100%   | Monthly Management Reports |
| Tonnes of recycling per annum:<br>Increasing   | 7,858                        | 7,853            | N/A                  | 7,778  | Monthly Management Reports |

Note: Survey percentages quoted exclude those who responded 'don't know'. Percentages have been rounded and may not equal 100.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | -                               | -                             | -                                 | -                               |
| Operating Subsidies and Grants                    | -                               | -                             | -                                 | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | 1                               | 10                            | (9)                               | 5                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | 315                             | 300                           | 15                                | 299                             |
| Gain/(Loss) on Property Disposals                 | -                               | -                             | -                                 | -                               |
| <b>Total Revenue</b>                              | <b>316</b>                      | <b>310</b>                    | <b>6</b>                          | <b>304</b>                      |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | 445                             | 414                           | (31)                              | 423                             |
| Support Costs                                     | 271                             | 271                           | -                                 | 260                             |
| Operating Costs                                   | 445                             | 418                           | (27)                              | 700                             |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | 34                              | 34                            | -                                 | 4                               |
| Depreciation                                      | 104                             | 228                           | 124                               | 227                             |
| <b>Total Expenditure</b>                          | <b>1,299</b>                    | <b>1,365</b>                  | <b>66</b>                         | <b>1,614</b>                    |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(983)</b>                    | <b>(1,055)</b>                | <b>72</b>                         | <b>(1,310)</b>                  |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (983)                           | (1,055)                       | 72                                | (1,310)                         |
| Add Capital Contributions                         | (1)                             | (10)                          | 9                                 | (5)                             |
| <b>Total Rates Funding Requirement</b>            | <b>(984)</b>                    | <b>(1,065)</b>                | <b>81</b>                         | <b>(1,315)</b>                  |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | (11)                            | (32)                          | 21                                | (17)                            |
| Capital Expenditure - to improve level of service | (240)                           | (1,286)                       | 1,046                             | (404)                           |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | 1                               | 10                            | (9)                               | 5                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 104                             | 228                           | (124)                             | 227                             |
| <b>Total Loan Funding Requirement</b>             | <b>(146)</b>                    | <b>(1,080)</b>                | <b>934</b>                        | <b>(189)</b>                    |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(1,130)</b>                  | <b>(2,145)</b>                | <b>1,015</b>                      | <b>(1,504)</b>                  |

## Operating Projects

|                                       | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|---------------------------------------|---------------------------------|-------------------------------|-----------------------------------|
| Heritage Incentives                   | 6                               | 52                            | 46                                |
| School Programmes                     | 54                              | 45                            | (9)                               |
| Business Programmes                   | 63                              | 61                            | (2)                               |
| Waste Minimisation Projects           | 129                             | 113                           | (16)                              |
| Environmental Sustainability Projects | 116                             | 115                           | (1)                               |

## Significant Operating Variations from the 2013-14 Annual Plan

There were no significant operating variations. There was a low uptake on Heritage Incentive Grants. Waste minimisation projects and programmes continue to improve which help to support the city's focus on environmental sustainability. Programmes such as waste diversion at the landfill, annual hazardous waste collection, public recycling bins, Keep Hutt City Beautiful, education in schools, and assistance with business recycling and waste diversion continue to be supported. New programmes such as free electronic waste recycling, the Eco Fashion Show, support for Earthlink's Curtain Bank, additional public recycling bins, have necessitated slight spending increases during this period.

## Capital Projects Acquisitions and Renewals

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>  |                                 |                               |                                   |
| Seaview/Gracefield Banners                 | 11                              | 32                            | 21                                |
| <b>Capital to Improve Level of Service</b> |                                 |                               |                                   |
| Making Places Projects                     | 194                             | 205                           | 11                                |
| Seaview/Gracefield Development             | 29                              | 81                            | 52                                |
| Strategic Property Purchases               | 15                              | 1,000                         | 985                               |

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

The Making Places project has continued from last year. Projects this year included Riddiford Garden's Upgrade (design development), CBD Bus Stops (design development), Riverside Promenade (design development partnered with GWRC and NZTA), Hotel Study (business case analysis), and CBD Traffic Modelling. Seaview Gracefield projects included Seaview Gracefield New Banners (design and installation) and park bench and picnic table installations. There was no significant spend on the Strategic Property Purchases as no specific property was identified for this purpose.

## 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 success of our services

| MEASURE  | ACHIEVED 2011-12             | ACHIEVED 2012-13 | PEER AVERAGE 2013-14 | ACHIEVED 2013-14  | SOURCE OF INFORMATION    |
|--|------------------------------|------------------|----------------------|---|--------------------------|
| Businesses' satisfaction with economic development programmes:<br>≥ 95% of those expressing an opinion                                     | N/A: measured every 2nd year | 78.3%            | N/A                  | N/A: measured every 2nd year  | Biennial Business Survey |
| Residents' satisfaction with the i-SITE Visitor Information Centre:<br>≥ 91% of those expressing an opinion                                | 98%                          | 98%              | N/A                  | 98% of those expressing an opinion. 54% 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: |                              |                  |                      |   |                          |
| Improvement in relative ranking with other cities  |                              |                  |                      |   |                          |
| - number of businesses   | - 0.6                        | - 1.0%           | N/A                  | 0.4%  | Informetrics             |
| - number of full-time equivalents (FTEs) in the workforce  | - 0.7%                       | - 0.7%           | N/A                  | - 0.8%  | Informetrics             |
| - Gross Domestic Product (GDP)   | 2.2%                         | 1.4%             | N/A                  | 1.0%  | Informetrics             |
| - GDP per capita   | 1.9%                         | 3.3%             | N/A                  | 0.8%  | Informetrics             |
| - export sector as proportion of GDP   | 1.6%                         | - 1.0%           | N/A                  | This information is no longer collected   | Informetrics             |
| - high value sectors as percentage of all sectors (by GDP)   | 0.55%                        | 3.3%             | N/A                  | - 0.7%  | Informetrics             |

Note: Survey percentages quoted exclude those who responded 'don't know'. Some percentages have been rounded and may not equal 100.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | -                               | 2                             | (2)                               | 2                               |
| Operating Subsidies and Grants                    | -                               | -                             | -                                 | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | 618                             | 581                           | 37                                | 428                             |
| Gain/(Loss) on Property Disposals                 | -                               | -                             | -                                 | -                               |
| <b>Total Revenue</b>                              | <b>618</b>                      | <b>583</b>                    | <b>35</b>                         | <b>430</b>                      |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | 546                             | 545                           | (1)                               | 480                             |
| Support Costs                                     | 411                             | 411                           | -                                 | 433                             |
| Operating Costs                                   | 2,544                           | 3,422                         | 878                               | 1,423                           |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | 11                              | 11                            | -                                 | 12                              |
| Depreciation                                      | 10                              | 24                            | 14                                | 24                              |
| <b>Total Expenditure</b>                          | <b>3,522</b>                    | <b>4,413</b>                  | <b>891</b>                        | <b>2,372</b>                    |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(2,904)</b>                  | <b>(3,830)</b>                | <b>926</b>                        | <b>(1,942)</b>                  |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (2,904)                         | (3,830)                       | 926                               | (1,942)                         |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>(2,904)</b>                  | <b>(3,830)</b>                | <b>926</b>                        | <b>(1,942)</b>                  |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | -                               | -                             | -                                 | -                               |
| Capital Expenditure - to improve level of service | (31)                            | -                             | (31)                              | -                               |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 10                              | 24                            | (14)                              | 24                              |
| <b>Total Loan Funding Requirement</b>             | <b>(21)</b>                     | <b>24</b>                     | <b>(45)</b>                       | <b>24</b>                       |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(2,925)</b>                  | <b>(3,806)</b>                | <b>881</b>                        | <b>(1,918)</b>                  |

## Operating Projects

|                                       | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|---------------------------------------|---------------------------------|-------------------------------|-----------------------------------|
| Jackson Street Programme              | 116                             | 116                           | -                                 |
| International Co-operating Cities     | 22                              | 30                            | 8                                 |
| Economic Development Strategy         | 115                             | 140                           | 25                                |
| Hutt Valley Chamber Of Commerce       | 200                             | 200                           | -                                 |
| Economic Development Contestable Fund | 44                              | 44                            | -                                 |
| Science and Technology                | 63                              | 100                           | 37                                |
| Development Stimulus Package          | 873                             | 1,708                         | 835                               |
| CBD Place Maker                       | 175                             | 100                           | (75)                              |
| Regional Amenities Fund               | 200                             | 200                           | -                                 |
| Urban Growth Strategy                 | 121                             | 100                           | (21)                              |

## Significant Operating Variations from the 2013-14 Annual Plan

Revenue was higher than budget, despite reduced revenues from i-SITE sales, due to significantly higher rental income from the Riverbank Market. Expenditure was under budget due to reduced operating costs mainly from an underspend on the Development Stimulus Package which has been carried over to 2014-15.

## Capital Projects Acquisitions and Renewals

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Improve Level of Service</b> |                                 |                               |                                   |
| Riverbank Market Equipment Purchase        | 31                              | -                             | (31)                              |

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

Capital expenditure was over budget due to the purchase of fixed assets relating to the Riverbank Market.



*We Are*  
**ACTIVE**

# GROUP PEOPLE

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Contributing to Leisure  
and Wellbeing and  
making Hutt City a great  
place to play.

The activities undertaken in Group People contribute to our long term Leisure and Wellbeing Strategy to 2032. Safety in communities and youth development are important aspects of this, as well as recreation, culture, and improving outcomes in the North East.

# FRASER PARK SPORTS CLUBS WORKING TOGETHER

The Sportsville Hutt City project was launched in 2009 as a modern initiative to cluster sports groups across the Hutt region.

Fraser Park Sportsville (FPS) was the first of three Sportsvilles in Hutt City to get off the ground and has eight founding clubs and associations including Avalon Rugby Football Club, Hutt Valley Softball Association, Hutt Valley Dodgers Softball, Naenae Hockey Club, Taita District Cricket, Lower Hutt City AFC, Fraser Park Squash and the National Hockey Stadium Trust. Council recognised the changing preferences in the community for recreation, leisure, and community services and established the Hutt City Community Facilities Trust (CFT) in August 2012. The CFT were tasked to manage the integrated facilities model across the region, promoting strong and inclusive communities.

The 2013-14 financial year has been a very successful one for FPS. Following consultation on the Draft Annual Plan 2014-15 and the overwhelming amount of support received from the public, a further \$6 million of funding was allocated to the project between 2014-16 in addition to the \$6 million already earmarked. An agreement was reached between all FPS member clubs on what they wanted from the grounds and facility, allowing it to go out to tender for both Stage One and the facility design for Stage Two. The tender for Stage One was awarded in May, with work to commence in September 2014. A design brief was sent out to architects for Stage Two for their proposals in June, with construction planned for 2015-16. A key outcome for the Sportsville model is to protect and foster clubs through fit-for-purpose facilities and programmes in one location and FPS is at the forefront of this.

**“We’ve found synergies when working with the other clubs and find that we work much better together now. We share many of the same problems and it’s great that we can work together to resolve them.”**

*Gary Gosper, Chairman,  
Taita District Cricket Club,  
Life Member Avalon Football Club*





## HIGHLIGHTS

### Hutt Safe City

The Hutt Safe City Trust continues to develop and streamline their safety initiatives across the Hutt Valley. Hutt Safe City patrollers covered 16,787 kilometres and were active for 2,216 hours across the region. A Safe City Passport was released providing information on safety in the community and the support groups available. The Good Neighbour Award was also introduced which recognises individuals for going above and beyond in their neighbourhood.

### McKenzie Baths

Petone's McKenzie Baths reopened in November following a major \$2.3 million redevelopment. The Baths have a new interactive water play splash pad and the main pool and learner pools' are now both heated. The opening week was a great success, with over 5,000 swimmers hitting the water.

### Big Day Dowse

The Big Day Dowse was a huge success this year. With a local all-star musical line-up, the free event attracted more than 8,000 people. There was something for everyone including the Wellington Youth Circus, digital installations, clay sculpture making, food stalls and various craft activities.

### Mayor's Taskforce for Jobs

The Mayor's Taskforce for Jobs scheme was officially launched in March. Youth Inspire are the administrators of the pilot programme and have been working with local school-leavers in Wainuiomata, moving them into further education, training or employment. So far, 12 young people have gained employment and a further four have been enrolled in study or training. It is an ambition of Youth Inspire to extend to other parts of Hutt City if the scheme in Wainuiomata continues to be successful.

### KiwiSport

In 2010, only 1% of year one to five children in the North East could swim 200 metres. Thanks to perseverance and dedication of KiwiSport 51% now can with the expectation that this will continue to rise. In recognising the importance of youth learning to swim, \$6 million has been allocated by Council over the next two years for a new dedicated learn to swim facility at Huia Pool that will also include hydrotherapy and rehabilitation provisions.

### Reading Reboot

During the Christmas holidays, the Reading Reboot programme operated across all eight Hutt City libraries. This year was our biggest Summer Reading Challenge yet, with over 4,000 books read by children taking part in the programme.

### Dress for Success

The Dress for Success Breakfast Club for job seekers was successfully piloted between April and May. Many of the participants had never been into a Hutt City Library before and after six weeks of intensive job hunting, coaching and assistance with clothing, four of the 10 attendees who started the course gained employment.

### <tek ctrl/>

A six week technology programme titled <tek ctrl/> was piloted for teens in conjunction with Victoria University's School of Engineering. Year 10 to 13 students could come and learn coding, application design, robotics, and game making and averaged six attendees per session.

### Business Research Services Launch

Libraries launched Business Research Services in conjunction with the company Research Services in June. The initiative to offer better services to local businesses had clinics once a week at our War Memorial Library and has a dedicated webpage with links to business databases, books and journals. We have been promoting the service with visits to Grow Wellington, Hutt Valley Chamber of Commerce, and Council directorates.

### Law for Lunch

A series of lunchtime seminars were run by the Community Law Centre at Naenae and War Memorial libraries on reforms, tenancy issues, relationship property, and wills. 85 people attended these seminars.

### Free Bus Campaign

The Dowse Art Museum in partnership with the Learning Connexion launched the Free Bus Campaign, providing free transport for schools visiting The Dowse Art Museum and Petone Settlers Museum.

### CarFit

CarFit, the joint project between Council, Hutt Valley District Health Board (HVDHB), Automobile Association (AA) and Community Police was held at Petone Working Men's Club. Designed for older drivers and carried out by volunteers, the programme involved a free 12-point car check.

### War Memorial Library Upgrade

The War Memorial Library was reconfigured and upgraded between late November and December. This included a change to the layout, a computer system upgrade and an interior repaint of some sections.

## Steinway & Sons

The Little Theatre purchased a new Steinway & Sons piano in May, thanks to fundraising and a grant from Hutt City Council. The \$170,000 piano from Hamburg replaced the former 60 year-old piano. To mark the occasion, Hutt City residents were invited to hear the new piano by local pianist Deirde Irons who performed Vesa Matti-Leppanen.

## Naenae Pool Retile

Naenae Olympic Pool was closed in May in order to have the floor resealed and new tiles installed. It reopened in July to a pool party and free fitness sessions for all to enjoy.

## Huia Pool Maintenance

Maintenance was undertaken at Huia Pool between July and August including replacement of the hydraulic rams on the removable floor, refurbishment of the women's showers, painting of the changing rooms and installation of automatic doors at the entrance.

## Taita Netball Courts and Taita Community and Sport Centre

The Taita Netball Courts were upgraded between January and March for the 4,600 players that use the facility during the netball season. The project included a 25 millimetre asphalt overlay of nine courts, kerb and channel reconstruction, sump and lead and manhole installation, and lighting and towers.

Detailed design for the Taita Community and Sport Centre at the same site were completed by architects Warren and Mahoney and subsequently tendered. Following the allocation of an additional \$1 million in the Annual Plan 2014-15, the contract was awarded to Hawkins Construction, and is now underway. The Centre will include five indoor sports courts, 11 outdoor netball courts, a library, a fitness centre, community space and leasable offices and is due for completion in August 2015.

## Petone Sportsville

Petone Sportsville continues to develop their model across Petone Recreation Ground and North Park with the Petone Rugby Football Club joining the fold in December. \$50,000 was allocated in the Annual Plan 2014-15 for a detailed feasibility study into combining facilities for all home codes.

## Mildenhall Park

Led by the CFT, the Wellington Regional Bowls Centre proposal gained real traction following the \$2 million financial contribution from the Council for the 2015-16 financial year. The facility will be built at Mildenhall Park and bring together Park Avenue and Naenae Bowling Clubs' as well as the RSA, with room for possible other users in the modern, flexible facility.

## Stokes Valley Community Hub

The \$2 million allocated to the Stokes Valley Community Hub as a capital grant to the CFT was brought forward to the 2015-16 financial year to allow work to progress sooner. The community is currently being engaged to ascertain community needs and aspirations for the hub.

## Memorial Park

The Memorial Park changing rooms were refurbished for use during the football season and otherwise. This included the upgrading of the toilets and shower facilities and was completed between January and March.

## New Playgrounds

The playground in Antrim Crescent, Wainuiomata, was replaced in September and now features three sections of modern play equipment in hard-wearing silver metal. It also includes a mesh climbing wall and overhead rotating climbers as well as 'The Supernova', a rotating disk to test balance and motor skills. The playground in Holly Grove, Maungaraki, was also replaced with a similar scope.

## Wainuiomata Mountain Bike Park

Work continued on developing tracks and facilities at the Wainuiomata Mountain Bike Park for the many riders, both local and regional, who visit this exciting park. It is 20 minutes from the CBD and features a wide range of trails for all skill levels, including the family-friendly Wetlands Loop.

## Hugh Sinclair Park

New public toilets were established on Hugh Sinclair Park in Wainuiomata at the front of the skate park for the convenience of park users and the wider public.

## Whiorau Reserve

Funding for the Whiorau Reserve redevelopment was brought forward from 2019 and will now be completed within the next 12 months. The car park will be reconfigured and new seating installed that will be made out of recycled Point Howard Wharf timber.

## Lion's Park

The amenities and landscape surrounding Lion's Park at the eastern end of Petone Esplanade were refurbished. A visual feature was included by Greytown-based sculptor and artist Roger Thompson, who installed 11 steel panels depicting a variety of scenes from Wellington Harbour. The courtyard was also revamped with the addition of a pergola, ramps, pathways, plantings and lawns with recycled Point Howard Wharf timber as a key feature leading to the steel panels.

## Days Bay Wharf

The Days Bay Wharf was upgraded following the 20th June 2013 storm, and now features an exposed aggregate entrance, new paths, decks and seats made from recycled Point Howard Wharf timber, and landscaping. An event was organised in November by the Days Bay Residents Association and funded by Council which included a free sausage sizzle, ice blocks, lollies, balloons and music by two-piece band The Hypnotics and was attended by over 200 people.

## All Blacks at Hutt Recreation Ground

In an historic day for Hutt City, the All Blacks played both the Canterbury XV and the Wellington Lions at Hutt Recreation Ground on 9 August. A temporary grandstand was set up and 6,000 tickets went on sale that were snapped up in 20 minutes. It was a match of three halves with each team playing each other for 40 minutes.

## Banks Shoes Shapeshifter

Shapeshifter, the annual outdoor sculpture exhibition organised by the Rotary Club of Hutt City in association with several divisions of Council, including The Dowse Art Museum and Parks and Gardens, attracted 10,000 visitors over three weeks in summer. A wide range of sculptures selected by Museum Director Courtney Johnston were on display, including a piece from Guy Ngan – Eliza and Polynesian Pagoda.

## Wunderruma

In March Dowse Art Museum toured 'Wunderruma' – the biggest ever show of contemporary New Zealand jewellery – to Munich, putting more than 75 New Zealand jewellers on the map at the world's largest jewellery festival. The exhibition returned to critical acclaim at The Dowse Art Museum in June.

## Films by Starlight

Films by Starlight featured on Hutt City's summer calendar again this year. Tin Tin was shown at William's Park in Days Bay and the documentary Beyond the Edge shown at the Dowse Square the following month.

## King of the Hill

The King of the Hill all-ages event was held in June and saw 318 people gather to walk or run from Queens Street Reserve to Wainuiomata Hill summit and back. There were great prizes up for grabs, including \$400 for first male and female home and \$50 Westfield vouchers for best dressed.

## Charity Golf Tournament

In February the DLA Phillips Fox and Hutt City Council Charity Golf Tournament raised \$11,400 for Naenae Primary School. This money was used to install solar panels to reduce their electricity costs and the money saved from this went towards new computers for the school.

## Fringe Festival

The community-based open access Fringe Festival was hosted in Hutt City between February and March. The grassroots festival provides a stage for emerging artists from a variety of art forms which this year included interactive sound experiences, pop-up art, drama, and circus arts.

## Group People Performance Summary

| ACTIVITY                | ACHIEVEMENT OF PERFORMANCE MEASURES   |
|-------------------------|---|
| Libraries               | Three out of six performance measures were achieved. The target of 1.2 million physical visits for the year fell slightly short at 1.1 million, and 71,994 pay sessions on Connect was short of the target 85,000 and the percentage of residents that use our library services was 1% below target at 79%; however there were 301,037 online visits compared with a target of 200,000.   |
| Museums                 | All five performance measures were achieved covering number of visits and satisfaction of both The Dowse Art Museum and Petone Settlers Museum. We went well over our 11,000 target for public education programmes with 12,075 and received 100% satisfaction rating for delivery.   |
| Aquatics and Recreation | All performance measures were achieved covering satisfaction with and use of pools and Leisure Active programmes and events, POOLSAFE accreditation, and cost per visit.  |
| Parks and Reserves      | Six out of seven performance measures were achieved. Maintenance and development of playgrounds, parks, reserves, gardens and cemeteries fell slightly short, meeting 90% of contract and asset management plan requirements with the expectation being 95% or greater.   |
| Community Development   | All performance measures were achieved covering resident perceptions of safety in the neighbourhood during the day and after dark, and in the city centre during the day; and satisfaction with graffiti removal. Too few community organisations' responded to our survey to make a statistically sound judgement on the availability and quality of support, advice and funding, and new settlers' information is now offered through the Department of Internal Affairs. |

## Group People Financial Summary

|                                  | (DEFICIT)/SURPLUS BEFORE TAX    |                               | RATE REQUIREMENT PER RESIDENTS  |                              |
|----------------------------------|---------------------------------|-------------------------------|---------------------------------|------------------------------|
|                                  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | ACTUAL<br>30 JUNE 2014<br>\$ |
| Libraries                        | (8,278)                         | (7,975)                       | (7,357)                         | 80.45                        |
| Museums                          | (3,069)                         | (3,113)                       | (3,007)                         | 29.83                        |
| Aquatics and Recreation          | (6,165)                         | (5,820)                       | (5,448)                         | 59.91                        |
| Parks and Reserves               | (11,439)                        | (10,649)                      | (10,970)                        | 111.17                       |
| Community Development            | (3,081)                         | (3,312)                       | (3,585)                         | 29.94                        |
| Community Facilities Development | (285)                           | (3,525)                       | (2)                             | 2.77                         |

Note: The (Deficit)/Surplus before tax shows the net cost of the Council's activities for the year in comparison to the 2013-2014 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 Funding Impact Statement

For year ended 30 June 2014

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | BUDGET<br>30 JUNE 2014<br>\$000 | LTP<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 | BUDGET<br>30 JUNE 2013<br>\$000 |
|--|---------------------------------|---------------------------------|------------------------------|---------------------------------|---------------------------------|
| <b>Sources of operating funding</b>                                      |                                 |                                 |                              |                                 |                                 |
| General rates, uniform annual general charges, rates penalties           | 32,321                          | 34,394                          | 30,359                       | 30,602                          | 30,503                          |
| Targeted rates (other than a targeted rate for water supply)             | -                               | -                               | -                            | -                               | -                               |
| Subsidies and grants for operating purposes                              | 377                             | 322                             | -                            | -                               | -                               |
| Fees, charges and targeted rates for water supply                        | 6,007                           | 5,935                           | 6,180                        | 5,716                           | 5,989                           |
| Internal charges and overheads recovered                                 | -                               | -                               | -                            | -                               | -                               |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 1,826                           | 1,737                           | 1,980                        | 2,900                           | 1,934                           |
| <b>Total operating funding (A)</b>                                       | <b>40,531</b>                   | <b>42,388</b>                   | <b>38,519</b>                | <b>39,218</b>                   | <b>38,426</b>                   |
| <b>Applications of operating funding</b>                                 |                                 |                                 |                              |                                 |                                 |
| Payments to staff and suppliers  | 30,888                          | 32,369                          | 28,457                       | 30,148                          | 28,151                          |
| Finance costs  | 657                             | 657                             | 671                          | 694                             | 694                             |
| Internal charges and overheads applied                                   | 4,236                           | 4,236                           | 4,173                        | 3,594                           | 4,301                           |
| Other operating funding applications                                     | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of operating funding (B)</b>                       | <b>35,781</b>                   | <b>37,262</b>                   | <b>33,301</b>                | <b>34,436</b>                   | <b>33,146</b>                   |
| <b>Surplus (deficit) of operating funding (A-B)</b>                      | <b>4,750</b>                    | <b>5,126</b>                    | <b>5,218</b>                 | <b>4,782</b>                    | <b>5,280</b>                    |
| <b>Sources of capital funding</b>  |                                 |                                 |                              |                                 |                                 |
| Subsidies and grants for capital expenditure                             | -                               | -                               | -                            | -                               | -                               |
| Development and financial contributions                                  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) in debt  | (1,398)                         | (898)                           | 764                          | (444)                           | 1,997                           |
| Gross proceeds from sale of assets                                       | 1,110                           | 2,500                           | 2,560                        | -                               | 1,500                           |
| Lump sum contributions   | -                               | -                               | -                            | -                               | -                               |
| Other dedicated capital funding  | -                               | -                               | -                            | -                               | -                               |
| <b>Total sources of capital funding (C)</b>                              | <b>(288)</b>                    | <b>1,602</b>                    | <b>3,324</b>                 | <b>(444)</b>                    | <b>3,497</b>                    |
| <b>Application of capital funding</b>                                    |                                 |                                 |                              |                                 |                                 |
| Capital expenditure  |                                 |                                 |                              |                                 |                                 |
| - to meet additional demand  |                                 |                                 |                              |                                 |                                 |
| - to improve level of service  | 1,787                           | 3,144                           | 6,027                        | 2,238                           | 5,192                           |
| - to replace existing assets   | 2,675                           | 3,584                           | 2,515                        | 2,100                           | 3,585                           |
| Increase (decrease) in reserves  | -                               | -                               | -                            | -                               | -                               |
| Increase (decrease) of investments                                       | -                               | -                               | -                            | -                               | -                               |
| <b>Total applications of capital funding (D)</b>                         | <b>4,462</b>                    | <b>6,728</b>                    | <b>8,542</b>                 | <b>4,338</b>                    | <b>8,777</b>                    |
| <b>Surplus (deficit) of capital funding (C-D)</b>                        | <b>(4,750)</b>                  | <b>(5,126)</b>                  | <b>(5,218)</b>               | <b>(4,782)</b>                  | <b>(5,280)</b>                  |
| <b>Funding balance ((A-B)+(C-D))</b>                                     | <b>-</b>                        | <b>-</b>                        | <b>-</b>                     | <b>-</b>                        | <b>-</b>                        |

## 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 success of our services

| MEASURE   | ACHIEVED 2011-12  | ACHIEVED 2012-13  | PEER AVERAGE 2013-14   | ACHIEVED 2013-14   | SOURCE OF INFORMATION             |
|---|---|---|--|--|-----------------------------------|
| Percentage of residents who have used library services during the year:<br>≥ 80%  | 84%   | 82%   | N/A  | 79%  | NRB<br>Communitrak<br>Survey      |
| Residents' satisfaction with library services:<br>≥ 97% of those expressing an opinion  | 97%   | 99%   | 97%  | 100% of those expressing an opinion. 11% of residents did not express an opinion | NRB<br>Communitrak<br>Survey      |
| Number of physical visits per year:<br>≥ 1,200,000  | 1,186,034   | 1,088,636   | N/A  | 1,088,902  | Monthly<br>Management<br>Reports  |
| Number of visits via the internet per year:<br>≥ 200,000 Libraries Online visits<br>≥ 85,000 pay sessions on Connect  | 356,975 Libraries Online visits<br>91,349 pay sessions on Connect | 312,531 Libraries Online visits<br>77,542 pay sessions on Connect | N/A  | 301,037 Libraries Online visits<br>71,994 pay sessions on Connect                | Monthly<br>Management<br>Reports  |
| Library stock turnover:<br>≥ national mean<br><br><small>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</small> | 7.02  | 6.0   | National mean 3.50<br>average annual<br>circulation per item | 5.66   | New Zealand<br>Library Statistics |

Note: Survey percentages quoted exclude those who responded 'don't know'. Percentages have been rounded and may not equal 100.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 526                             | 605                           | (79)                              | 555                             |
| Operating Subsidies and Grants                    | 2                               | -                             | 2                                 | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | 37                              | 36                            | 1                                 | 138                             |
| Gain/(Loss) on Property Disposals                 | (173)                           | -                             | (173)                             | -                               |
| <b>Total Revenue</b>                              | <b>392</b>                      | <b>641</b>                    | <b>(249)</b>                      | <b>693</b>                      |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | 4,245                           | 4,124                         | (121)                             | 3,832                           |
| Support Costs                                     | 1,406                           | 1,413                         | 7                                 | 1,312                           |
| Operating Costs                                   | 1,595                           | 1,619                         | 24                                | 1,521                           |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | 36                              | 36                            | -                                 | 38                              |
| Depreciation                                      | 1,388                           | 1,424                         | 36                                | 1,347                           |
| <b>Total Expenditure</b>                          | <b>8,670</b>                    | <b>8,616</b>                  | <b>(54)</b>                       | <b>8,050</b>                    |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(8,278)</b>                  | <b>(7,975)</b>                | <b>(303)</b>                      | <b>(7,357)</b>                  |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (8,278)                         | (7,975)                       | (303)                             | (7,357)                         |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>(8,278)</b>                  | <b>(7,975)</b>                | <b>(303)</b>                      | <b>(7,357)</b>                  |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | (950)                           | (989)                         | 39                                | (909)                           |
| Capital Expenditure - to improve level of service | (88)                            | (205)                         | 117                               | (128)                           |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 1,393                           | 1,424                         | (31)                              | 1,347                           |
| <b>Total Loan Funding Requirement</b>             | <b>355</b>                      | <b>230</b>                    | <b>125</b>                        | <b>310</b>                      |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(7,923)</b>                  | <b>(7,745)</b>                | <b>(178)</b>                      | <b>(7,047)</b>                  |

## Significant Operating Variations from the 2013-14 Annual Plan

Revenue under budget was due to less income from book rentals, internet usage, and overdue charges. Employee costs were over budget due to new positions following the restructuring of Community Development. Loss on sale relates to transfer of Libraries buildings from Hutt City Council to the Hutt City Community Facilities Trust.

## Capital Projects Acquisitions and Renewals

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>   |                                 |                               |                                   |
| Libraries Replace Furniture and Equipment   | 100                             | 71                            | (29)                              |
| Libraries Exterior and Interior Maintenance | 9                               | 80                            | 71                                |
| Replace Library Shelving                    | 18                              | 20                            | 2                                 |
| Libraries Security Maintenance              | 28                              | 28                            | -                                 |
| Libraries Stock Replacement                 | 794                             | 790                           | (4)                               |
| <b>Capital to Improve Level of Service</b>  |                                 |                               |                                   |
| Libraries Digitisation                      | 6                               | 10                            | 4                                 |
| Library Buildings Improvements              | 25                              | 80                            | 55                                |
| Libraries Radio Frequency Identification    | 57                              | 115                           | 58                                |

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

The most significant project was the Library Stock Replacement which is an ongoing project to update and replace books held in the Libraries. The other significant project was continuation of the radio frequency identification of books although some costs were treated as operating.

The replacement of furniture and equipment was slightly overspent due to a review and significant office expansion.

The Libraries Buildings Maintenance and Improvement work has been delayed pending a strategic review of all community facilities. Physical works for the Customers 2.0 project was delayed which caused an underspend on Libraries Building Improvements.

## 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 Māori and European settlement of the lower Hutt Valley and Petone area.

### Why we do it

By providing museums we enable people to access freely 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 success of our services

| MEASURE   | ACHIEVED 2011-12                    | ACHIEVED 2012-13                    | PEER AVERAGE 2012-13 | ACHIEVED 2013-14  | SOURCE OF INFORMATION                               |
|---|-------------------------------------|-------------------------------------|----------------------|---|---|
| Number of museum visits per year: ≥ 200,000   | 203,398                             | 217,152                             | N/A                  | 205,874<br>(Dowse: 194,247<br>Petone Settlers: 11,627)                          | Monthly management Reports                          |
| Residents' satisfaction with the Dowse Art Museum:<br>≥ 93% of those expressing an opinion  | 95%                                 | 95%                                 | 97%                  | 95% of those expressing an opinion. 16% of residents did not express an opinion | NRB Communitrak Survey                              |
| Residents' satisfaction with Petone Settlers Museum:<br>≥ 93% of those expressing an opinion  | 97%                                 | 96%                                 | 97%                  | 97% of those expressing an opinion. 34% of residents did not express an opinion | NRB Communitrak Survey                              |
| Public education programmes delivered that meet the needs and expectations of community and school groups:<br>Education programmes delivered to:<br>≥ 11,000 students<br>≥ 90% satisfaction | 17,928 students<br>99% satisfaction | 9,100 students<br>100% satisfaction | N/A                  | 12,075 students<br>100% satisfaction  | Management Reports and Participant Evaluation Forms |

Note: Survey percentages quoted exclude those who responded 'don't know'. Percentages have been rounded and may not equal 100.



## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 241                             | 275                           | (34)                              | 227                             |
| Operating Subsidies and Grants                    | 16                              | 40                            | (24)                              | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | 312                             | 460                           | (148)                             | 323                             |
| Gain/(Loss) on Property Disposals                 | 30                              | -                             | 30                                | -                               |
| <b>Total Revenue</b>                              | <b>599</b>                      | <b>775</b>                    | <b>(176)</b>                      | <b>550</b>                      |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | 1,318                           | 1,310                         | (8)                               | 1,185                           |
| Support Costs                                     | 640                             | 633                           | (7)                               | 542                             |
| Operating Costs                                   | 1,152                           | 1,357                         | 205                               | 1,284                           |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | 71                              | 71                            | -                                 | 75                              |
| Depreciation                                      | 487                             | 517                           | 30                                | 471                             |
| <b>Total Expenditure</b>                          | <b>3,668</b>                    | <b>3,888</b>                  | <b>220</b>                        | <b>3,557</b>                    |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(3,069)</b>                  | <b>(3,113)</b>                | <b>44</b>                         | <b>(3,007)</b>                  |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (3,069)                         | (3,113)                       | 44                                | (3,007)                         |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>(3,069)</b>                  | <b>(3,113)</b>                | <b>44</b>                         | <b>(3,007)</b>                  |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | (113)                           | (196)                         | 83                                | (79)                            |
| Capital Expenditure - to improve level of service | (198)                           | (237)                         | 39                                | (38)                            |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 487                             | 517                           | (30)                              | 471                             |
| <b>Total Loan Funding Requirement</b>             | <b>176</b>                      | <b>84</b>                     | <b>92</b>                         | <b>354</b>                      |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(2,893)</b>                  | <b>(3,029)</b>                | <b>136</b>                        | <b>(2,653)</b>                  |

## Operating Projects

|                | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|----------------|---------------------------------|-------------------------------|-----------------------------------|
| Events Funding | 29                              | 36                            | 7                                 |

### Significant Operating Variations from the 2013-14 Annual Plan

Revenue was under budget due to the delayed opening of the LITTLE Café and reduced venue hire. Expenditure was under budget due to savings in operating costs.

## Capital Projects Acquisitions and Renewals

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>             |                                 |                               |                                   |
| Dowse Carpets and Soft Furnishings Gallery and Office | 27                              | 40                            | 13                                |
| Dowse Office Furniture and Equipment                  | 13                              | 10                            | (3)                               |
| Dowse Gallery Lighting                                | 10                              | 10                            | -                                 |
| Dowse Building and Plant Maintenance                  | 25                              | 30                            | 5                                 |
| Little Theatre Maintenance                            | 37                              | 80                            | 43                                |
| Petone Settlers Museum Building and Plant Maintenance | -                               | 26                            | 26                                |
| <b>Capital to Improve Level of Service</b>            |                                 |                               |                                   |
| Dowse New Artworks                                    | 22                              | 22                            | -                                 |
| Little Theatre Improvements                           | 175                             | 80                            | (95)                              |
| Little Theatre Development Needs Analysis             | 1                               | 25                            | 24                                |
| Little Theatre Sound and Lighting Improvements        | -                               | 110                           | 110                               |

### Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

A number of capital projects were underspent. Variance in Little Theatre Improvements pertains to the Piano Replacement project. Allocation for an acoustic upgrade to the Little Theatre was carried forward to allow for planning in conjunction with the Civic Centre Redevelopment project to ensure complementary services.

## AQUATICS AND RECREATION

### What we do

We provide six swimming pools and two gyms in Hutt City, and offer 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. Our events help to make Hutt City a vibrant and festive place to be.

Hutt City Community Facilities Trust, a Council-Controlled Organisation, develops and owns some of the city’s facilities in partnership with Council. For example, the Trust is expected to undertake the upgrade of the Walter Nash Stadium, expanding the number of courts and housing other council facilities within the one site.

### 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 and events also make an important contribution to creating an attractive area for people and businesses considering moving to Hutt City.

### How we measure the success of our services

| MEASURE  | ACHIEVED 2011-12         | ACHIEVED 2012-13         | PEER AVERAGE 2013-14 | ACHIEVED 2013-14  | SOURCE OF INFORMATION   |
|--|--------------------------|--------------------------|----------------------|---|---|
| Residents’ satisfaction with pools:<br>≥ 93% of those expressing an opinion  | 93%                      | 95%                      | 88%                  | 96% of those expressing an opinion. 18% of residents did not express an opinion | NRB Communitrak Survey  |
| Residents’ use of pools:<br>≥ 65%  | 69%                      | 70%                      | N/A                  | 69%   | NRB Communitrak Survey  |
| 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:<br>Accreditation maintained | Accreditation maintained | Accreditation maintained | N/A                  | Accreditation maintained  | Annual MSD Audit  |
| Cost per visit to Council of aquatic services provided:<br>Maintain the cost per visit at or below the target \$4.41   | \$3.81                   | \$3.67                   | N/A                  | \$3.71  | Net cost of pool service per user from financial management systems |
| User satisfaction with Leisure Active programmes and events:<br>≥ 92% of those expressing an opinion   | 98%                      | 97%                      | N/A                  | 98% of those expressing an opinion. 20% of users did not express an opinion     | NRB Communitrak Survey  |
| Residents’ use of Leisure Active programmes and events:<br>≥ 30%   | 34%                      | 49%                      | N/A                  | 44%   | NRB Communitrak Survey  |

Note: Survey percentages quoted exclude those who responded ‘don’t know’. Percentages have been rounded and may not equal 100.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 3,203                           | 3,168                         | 35                                | 3,151                           |
| Operating Subsidies and Grants                    | 204                             | 157                           | 47                                | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | 1,015                           | 1,234                         | (219)                             | 1,379                           |
| Gain/(Loss) on Property Disposals                 | (261)                           | -                             | (261)                             | -                               |
| <b>Total Revenue</b>                              | <b>4,161</b>                    | <b>4,559</b>                  | <b>(398)</b>                      | <b>4,530</b>                    |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | 3,714                           | 3,477                         | (237)                             | 3,376                           |
| Support Costs                                     | 940                             | 940                           | -                                 | 784                             |
| Operating Costs                                   | 4,273                           | 4,416                         | 143                               | 4,395                           |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | 108                             | 108                           | -                                 | 114                             |
| Depreciation                                      | 1,291                           | 1,438                         | 147                               | 1,309                           |
| <b>Total Expenditure</b>                          | <b>10,326</b>                   | <b>10,379</b>                 | <b>53</b>                         | <b>9,978</b>                    |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(6,165)</b>                  | <b>(5,820)</b>                | <b>(345)</b>                      | <b>(5,448)</b>                  |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (6,165)                         | (5,820)                       | (345)                             | (5,448)                         |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>(6,165)</b>                  | <b>(5,820)</b>                | <b>(345)</b>                      | <b>(5,448)</b>                  |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | (1,041)                         | (1,076)                       | 35                                | (369)                           |
| Capital Expenditure - to improve level of service | (1,206)                         | (1,609)                       | 403                               | (1,549)                         |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 1,286                           | 1,438                         | (152)                             | 1,309                           |
| <b>Total Loan Funding Requirement</b>             | <b>(961)</b>                    | <b>(1,247)</b>                | <b>286</b>                        | <b>(609)</b>                    |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(7,126)</b>                  | <b>(7,067)</b>                | <b>(59)</b>                       | <b>(6,057)</b>                  |

## Operating Projects

|                | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|----------------|---------------------------------|-------------------------------|-----------------------------------|
| Events Funding | 243                             | 255                           | 12                                |

## Significant Operating Variations from the 2013-14 Annual Plan

The unfavourable revenue variance relates to the timing of central government grant funding for Connex and Kiwisport programmes. The unfavourable employee costs variance is largely attributable to increased life guarding requirements to respond to increased patronage of swimming pools. The loss on disposable is a result of the sale of the Walter Nash Stadium to the Hutt City Community Facilities Trust.

## Capital Projects Acquisitions and Renewals

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>         |                                 |                               |                                   |
| Community Halls Exterior and Interior Maintenance | 102                             | 205                           | 103                               |
| Horticultural Hall Maintenance                    | -                               | 15                            | 15                                |
| Naenae Main Pool Tile Replacement                 | 195                             | -                             | (195)                             |
| Other Projects                                    | 500                             | 461                           | (39)                              |
| Walter Nash Stadium Maintenance                   | 19                              | 145                           | 126                               |
| Wainuiomata Pool Filter Replacement               | 225                             | 250                           | 25                                |
| <b>Capital to Improve Level of Service</b>        |                                 |                               |                                   |
| Community Halls Improvements                      | 3                               | 250                           | 247                               |
| McKenzie Pool Replacement                         | 1,382                           | 1,100                         | (282)                             |
| Pools Other Improvement Projects                  | 156                             | 184                           | 28                                |
| Sports House Computer Servers                     | 75                              | -                             | (75)                              |
| Making Places Town Hall Upgrade                   | 12                              | 75                            | 63                                |
| Walter Nash Stadium Upgrade                       | (421)                           | -                             | 421                               |

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

The planned maintenance on community halls has been delayed pending decisions on the development of community hubs. The unplanned capital replacement of tiles at Naenae Pool was due to a major tile failure while refilling the pool. Tiles were originally laid in 1956 and planned for replacement over the next five years. The McKenzie Baths project spanned two financial years with over expenditure this year balanced by under expenditure last year. The Sportshouse Computer Server Replacement was funded by a grant from the Pelorus Trust.

## 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, sportsgrounds, street gardens and street trees, 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 success of our services

| MEASURE  | ACHIEVED 2011-12 | ACHIEVED 2012-13 | PEER AVERAGE 2013-14 | ACHIEVED 2013-14  | SOURCE OF INFORMATION  |
|--|------------------|------------------|----------------------|---|--|
| Residents' satisfaction with sportsgrounds:<br>≥ 95% of those expressing an opinion  | 96%              | 99%              | 91%                  | 98% of those expressing an opinion. 14% of residents did not express an opinion | NRB Communitrak Survey                                       |
| Residents' satisfaction with parks, reserves and gardens:<br>≥ 95% of those expressing an opinion  | 97%              | 96%              | 97%                  | 97% of those expressing an opinion. 4% of residents did not express an opinion  | NRB Communitrak Survey                                       |
| Residents' satisfaction with cemeteries:<br>≥ 90% of those expressing an opinion   | 97%              | 98%              | 95%                  | 96% of those expressing an opinion. 43% of residents did not express an opinion | NRB Communitrak Survey                                       |
| Sports fields meet the standard agreed with sports codes:<br>≥ 95%   | 95%              | 95%              | N/A                  | 95%   | Complaints from users during 2012/13 and sportsground audits |
| Area of parks and reserves per 1000 of population:<br>≥ 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:<br>≥ 89%  | 90%              | 90%              | N/A                  | 92%   | NRB Communitrak Survey                                       |
| Maintain a high standard of maintenance and development of playgrounds, parks, reserves, gardens and cemeteries:<br>≥ 95% of contract and asset management plan requirements met | 95%              | 90%              | N/A                  | 90%   | Playground and Parks Audits                                  |

Note: Survey percentages quoted exclude those who responded 'don't know'. Percentages have been rounded and may not equal 100.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 1,969                           | 1,800                         | 169                               | 1,688                           |
| Operating Subsidies and Grants                    | -                               | -                             | -                                 | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | 4                               | -                             | 4                                 | 235                             |
| Other Revenue                                     | 11                              | 7                             | 4                                 | 839                             |
| Gain/(Loss) on Property Disposals                 | 808                             | -                             | 808                               | -                               |
| <b>Total Revenue</b>                              | <b>2,792</b>                    | <b>1,807</b>                  | <b>985</b>                        | <b>2,762</b>                    |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | 751                             | 750                           | (1)                               | 794                             |
| Support Costs                                     | 661                             | 661                           | -                                 | 522                             |
| Operating Costs                                   | 10,908                          | 8,993                         | (1,915)                           | 10,832                          |
| Loss on Property Disposals                        | -                               | -                             | -                                 | (412)                           |
| Finance Cost                                      | 437                             | 437                           | -                                 | 461                             |
| Depreciation                                      | 1,474                           | 1,615                         | 141                               | 1,535                           |
| <b>Total Expenditure</b>                          | <b>14,231</b>                   | <b>12,456</b>                 | <b>(1,775)</b>                    | <b>13,732</b>                   |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(11,439)</b>                 | <b>(10,649)</b>               | <b>(790)</b>                      | <b>(10,970)</b>                 |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (11,439)                        | (10,649)                      | (790)                             | (10,970)                        |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>(11,439)</b>                 | <b>(10,649)</b>               | <b>(790)</b>                      | <b>(10,970)</b>                 |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | (524)                           | (1,206)                       | 682                               | (698)                           |
| Capital Expenditure - to improve level of service | (556)                           | (1,093)                       | 537                               | (486)                           |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Asset Sales (Proceeds)                       | 1,460                           | 2,500                         | 1,040                             | 1,286                           |
| Less Depreciation                                 | 1,474                           | 1,615                         | (141)                             | 1,535                           |
| <b>Total Loan Funding Requirement</b>             | <b>1,854</b>                    | <b>1,816</b>                  | <b>2,118</b>                      | <b>1,637</b>                    |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(9,585)</b>                  | <b>(8,833)</b>                | <b>1,328</b>                      | <b>(9,333)</b>                  |

## Operating Projects

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--|---------------------------------|-------------------------------|-----------------------------------|
| Point Howard Wharf Laterals Demolition   | 532                             | -                             | (532)                             |
| Motorhome Waste Dump Station             | 23                              | 4                             | (19)                              |
| Percy Reserve Ratanui Land Purchase      | 88                              | 89                            | 1                                 |
| Petone Foreshore Clean Up                | 15                              | 15                            | -                                 |
| Taita Courts Contribution to Improvement | 402                             | -                             | (402)                             |

## Significant Operating Variations from the 2013-14 Annual Plan

Revenue variance primarily relates to gain on property disposals. Expenditure variance relates to the unbudgeted Taita Court's Upgrade, storm damage clean-up, and costs transferred from capital projects related mainly to wharf demolition costs.

## Capital Projects Acquisitions and Renewals

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>       |                                 |                               |                                   |
| Singles Houses (Reserves) Maintenance           | 26                              | 30                            | 4                                 |
| Honiana Te Puni Reserve Landscape Renovation    | -                               | 100                           | 100                               |
| Minoh House Chimney                             | -                               | 10                            | 10                                |
| Seats and Bins                                  | 26                              | 28                            | 2                                 |
| Parks Hard Surfaces Maintenance                 | 80                              | 150                           | 70                                |
| Parks Signage and Interpretation                | 19                              | 23                            | 4                                 |
| Playgrounds                                     | 182                             | 195                           | 13                                |
| Sportsground Buildings Maintenance              | 139                             | 150                           | 11                                |
| Track Maintenance                               | 29                              | 30                            | 1                                 |
| Wharves Maintenance                             | -                               | 450                           | 450                               |
| Williams Jones Park Drainage                    | 41                              | 40                            | (1)                               |
| <b>Capital to Improve Level of Service</b>      |                                 |                               |                                   |
| Avalon Park Improvements (Rotary Project)       | 50                              | 100                           | 50                                |
| Parks and Gardens Protection Bollards           | 4                               | 5                             | 1                                 |
| Land Purchase Dowse Interchange                 | -                               | 58                            | 58                                |
| Memorial Park Synthetic Turf and Changing Rooms | 39                              | 300                           | 261                               |
| Otonga School Site Development                  | -                               | 100                           | 100                               |
| Poto Road Reserve Development                   | 47                              | 50                            | 3                                 |
| Toilets Upgrade                                 | 385                             | 400                           | 15                                |
| Waimarie Croquet Relocation and Development     | -                               | 50                            | 50                                |
| Wainuiomata Mountain Bike Facility              | 33                              | 30                            | (3)                               |

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

Significant work was carried out with new toilets constructed at Hugh Sinclair Park, for the upgrade and replacement of playground equipment, for track and facility improvements at the Mountain Bike Park in Wainuiomata, and a variety of parks buildings and parking spaces.

The demolition of the head of the Point Howard Wharf along with other works undertaken on maintaining buildings and hard surfaces was transferred to operating expenditure.

Landscape work on Honiana Te Puni Reserve will not go ahead as decisions on the future development of this Reserve are still to be made.

# 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 success of our services

| MEASURE  | ACHIEVED 2011-12 | ACHIEVED 2012-13 | PEER AVERAGE 2013-14 | ACHIEVED 2013-14   | SOURCE OF INFORMATION  |
|--|------------------|------------------|----------------------|--|------------------------|
| Community organisations' satisfaction with the availability and quality of our support, advice and funding:<br>≥ 90% of those expressing an opinion  | 66.7%            | 94%              | N/A                  | Too few organisations responded to the survey to be able to make a statistically sound judgement on levels of satisfaction | Independent Survey     |
| Residents' perceptions of Hutt City in terms of their sense of safety in their local neighbourhood and in the city centre during the day and after dark:<br>≥ 81% of those expressing an opinion overall | 85% overall      | 87% overall      | N/A                  | 85% overall (96% during the day, 84% after dark – local neighbourhood; 97% during the day, 62% at night – city centre)     | NRB Communitrak Survey |
| Residents' satisfaction with the city overall being free of graffiti:<br>≥ 80% of those expressing an opinion  | 85%              | 89%              | N/A                  | 88% of those expressing an opinion. 2% of residents did not express an opinion   | NRB Communitrak Survey |
| New settlers' satisfaction with the availability and quality of our support, advice and training:<br>≥ 90% of those expressing an opinion  | 100%             | 100%             | N/A                  | Result not available. Settlement service now offered through Department of Internal Affairs                                | Independent Survey     |

Note: Survey percentages quoted exclude those who responded 'don't know'. Percentages have been rounded and may not equal 100.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | 68                              | 87                            | (19)                              | 95                              |
| Operating Subsidies and Grants                    | 155                             | 125                           | 30                                | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | 47                              | -                             | 47                                | 221                             |
| Gain/(Loss) on Property Disposals                 | -                               | -                             | -                                 | -                               |
| <b>Total Revenue</b>                              | <b>270</b>                      | <b>212</b>                    | <b>58</b>                         | <b>316</b>                      |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | 748                             | 807                           | 59                                | 741                             |
| Support Costs                                     | 589                             | 589                           | -                                 | 434                             |
| Operating Costs                                   | 1,899                           | 1,991                         | 92                                | 1,996                           |
| Loss on Property Disposals                        | -                               | -                             | -                                 | 604                             |
| Finance Cost                                      | 5                               | 5                             | -                                 | 6                               |
| Depreciation                                      | 110                             | 132                           | 22                                | 120                             |
| <b>Total Expenditure</b>                          | <b>3,351</b>                    | <b>3,524</b>                  | <b>173</b>                        | <b>3,901</b>                    |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(3,081)</b>                  | <b>(3,312)</b>                | <b>231</b>                        | <b>(3,585)</b>                  |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (3,081)                         | (3,312)                       | 231                               | (3,585)                         |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>(3,081)</b>                  | <b>(3,312)</b>                | <b>231</b>                        | <b>(3,585)</b>                  |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | (47)                            | (50)                          | 3                                 | (45)                            |
| Capital Expenditure - to improve level of service | (3)                             | (68)                          | 65                                | (37)                            |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | 110                             | 132                           | (22)                              | 120                             |
| <b>Total Loan Funding Requirement</b>             | <b>60</b>                       | <b>14</b>                     | <b>46</b>                         | <b>38</b>                       |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(3,021)</b>                  | <b>(3,298)</b>                | <b>277</b>                        | <b>(3,547)</b>                  |

## Operating Projects

|                                      | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--------------------------------------|---------------------------------|-------------------------------|-----------------------------------|
| Community Development Fund           | 113                             | 148                           | 35                                |
| Heritage Fund                        | 8                               | 15                            | 7                                 |
| Community Houses Funding             | 255                             | 255                           | -                                 |
| Marae Funding                        | 129                             | 180                           | 51                                |
| Arts and Culture Funding             | 41                              | 40                            | (1)                               |
| CAB Funding                          | 75                              | 75                            | -                                 |
| Scholarships                         | 7                               | 10                            | 3                                 |
| Youth Infusion                       | 9                               | 30                            | 21                                |
| Youth Centre                         | 158                             | 158                           | -                                 |
| Rapid Response Anti-Graffiti Service | 222                             | 220                           | (2)                               |
| Safety Initiatives                   | 295                             | 343                           | 48                                |
| Social Development Projects          | 122                             | 95                            | (27)                              |
| Hutt Valley Community Arts           | 35                              | 35                            | -                                 |
| Regional Grants                      | 34                              | 33                            | (1)                               |
| Tamaiti Whangai Grant                | 17                              | 20                            | 3                                 |
| Waiwhetu Marae Scholarship           | 5                               | 5                             | -                                 |
| The Anchorage                        | 30                              | 30                            | -                                 |
| Wellington Free Ambulance            | 16                              | 16                            | -                                 |



### Significant Operating Variations from the 2013-14 Annual Plan

The favourable revenue variance is due to unbudgeted government grants for community programmes and income from graffiti removal. The favourable expenditure variance relates to savings in employee costs and some operating costs following a restructure. All operating projects were completed close to budget.

### Capital Projects Acquisitions and Renewals

|  | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|--|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b>                |                                 |                               |                                   |
| Community Houses Building Maintenance                    | 31                              | 50                            | 19                                |
| CCTV Upgrades Central Area, and Installation Wainuiomata | 3                               | 68                            | 65                                |

### Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

Community Houses Building Maintenance work continued. CCTV Upgrade work was not completed and some costs were transferred to operating.

## COMMUNITY FACILITIES DEVELOPMENT

This is a new Activity that is included in the 2014-15 Annual Plan as part of Group People.

### What we do

Hutt City Council has a Long Term Integrated Facilities Plan which provides a clear guide for Council and community decision making regarding the future development of community facilities. The Hutt City Community Facilities Trust (a CCO established in August 2012) will play an integral role in assisting Council to implement this plan.

### Why we do it

The Long Term Integrated Facilities Plan is very much in the early stages with significant progress expected over the next few years resulting in a series of 'integrated community hubs' combining civic, social and sporting facilities into more user friendly, efficient and well utilised centres. It will also see the development of several world-class regional and nationally significant sporting and community facilities.

## Statement of Comprehensive Income

For the year ended 30 June 2014

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 | ACTUAL<br>30 JUNE 2013<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|---------------------------------|
| <b>REVENUE</b>                                    |                                 |                               |                                   |                                 |
| Rates Income                                      | -                               | -                             | -                                 | -                               |
| User Charges                                      | -                               | -                             | -                                 | -                               |
| Operating Subsidies and Grants                    | -                               | -                             | -                                 | -                               |
| UHCC Operating Subsidy                            | -                               | -                             | -                                 | -                               |
| Capital Subsidies                                 | -                               | -                             | -                                 | -                               |
| Development Contributions                         | -                               | -                             | -                                 | -                               |
| Interest Earned                                   | -                               | -                             | -                                 | -                               |
| Dividends   | -                               | -                             | -                                 | -                               |
| Vested Assets                                     | -                               | -                             | -                                 | -                               |
| Other Revenue                                     | -                               | -                             | -                                 | -                               |
| Gain/(Loss) on Property Disposals                 | -                               | -                             | -                                 | -                               |
| <b>Total Revenue</b>                              | -                               | -                             | -                                 | -                               |
| <b>EXPENDITURE</b>                                |                                 |                               |                                   |                                 |
| Employee Costs                                    | -                               | -                             | -                                 | -                               |
| Support Costs                                     | -                               | -                             | -                                 | -                               |
| Operating Costs                                   | 285                             | 3,525                         | 3,240                             | 2                               |
| Loss on Property Disposals                        | -                               | -                             | -                                 | -                               |
| Finance Cost                                      | -                               | -                             | -                                 | -                               |
| Depreciation                                      | -                               | -                             | -                                 | -                               |
| <b>Total Expenditure</b>                          | <b>285</b>                      | <b>3,525</b>                  | <b>3,240</b>                      | <b>2</b>                        |
| <b>DEFICIT BEFORE TAX</b>                         | <b>(285)</b>                    | <b>(3,525)</b>                | <b>3,240</b>                      | <b>(2)</b>                      |
| <b>RATES FUNDING REQUIREMENT</b>                  |                                 |                               |                                   |                                 |
| Deficit Before Tax                                | (285)                           | (3,525)                       | 3,240                             | (2)                             |
| Add Capital Contributions                         | -                               | -                             | -                                 | -                               |
| <b>Total Rates Funding Requirement</b>            | <b>(285)</b>                    | <b>(3,525)</b>                | <b>3,240</b>                      | <b>(2)</b>                      |
| <b>LOAN FUNDING REQUIREMENT</b>                   |                                 |                               |                                   |                                 |
| Capital Expenditure - to replace existing assets  | -                               | -                             | -                                 | -                               |
| Capital Expenditure - to improve level of service | 264                             | -                             | 264                               | (264)                           |
| Capital Expenditure - to meet additional demand   | -                               | -                             | -                                 | -                               |
| Less Capital Contributions                        | -                               | -                             | -                                 | -                               |
| Less UHCC Capital Contributions                   | -                               | -                             | -                                 | -                               |
| Less Depreciation                                 | -                               | -                             | -                                 | -                               |
| <b>Total Loan Funding Requirement</b>             | <b>264</b>                      | <b>-</b>                      | <b>264</b>                        | <b>(264)</b>                    |
| <b>TOTAL FUNDING REQUIREMENT</b>                  | <b>(21)</b>                     | <b>(3,525)</b>                | <b>3,504</b>                      | <b>(266)</b>                    |

## Operating Projects

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|
| CFT Operating Grant                                 | 256                             | 150                           | (106)                             |
| CFT Taita Community and Sports Centre               | 3                               | 1,875                         | 1,872                             |
| CFT Fraser Park Sportsville and Artificial Surfaces | 26                              | 1,500                         | 1,474                             |

## Significant Operating Variations from the 2013-14 Annual Plan

The significant underspend is due to delays with the Taita Community and Sports Centre project and Fraser Park Sportsville and Artificial Surfaces project. The work that was planned and the budget provision has been carried over to be completed in 2014-15.

## Capital Projects Acquisitions and Renewals

|   | ACTUAL<br>30 JUNE 2014<br>\$000 | PLAN<br>30 JUNE 2014<br>\$000 | VARIANCE<br>30 JUNE 2014<br>\$000 |
|---|---------------------------------|-------------------------------|-----------------------------------|
| <b>Capital to Replace Existing Assets</b> |                                 |                               |                                   |
| CFT Taita Community and Sports Centre     | (264)                           | -                             | 264                               |

## Significant Asset Acquisitions or Replacements and Variations from the 2013-14 Annual Plan

There were no significant Asset Acquisitions. The variation relates to the transfer to the Hutt City Community Facilities Trust of earlier costs related to these projects.