

MAKING OUR PLACE

HUTT CITY COUNCIL'S SUMMARY ANNUAL REPORT TO 30 JUNE 2016

A lot has been achieved over the last year and we have exciting plans for the years ahead.

This started with updating Council's vision for the city and establishing a comprehensive series of strategies and plans to achieve it.

A key component of this work has been Council decisions to embark on a period of investment to rejuvenate and revitalise the city. These decisions came with strong and increasing levels of support from the community. Most recently 87% of respondents supported the continuation of investment in rejuvenation projects in this year's Annual Plan 2016-2017. This provides us with confidence that Council's decision to further invest in our city was the right one.

This investment has required slightly higher rates increases (approximately 1% extra each year for four years) and an increase in borrowing. There have been some rejuvenation

projects where initial cost estimates have been found to be too low and budget increases were required. However, Council's overall financial results continue to be good and the independent rating agency Standard & Poor's assesses our financial management as very strong.

Importantly for our community, Hutt City Council's rate increases have been by far the lowest in the Wellington region.

I'm sure you have now started to see early results of the rejuvenation programme as several projects are now completed and many more are underway.

A particular highlight was the opening of the new Walter Nash Centre in 2015, and this is exceeding our expectations. This world-class facility in the heart of Taita is extremely popular among the community, especially our youth. This is an example of the integrated community facilities our rejuvenation programme

seeks to establish.

The redevelopment of our Civic Precinct has progressed with the refurbished and strengthened Council Building at Laings Road opening in March 2016. Construction is well underway on the other projects in this area. Our combined heritage Town Hall and new Events Centre will be an amazing facility when it opens later in 2017. The surrounding landscape and Riddiford Gardens are also being redeveloped and will connect the Dowse Art Museum, Events Centre, War Memorial Library, ANZAC Memorial and the new Sebel Suites four star-plus hotel planned for the end of High Street. Altogether, these projects will create a vibrant centre for our city and something we can all be proud of again.

While these high profile projects receive a lot of attention, much is happening on our other key strategies. Examples are programmes to provide new

opportunities to those in greatest need, initiatives to grow our economy and create jobs, and work being done to build community resilience to things such as floods and earthquakes. This continuing work, together with constantly seeking to improve the core services we provide, means it is an exciting and challenging time for all of us at Hutt City Council!



Ray Wallace
Ray Wallace
MAYOR OF
LOWER HUTT



Tony Stallinger
Tony Stallinger
CHIEF EXECUTIVE
HUTT CITY COUNCIL

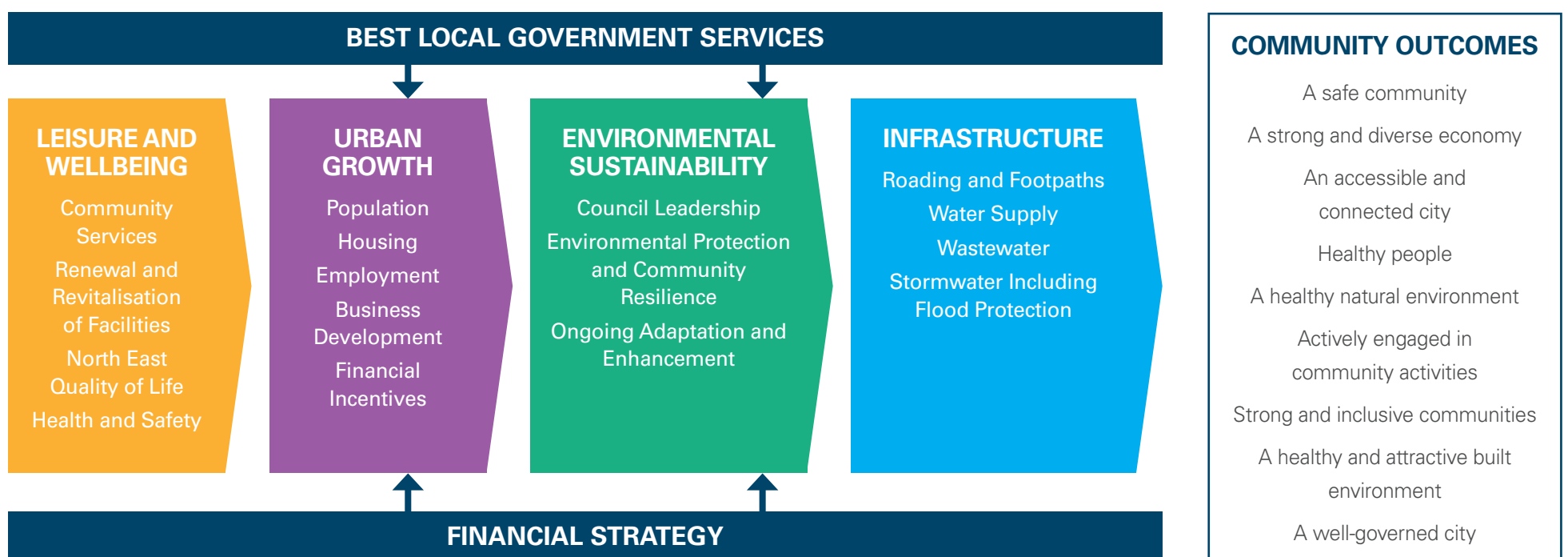
VISION FOR THE CITY:

HUTT CITY WILL BE A GREAT PLACE TO LIVE, WORK AND PLAY

Council has a vision for the city's future that Hutt City will be a great place to live, work and play. That is, a city that people are proud to live in, where working and investing is a smart choice, and where there's always something for families to explore. Four key strategies have been developed to help achieve this vision.

STRATEGIC DIRECTION: OUR FOUR KEY STRATEGIES

The move to rejuvenate and revitalise Lower Hutt is underpinned by four key strategies that Council developed over the last four years. The diagram below shows how these four strategies and their key objectives feed into and out of Council's Financial Strategy and organisational goals and ultimately come together to achieve the community outcomes set out in the Long Term Plan.



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MAKING OUR PLACE



Making Places

Hutt City's Central Business District (CBD) is the most significant business and cultural hub in Lower Hutt. To serve the community it needs to become a prosperous centre, offering a mix of activities, events and attractions. To achieve this, a comprehensive and integrated vision to plan and manage the area has been established – CBD Making Places. The long term design framework has the overall aim to create a CBD that is economically vibrant, artistically and culturally rich and people friendly. The CBD must offer an exceptional quality of life within a sustainable context. The current redevelopment of the Civic Precinct is an integral part of CBD Making Places. Future plans for a Promenade will turn the CBD to face and join with the river. The Promenade part of the river link project has the potential to be a catalyst to Lower Hutt coming into its own as a more ambitious, up-beat, and self-assured city.

Events Centre and Hotel

The new design upgrades the Town Hall while retaining its heritage. The Horticultural Hall has been demolished and will be replaced with a modern, flexible space for community, conference, event and exhibition use. 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. The stimulus this will give to the central city will include flow-on effects to moteliere, restaurants and retailers, the creation of new jobs, and a boost to the economy in general.

Attracting a top quality operator for our new Events Centre who is also set to bring a four star-plus hotel to the city was a coup for the city this year. In 2016 work will start on construction of the Events Centre and the hotel operator will follow suit on the hotel. With this work our Civic Precinct and the southern end of High Street will really begin to take shape.

Dwellings and People

Under the Urban Growth Strategy Council is aiming to increase the number of dwellings in the city by 6000 and the population to 110,000 by 2032. At this stage 867 new dwellings have been built, 104 new building consents have been issued in 2015-2016 and the population now stands at 102,000.

Making it Easier to do Business

Council is always looking at how it can make it easier for people to do business with us. Improvements include:

- a new fees calculator went live at <http://www.huttcity.govt.nz/calculator>. Many of the enquiries at our front counter are about the fees for a building consent application. The calculator makes it easier for customers to do business with us and noticeably reduces the number of weekly phone calls and counter enquiries.
- Environmental Consents has made a concerted effort to increase the number of building consents lodged online and these have increased from around 50 per cent to 80 per cent.
- In mid-May Environmental Consents hosted an evening for developers, architects and designers. After a tour of the building, Council staff spoke about our online processes and information requirements for building consents and introduced people to the consents team so they could learn about its structure and the issues the team face.

MAKING OUR PLACE GROW

Cycleways

Council's ongoing programme of works to improve and extend our city's cycling facilities both on and off-road continues and was given a huge boost by our success in developing a Walk and Cycle the Hutt Strategy that impressed decision makers and helped Council to secure central government funding of \$13.5m. This funding will go towards completing the "Beltway" project (connecting the main public transport routes of the city) and the Eastern Bays Cycle/Walkway which also serves as a sea wall.

New Fibre Network

The recently completed new fibre network is providing significantly faster experiences for the public using the Connect computers and Wi-Fi in and around our libraries. This new fast network will support a wide range of future digital services for our community.

Pukeatua Bridge, Wainuiomata

The Wainuiomata Hill Road Shared Path Project (the Shared Path Project) is one of 13 nationwide to get a slice of the Government's special urban cycleway fund for an accelerated project. The aim of the Shared Path Project is to provide a consistent, connected and safe shared path between the wider Hutt Valley and Wainuiomata by foot or bike. The construction of the iconic green Pukeatua Bridge was Phase One in the Wainuiomata cycle way project. Pukeatua Bridge at the top of the Wainuiomata Hill has been open to the public since November 2015. This bridge safely connects the Eastern Hills with the East Harbour Regional Park.

Walter Nash Centre – a place to strengthen community connections, connecting people in their community

The level of detail and thought that has gone into the design, layout and features of the new Walter Nash Centre are something of which we can all be proud. This world-class facility in the heart of Taita is extremely popular among the community, especially our youth. This is an example of the integrated community facilities our rejuvenation programme seeks to establish.

MAKING OUR PLACE CONNECTED



MAKING OUR PLACE



Risk and Resilience

Council began work on a Risk and Resilience Framework in September 2015. Our challenge is to determine those key facets of Lower Hutt life in which we need to invest to assure Lower Hutt's wellbeing in the face of shocks and stresses. We want to partner with our communities, Iwi, business, institutions and central government so that we are ready when we are confronted with the shocks and challenges. Our goal is to develop a strategy together with the people of Lower Hutt that will support us all to grow in our capacity to survive, adapt and thrive no matter what chronic stresses and shocks we experience. This work is being completed working in close collaboration with Wellington City Council's Chief Resilience Officer (CRO). The CRO is developing a resilience plan for Wellington City using the 100 Resilient Cities methodology.

Hutt River Flood Management Plan

Since settlement began, the Hutt River has had a history of floods which have caused emotional and financial damage to the people and businesses of the Hutt Valley. Consistent flooding has occurred since recording began in 1855 and, with the onset of climate change and the likelihood of more volatile weather, it's sure to continue into the future. The current stopbanks are mostly high enough to contain a 1-in-100 year flood but in some sections they are too weak to do so. Following public consultation the preferred option is to provide 1-in-440 year return period flood protection that includes an allowance for climate change. This will be achieved by enlarging and moving stopbanks further west into Pharazyn and Marsden Streets, which will require removal of property on those streets. This has meant that a number of people are affected on Pharazyn and Marsden Streets as businesses and houses will need to be relocated. Council recognises that this work couldn't go ahead without the cooperation of these residents and business owners and Council and fellow citizens acknowledge their sacrifice for the greater good.

STEMM (Science, Technology, Engineering, Manufacturing and Mathematics)

Council's investment in STEMM related activities is focused on providing a pathway towards a sustainable economic future for the city based on sustainably growing our already strong science and technology sector. The city is home to GNS and the Callaghan Institute and the aim is to leverage this to provide future employment for young people in the city. A very successful Hutt STEMM Festival was held with 70 businesses participating, 42 separate events and 5000 participants. The city is home to a number of science and tech-focussed businesses. Two global companies with bases in Lower Hutt are Bostik in Wingate; a leader in adhesives and sealants for the industrial, construction and consumer markets, and Cardno in Petone; a leading provider of geotechnical and environmental services working on some huge civil projects. Both are expanding their footprint here in Lower Hutt, resulting in more specialised employment opportunities in our city. These are encouraging signs which back up Council's commitment to development in the high growth, high yield science and tech industries.

RESILIENT & SUSTAINABLE

Riddiford Gardens

The upgrade of Riddiford Gardens is an extremely important project as it is an important CBD Making Places project that is almost complete and provides the context in which the civic buildings are set. The "new" gardens include a half court for basketball and a petanque piste, along with gardens, trees and paved ramps. It is a place where people from all walks of life can gather and be together – at play or at rest. There will also be a new "pavilion" building which will house the electricity sub-station, and will provide public toilets, and a community kiosk and canopy area with a barbeque.

Council has approved \$3.5 million for the next phase of the Gardens project. Most of this work will surround the Town Hall and Events Centre, and includes a continuation of the same style of paving, development of a car park area to service the new Events Centre, and upgrading of the garden areas behind the new Halls, and through to the Little Theatre and Library. We have worked closely with a wide range of interested stakeholders, including Rotary, Lower Hutt Horticultural Society, Hutt Bowling Club, and Heart of the Hutt.

Petone Settlers Museum

Refurbishment of the Petone Settlers Museum led to original features of the 1940 Petone Settlers Museum building being uncovered. The building has housed a museum since 1977 but its original function was a bathing pavilion. Contractors discovered the original tiled footbaths that swimmers had to walk through to get to changing rooms, and long-covered up windows were also found intact. To mark the centennial of the arrival of the first New Zealand Company immigrant ships the Aurora and the Cuba at Petone in 1840, an organising committee decided there should be just one Wellington provincial centennial memorial. Architect Horace Massey won a design competition with his vision for a Stripped Classical/Art Deco central 'Hall of Memories', flanked on either side with changing facilities for beach-goers.

In the building's western wing, displays on Atiawa history, The Britannia settlement diorama and other features have been improved and there is a new feature telling the story of iconic local retailer Carey's Drapery. The east wing has displays telling the story of Petone's development and industry, with the first of a series depicting the history of Petone streets focusing on Patrick Street, and the first state houses in New Zealand. The new Seaside Cabaret cafe adds to the attractions in that part of the foreshore.

Shapeshifter

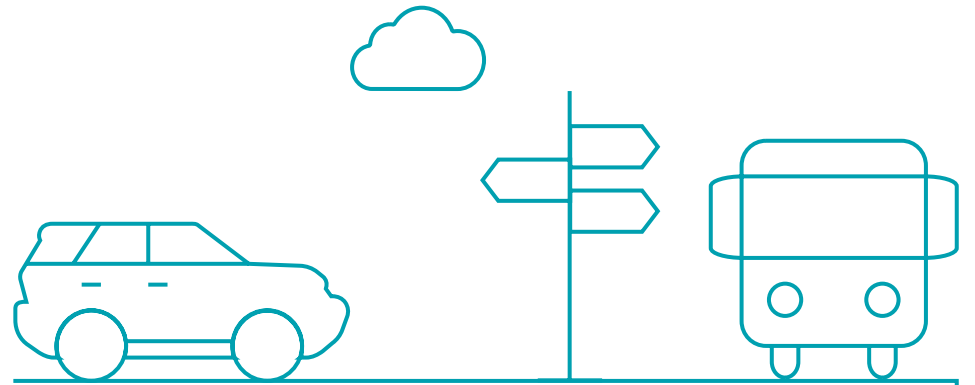
Shapeshifter Sculpture was again part of the New Zealand Festival programme for 2016. There were over 50 works of contemporary sculpture from establishing and emerging New Zealand sculptors in the beautiful Civic Gardens opposite The Dowse. Shapeshifter is a fundraising initiative of the Rotary Club of Hutt City, staged in partnership with The Dowse Art Museum and the Hutt City Council. It benefits Te Omanga Hospice, The Dowse Foundation and youth programmes in the Hutt Valley.

Black Bird

Black Bird was the first major survey of 17 years of Lonnie Hutchinson's rich and varied practice. Female subjectivity and feminist narratives inspire Hutchinson's unique approach to art-making, while her Māori (Ngāi Tahu) and Samoan heritage inform her interest in pattern, the play of light and shadow, and the navigation between space and time.

MAKING OUR PLACE BEAUTIFUL

MAKING OUR PLACE



Avalon Park

Avalon Park is the feature of many Hutt childhood memories and it's time to give local children and their families something new. We're calling it the Avalon Park playground transformation because, while some of the existing playground equipment is staying, when the work is finished the space will be the best in the region. The \$5 million project has been completed in stages with the new playground featuring water and sand areas for little ones and more adventurous equipment for older kids.

Te Whiti Riser Mountain Bike Track

The new Te Whiti Riser track was opened before Christmas. The track, behind Te Whiti Park, has been built for both mountain bikers and walkers and has opened up access to the Eastern Hills and Wainuiomata mountain bike park. It provides a terrific loop track, with stunning views across the Valley, connecting with the new Pukeatua Bridge and walkway on the top of Wainuiomata Hill.

Petone Winter Carnival

This year's Petone Winter Carnival saw more than 22,000 people heading to Petone Esplanade for one of the biggest days in winter. 2016 marked the tenth time the Petone Winter Carnival has been held. Favourite events like the Hutt City Council Fireworks were joined by marshmallow toasting on the beach, circus performances, bands and performances, stalls, food trucks and stalls, rides and free activities along Petone Esplanade. The Petone Settlers Museum had 600 people through its doors. The fireworks closed out Petone Winter Carnival just before the start of the Super Rugby final, and were visible from the hills around Lower Hutt and Wellington Harbour. Petone Winter Carnival capped off a bumper weekend for the Wellington region, with 39,000 attending the Super Rugby final at Westpac Stadium on Saturday evening.

MAKING OUR PLACE **PLAYFUL**

Hayward's Hill Interchange Project

Work is continuing on NZTA's SH2/58 Haywards Interchange Project. This new road will improve traffic flows, safety and access to Manor Park train station and will include a pedestrian over bridge and significant improvements for cyclists.

Expanding our CCTV Network

Several years ago the community asked Council to do more towards making Lower Hutt a safer place to live, work and play. Since that time Council has invested in a city-wide CCTV network. We have recently completed the installation of new fibre networks and this has allowed us to upgrade and expand on the CCTV network across the city. CCTV camera footage assists the Police to deal with all types of crime including theft, property damage, anti-social behaviour, breach of liquor bans, assaults, burglary and traffic incidents. These categories are selected as Police statistics show that these categories are of concern in the camera's area of operation. If there is a serious crime of another nature, the cameras will have a role to play in getting help to the scene as soon as possible, and/or helping with a Police investigation later.

Food and Liquor Inspections

This year Council's Environmental Health staff undertook more than 600 audits and inspections of food premises and hairdressers, continuing to ensure the health and safety of residents. Environmental Health Officers and Police regularly visit high and medium risk premises that sell alcohol. The visits have been aimed at testing if the managers and staff onsite sell alcohol to minors. Over the last year four operators have made sales to minors out of a total of 318 alcohol outlets in the Hutt Valley - a fantastic result and a great example of Council working together with police to make the city safe.

MAKING OUR PLACE **SAFE**



HOW COUNCIL PERFORMED IN 2015–2016

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

Budget management	●	Net operating and capital expenditure was managed within budget despite increased costs on some major projects.
Customer satisfaction	●	Resident satisfaction was slightly above target at 90.2%, well above peer council results.
Staff perceptions	●	The overall score in the workplace survey remained unchanged at 68%, less than the target of 72% but higher than the local government benchmark of 63%.
Project completion	●	While delivering significantly more projects than in previous years in many areas, we did not achieve 90% completion. Some projects have been delayed and carried over for completion by 2017.
Compliance	●	There was one significant instance of non-compliance involving earthworks undertaken on Council reserve without resource consent. Retrospective consent was applied for and granted.

LEISURE AND WELLBEING

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Libraries	● All measures achieved covering library usage, resident satisfaction, visitor numbers and library stock turnover.
Museums	● All measures achieved covering visitor numbers, resident satisfaction and education programmes.
Aquatics and Recreation	● All measures achieved covering resident/user satisfaction, pool/recreation programme usage, accreditation and cost per visit.
Parks and Reserves	● All measures achieved covering resident satisfaction and usage, sports field standards, area of parks and reserves, and maintenance and development standards.
Community Safety and Connections	● All measures achieved covering residents' perceptions of safety in the city, and community organisations' satisfaction with funding service.
Community Facilities Development	● Three measures achieved covering Walter Nash Centre, Regional Bowls Centre and Community Facilities Trust. Fraser Park Sportsville measure not achieved due to fundraising delays. Stokes Valley Community Hub building work not underway but building plans finalised.
Regulatory Services	● All measures achieved covering resident/user satisfaction, dog pound, response to dog complaints, registration/licensing of food premises, and response to noise complaints.
Emergency Management	● All measures achieved covering emergency preparedness, time to activate Emergency Operations Centre and development of community response plans.

GROWTH, DEVELOPMENT AND SUSTAINABILITY

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Local Urban Environment	● Two measures achieved covering Administration Building redevelopment and resident satisfaction. Measures not achieved covering bus interchange hub, Suburban Shopping Centres improvement fund, resident sense of pride in the city, and usage of recycling services.
Economic Development	● Economic performance measures achieved. Urban Growth Strategy measures covering population growth and number of new homes not yet achieved.
Environmental Consents	● Five measures achieved covering Land Information Memoranda, processing times including processing consents for solar panels, monitoring of resource consents and issuing Code Compliance Certificates. Measures covering acknowledgement of requests for service and processing of consents for fireplaces not achieved due to resourcing.
Environmental Policy	● Measure achieved covering statutory processing timeframes.
City Promotions	● All measures achieved covering resident satisfaction, major and minor events in the city.

INFRASTRUCTURE

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Roading and Traffic	● All resident satisfaction measures achieved. Remaining technical measures not achieved by a slim margin.
Water Supply	● Achieved five measures covering compliance with standards, number of complaints, median response time, quality of water and reliability of supply. Measures covering resident satisfaction, average water consumption and percentage loss from network not achieved by a slim margin.
Wastewater	● Most measures achieved covering resident satisfaction, infringement notices, reliability of service, response to disruptions, number of complaints, response time for overflows and breaches of resource consents. Wastewater overflows measure not achieved.
Stormwater	● All measures achieved covering resident satisfaction, reliability of service, water quality at recreational beaches, flooding events, habitable floors flooded, pipeline blockages, complaints, response time, breaches of resource consents, and flood protection and control works.
Solid Waste	● Two measures achieved covering resident satisfaction with rubbish collection and compliance with resource consents. Target of 91% resident satisfaction with refuse disposal not achieved at 88%, but exceeds peer average of 85%.

ORGANISATION

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Elected Members	● Two measures achieved covering resident satisfaction with the Mayor and Councillors and the way rates are spent. Satisfaction with public consultation sits on 88%, 2% down on the previous year.
Advice and Support	● All measures achieved covering satisfaction with formal advice received and responses to requests for help from Council officers.
Support Services	● Two measures achieved covering staff turnover and work-related accidents. Measure covering compliance with legal and policy requirements not achieved with one significant breach.

● Fully achieved ● Partially achieved ● Not achieved

FINANCIAL OVERVIEW

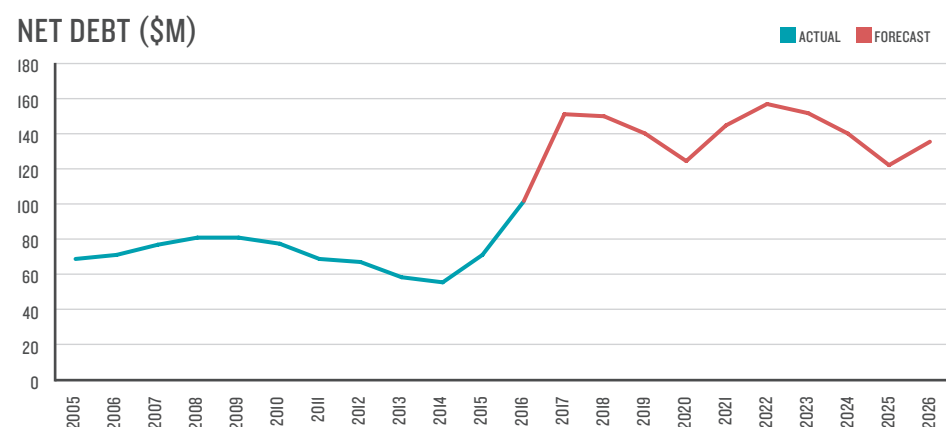
OUR RESULTS FOR THE YEAR

The net surplus or deficit is the difference between income received and expenses incurred during the year.

The Council recorded a net deficit, inclusive of grants paid to the Hutt City Community Facilities Trust (CFT) but excluding the revaluation of financial instruments, of \$7.9 million compared to a budgeted net deficit of \$10.9 million.

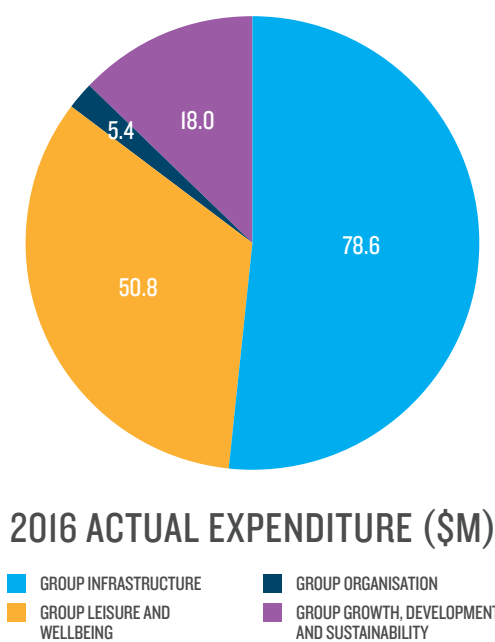
The favourable difference of \$3.0 million is mainly due to grants paid to CFT being \$7.9 million under budget, partially offset by capital subsidy receipts on road and cycleway projects being \$3.5 million less than budgeted. The net deficit does not include \$8.0 million in losses from the revaluation of financial instruments. The latter is a non-cash item and does not have an impact on debt.

Capital expenditure was also significantly under budget, by \$28.2 million.



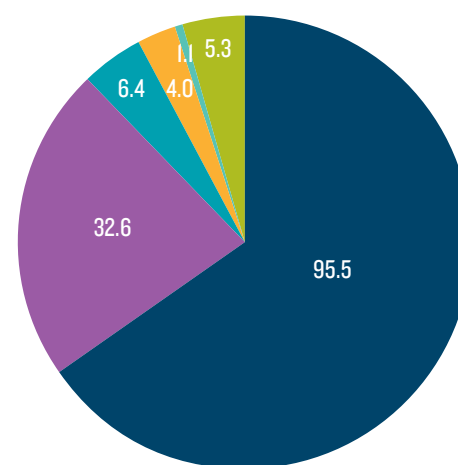
DEBT

Council's financial strategy identifies maximum net debt levels with specific targets at five yearly intervals with the next targets being to reduce debt to below \$125 million by 2020 and again by 2025. As a result of the favourable operating and capital variances during the year, net debt at the end of the year, excluding borrowing on behalf of Council's CCO's, was \$102.1 million compared to a budget of \$128.7 million. Throughout the year, Council operated within its other borrowing limits as shown in the report on financial policies contained in the full Annual Report.



EXPENDITURE

The graph above shows where Council's operational expenditure was spent during the year. Total expenditure (excluding the revaluation of financial instruments) for the year was \$152.8 million which was under budget by \$8.4 million. Maintaining infrastructure is a major portion of Council spending at \$78.6 million. Council also spent some \$50.8 million providing community facilities and services. A smaller portion of \$18.0 million was for the provision of services for the environment and economy, with the remainder being for governance and support of the organisation. The main reason for the difference between budgeted and actual expenditure was the deferral to 2016/2017 of grant payments to CFT for community related rejuvenation projects, lower than budgeted interest expense from lower than planned debt levels and lower market interest rates, partially offset by costs associated with strategic property purchases.

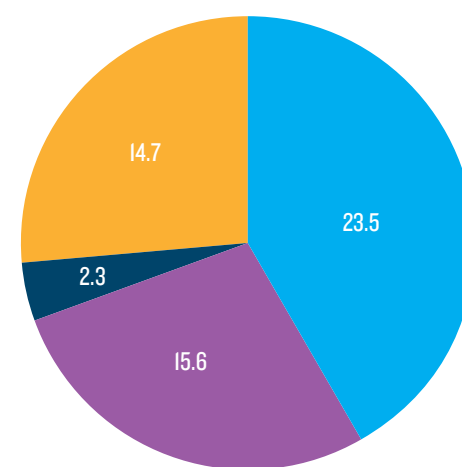


2016 ACTUAL REVENUE (\$M)

■ RATES INCOME
■ USER CHARGES
■ OPERATING SUBSIDIES AND GRANTS
■ CAPITAL SUBSIDIES
■ INTEREST EARNED
■ OTHER REVENUE

REVENUE

The graph above shows where Council's revenue comes from. Total revenue for the year was \$144.9 million which was \$5.4 million below budget. \$95.5 million (66%) comes from rates with \$32.6 million (22%), from fees and charges. The balance is made up predominantly of subsidies and grants. The main reason for the difference between budgeted and actual revenue was lower capital subsidy receipts from delays in completing planned road and cycleway projects, plus a reduction in parking revenue resulting from the first hour free parking trial in the CBD.



2016 CAPITAL EXPENDITURE (\$M)

■ GROUP INFRASTRUCTURE
■ GROUP LEISURE AND WELLBEING
■ GROUP ORGANISATION
■ GROUP GROWTH, DEVELOPMENT AND SUSTAINABILITY

CAPITAL EXPENDITURE

Capital expenditure is money spent on assets to improve levels of service, to meet additional demand, or to replace existing assets. The graph above shows where capital was spent during the year across Council's core groups. Council's planned capital expenditure programme was \$84.3 million. Council has a target to achieve at least 90% of its capital programme each year. Actual capital spent this year was \$56.1 million which was below this target. Almost all of the unspent budget was for projects that had to be deferred and will be completed in 2016/2017. Replacing and improving infrastructure made up almost \$23.5 million of Council capital spending, \$14.7 million was spent on providing community facilities, \$15.6 million was spent on environmental and economic facilities, and \$2.3 million on organisational support facilities.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

The Statement of Comprehensive Revenue and Expenses represents Council's financial performance for the year. Total revenue for the year was \$144.9 million with expenses of \$152.8 million excluding losses on revaluation of financial instruments, but inclusive of \$3.5 million in grant payments to CFT. The overall comprehensive revenue for Council, inclusive of losses from revaluation of financial instruments, was (\$15.8) million.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR ENDED 30 JUNE 2016	COUNCIL			GROUP	
	ACTUAL 2016 (\$000)	BUDGET 2016 (\$000)	ACTUAL 2015 (\$000)	ACTUAL 2016 (\$000)	ACTUAL 2015 (\$000)
Total revenue	144,899	150,288	143,465	149,763	149,034
Finance costs	(5,561)	(7,810)	(5,474)	(5,561)	(5,474)
Loss on revaluation of financial instruments	(7,991)	-	(2,702)	(7,991)	(2,702)
Operating expenditure excluding finance costs and loss on revaluation of financial instruments	(147,226)	(153,407)	(146,316)	(146,816)	(137,110)
Share of associate's surplus/ (Deficit)	-	-	-	84	154
Surplus / (deficit) before tax	(15,879)	(10,929)	(11,027)	(10,521)	3,902
Income Tax expense	-	-	-	-	166
Surplus / (deficit) after tax	(15,879)	(10,929)	(11,027)	(10,521)	3,736
Gain/(losses) on property revaluations	89	-	37,371	89	38,538
Deferred tax on revaluation	-	-	-	79	66
Total other comprehensive revenue and expenses	89	-	37,371	168	38,604
Total comprehensive revenue and expenses attributable to Hutt City Council	(15,790)	(10,929)	26,344	(10,353)	42,340

NET EQUITY

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE	COUNCIL			GROUP	
	ACTUAL 2016 (\$000)	BUDGET 2016 (\$000)	ACTUAL 2015 (\$000)	ACTUAL 2016 (\$000)	ACTUAL 2015 (\$000)
Equity at the beginning of the year	1,268,708	1,270,360	1,242,364	1,288,218	1,245,878
Total comprehensive income	(15,790)	(10,929)	26,344	(10,353)	42,340
Adjustment to deferred tax on transition to PBE accounting standards	-	-	-	1,462	-
Equity at the end of the year	1,252,918	1,259,431	1,268,708	1,279,327	1,288,218

The table above shows the equity at the start of the year plus the net surplus/ (deficit) achieved during the year.

STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position of Council is the difference between assets (what Council owns), and liabilities (what it owes). The Council has assets of over \$1.42 billion with liabilities of only \$0.17 billion.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE	COUNCIL			GROUP	
	ACTUAL 2016 (\$000)	BUDGET 2016 (\$000)	ACTUAL 2015 (\$000)	ACTUAL 2016 (\$000)	ACTUAL 2015 (\$000)
Current assets	24,322	35,296	25,867	30,228	27,270
Non-current assets	1,398,426	1,415,631	1,377,412	1,420,135	1,398,452
Total Assets	1,422,748	1,450,927	1,403,279	1,450,363	1,425,722
Current liabilities	28,757	43,614	35,868	29,963	37,339
Non-current liabilities	141,073	147,882	98,703	141,073	100,165
Total liabilities	169,830	191,496	134,571	171,036	137,504
Net assets	1,252,918	1,259,431	1,268,708	1,279,327	1,288,218
Total equity	1,252,918	1,259,431	1,268,708	1,279,327	1,288,218

STATEMENT OF CASH FLOW

Cash flow represents the movement through receipts and payments of all cash including loans raised and repaid. The net cash from operating activities was close to budget. Net cash outflow from investing activities and cash inflow from financing activities largely offset each other with both under budget mainly due to the under spend in planned capital expenditure.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE	COUNCIL			GROUP	
	ACTUAL 2016 (\$000)	BUDGET 2016 (\$000)	ACTUAL 2015 (\$000)	ACTUAL 2016 (\$000)	ACTUAL 2015 (\$000)
Net cash flow from operating activities	22,890	21,958	20,435	27,351	36,896
Net cash flow from investing activities	(52,574)	(77,743)	(40,880)	(57,334)	(56,027)
Net cash flow from financing activities	24,920	55,785	15,775	24,920	15,775
Net cash flow for the year	(4,764)	-	(4,670)	(5,064)	(3,356)

GROUP HIGHLIGHTS

The group consists of Council, its subsidiaries Seaview Marina Limited, UrbanPlus Limited and Hutt City Community Facilities Trust (all 100% owned) and associate Wellington Water Limited.

GROUP HIGHLIGHTS	2016 (\$M)	2015 (\$M)	2014 (\$M)	2013 (\$M)	2012 (\$M)	2011 (\$M)	2010 (\$M)
Net surplus	(10.5)	3.7	1.4	1.8	(2.0)	1.7	7.7
Total assets	1,450.4	1,425.7	1,346.6	1,370.2	1,373.9	1,274.7	1,274.9
Total liabilities	171.0	137.5	118.7	120.5	124.3	122.8	128.0
Total equity	1,279.3	1,288.2	1,245.9	1,249.7	1,249.5	1,151.9	1,146.9

NOTES

- The specific disclosures included in the summary financial report have been extracted from the full financial report. The full financial statements have been prepared in accordance with Tier 1 PBE Standards.
- The summary financial report has been presented in New Zealand dollars.
- The summary financial report cannot be expected to provide as complete an understanding as provided by the full financial report. The full financial report dated 6 October 2016 has received an unmodified audit report. A copy of the financial report may be obtained from the Council's website huttcity.govt.nz from 4 November 2016.
- This summary financial report has been examined by the auditor for consistency with the full financial report. An unmodified auditor's report is included with this summary annual report.
- This summary financial report has been prepared in accordance with PBE FRS-43.
- This summary Annual Report was authorised by the Chief Executive Officer of the Hutt City Council on 3 November 2016.



INDEPENDENT AUDITOR'S REPORT

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

TO THE READERS OF HUTT CITY COUNCIL AND GROUP'S SUMMARY ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2016

The summary annual report was derived from the annual report of the Hutt City Council (the City Council) and group for the year ended 30 June 2016. We have considered whether the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report.

The annual report included full audited statements, and the summary annual report includes summary statements. We have audited the following summary statements reported in the summary annual report on pages 5 to 7:

- the summary statement of financial position as at 30 June 2016;
- the summaries of the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended 30 June 2016;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary how council performed in 2015-16 of the City Council and group.

We expressed an unmodified audit opinion on the City Council and group's full audited statements in our report dated 6 October 2016.

Opinion

In our opinion:

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

Basis of opinion

Our audit was carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand), and in particular with the International Standard on Auditing (New Zealand) 810: Engagements to Report on Summary Financial Statements. These standards require us to carry out procedures to confirm whether the summary annual report contains the information necessary, and at an appropriate level of aggregation, so as not to be misleading.

The summary statements and the full audited statements from which they were derived, do not reflect the effects of events that occurred subsequent to our report dated 6 October 2016 on the full audited statements.

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

Responsibilities of the Council and the Auditor

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

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

In addition to reporting on the summary annual report, we have reported on the full annual report and carried out an assurance review of the City Council's Debenture Trust Deed, which is compatible with those independence requirements. Other than the audit of the City Council and group, and the assurance review, we have no relationship with or interests in the City Council or its subsidiaries.



Andy Burns, Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
3 November 2016

