

# Hurunui District Council at a glance

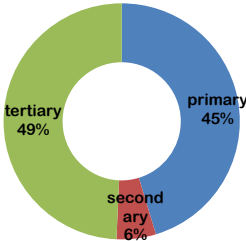
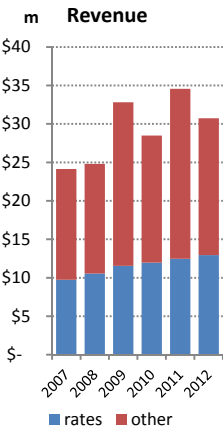
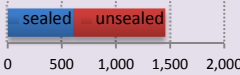

## How we are performing

The Hurunui District is achieving remarkable performance, across a wide range of measures. Although it is one of the smaller councils in terms of population, Hurunui has consistently delivered results that rank it in the top echelons.

2011/12	Overview				Capex	Satisfaction 2012/13	Measures achieved		
	Rates	Other	Cost						
Community Services & Facilities	\$1.6m	\$1.2m	\$4.4m	↗	\$0.7m	91%	⇒	25/26	⇒
Environment & Safety	\$1.3m	\$1.3m	\$2.6m	⇒	\$0.1m	n/a		23/27	⇒
Growth & Development	\$0.4m	\$0.1m	\$0.5m	↘	\$0.0m	n/a		3/4	↗
Utility Services & Infrastructure	\$8.9m	\$6.4m	\$14.4m	⇒	\$5.9m	76%	⇒	17/25	↗
Hanmer Springs Thermal Pools & Spa	\$0.0m	\$9.6m	\$8.4m	↑	\$0.4m	91%	⇒	3/6	↘
Governance	\$0.8m	\$0.1m	\$0.9m	↑	\$0.0m	74%	⇒	2/2	↗
<b>Total</b>			<b>\$31.2m</b>	↗		<b>78%</b>	↘	<b>73/90</b>	↗

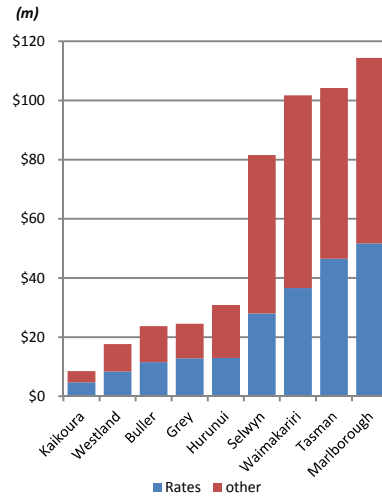
**Change from last year**

**Key**    ↑ increase > 10%    ↗ increase > 5%    ⇒ steady (+/- 5%)    ↘ decrease > 5%    ↓ decrease > 10%

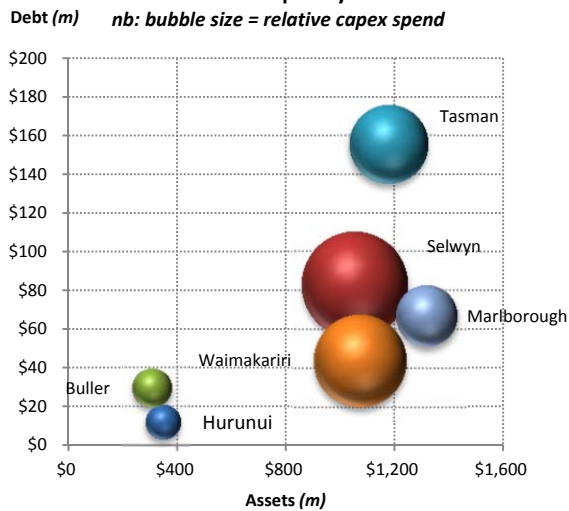
<p style="text-align: center;"><b>Over</b> <b>864,000</b> Hectares</p> <p style="text-align: center;"><i>7<sup>th</sup> largest district in New Zealand by land area</i></p>	<p style="text-align: center;"><b>Population</b> <b>11,520</b></p> <p style="text-align: center;"><i>Ranked 53<sup>rd</sup> out of 66 councils in New Zealand by population</i></p> <p style="text-align: center;"><b>Second fastest growing district</b></p> <p style="text-align: center;"><b>1.7%</b> in 2012</p>	<p style="text-align: center;"><b>Economic performance</b></p> <p style="text-align: center;"><b>6<sup>th</sup></b></p> <p style="text-align: center;"><i>BERL regional rankings 2012</i></p>  <p style="text-align: center;"><b>GDP by sector</b> <i>Infometrics 2010</i></p>	<p style="text-align: center;"><b>Website</b></p> <p style="text-align: center;"><b>9<sup>th</sup></b></p> <p style="text-align: center;"><i>Out of 78 councils</i></p> <p style="text-align: center;"><i>ALGIM council rankings 2013 (up from 32<sup>nd</sup> in 2012)</i></p>
<p style="text-align: center;"><b>Revenue</b></p>  <p style="text-align: center;"><b>1,454</b> Km of roads</p> <p style="text-align: center;"><i>21st by length of roading network (excluding state highways)</i></p> 	<p style="text-align: center;"><b>Visitors to Hanmer Springs Thermal Pools and Spa</b></p> <p style="text-align: center;"><b>531,252</b></p> 	<p style="text-align: center;"><b>Website</b></p> <p style="text-align: center;"><b>9<sup>th</sup></b></p> <p style="text-align: center;"><i>Out of 78 councils</i></p> <p style="text-align: center;"><i>ALGIM council rankings 2013 (up from 32<sup>nd</sup> in 2012)</i></p>	

## Overview

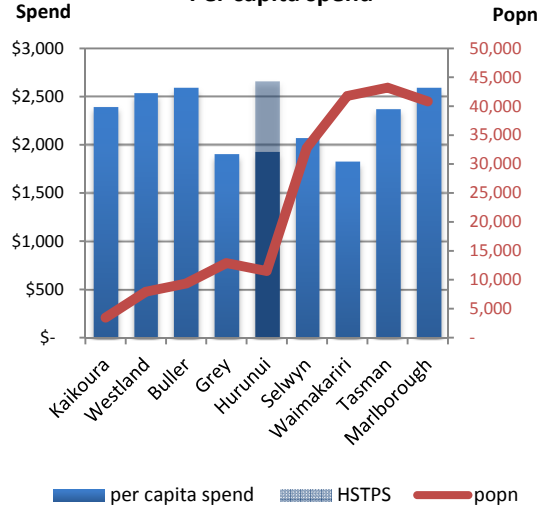
### Revenue



### Assets-Debt-Capex by Council



### Per capita spend



This series of charts compares Hurunui with our 8 neighbours – four of whom are significantly larger than Hurunui, in terms of population and revenues.

Hurunui generates a significant 59% of its revenue from non-rates sources, and from the Hanmer Springs Thermal Pools & Spa facility in particular. This asset enables us to spend more than our neighbours per capita, but after deducting the HSTPS expenditure, our spend per capita is amongst the lowest in our region.

While our asset base is around one-third the size of our neighbours at Waimakariri, our capital expenditure is only 14% of theirs. Another comparison is with Buller, a district with similar population, assets and capital expenditure - our debt levels are less than half.

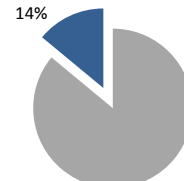
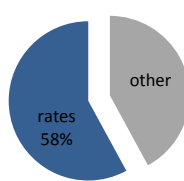
What does all this mean? Simply that we can demonstrate a prudent approach to the management of our finances – one that compares favourably with our neighbours.

## OAG measures of financial performance

In the following charts, green bars indicate results for Hurunui, while the grey bar is the sector average – for all councils

<p><b>Actual to budgeted net cashflows from operations</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hurunui (%)</th> <th>Sector average (%)</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>55</td> <td>95</td> </tr> <tr> <td>2010</td> <td>105</td> <td>95</td> </tr> <tr> <td>2011</td> <td>110</td> <td>95</td> </tr> <tr> <td>2012</td> <td>95</td> <td>95</td> </tr> <tr> <td>2013</td> <td>95</td> <td>95</td> </tr> </tbody> </table>	Year	Hurunui (%)	Sector average (%)	2009	55	95	2010	105	95	2011	110	95	2012	95	95	2013	95	95	<p><b>Actual to budgeted debt</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hurunui (%)</th> <th>Sector average (%)</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>85</td> <td>75</td> </tr> <tr> <td>2010</td> <td>85</td> <td>75</td> </tr> <tr> <td>2011</td> <td>85</td> <td>75</td> </tr> <tr> <td>2012</td> <td>90</td> <td>75</td> </tr> <tr> <td>2013</td> <td>90</td> <td>75</td> </tr> </tbody> </table>	Year	Hurunui (%)	Sector average (%)	2009	85	75	2010	85	75	2011	85	75	2012	90	75	2013	90	75	<p><b>Actual to budgeted capital expenditure</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hurunui (%)</th> <th>Sector average (%)</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>75</td> <td>80</td> </tr> <tr> <td>2010</td> <td>75</td> <td>80</td> </tr> <tr> <td>2011</td> <td>165</td> <td>80</td> </tr> <tr> <td>2012</td> <td>115</td> <td>80</td> </tr> <tr> <td>2013</td> <td>115</td> <td>80</td> </tr> </tbody> </table>	Year	Hurunui (%)	Sector average (%)	2009	75	80	2010	75	80	2011	165	80	2012	115	80	2013	115	80	<p><b>Stability</b> Stability is about how reliably the Council plans, budgets, and delivers financial resources.</p> <p>Our performance to budget has been very good, especially with capital expenditure – an area where local government sometimes struggles to deliver as planned.</p>
Year	Hurunui (%)	Sector average (%)																																																							
2009	55	95																																																							
2010	105	95																																																							
2011	110	95																																																							
2012	95	95																																																							
2013	95	95																																																							
Year	Hurunui (%)	Sector average (%)																																																							
2009	85	75																																																							
2010	85	75																																																							
2011	85	75																																																							
2012	90	75																																																							
2013	90	75																																																							
Year	Hurunui (%)	Sector average (%)																																																							
2009	75	80																																																							
2010	75	80																																																							
2011	165	80																																																							
2012	115	80																																																							
2013	115	80																																																							
<p><b>Interest expense to rates revenue</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hurunui (%)</th> <th>Sector average (%)</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>3.5</td> <td>7.5</td> </tr> <tr> <td>2010</td> <td>3.5</td> <td>7.5</td> </tr> <tr> <td>2011</td> <td>3.5</td> <td>7.5</td> </tr> <tr> <td>2012</td> <td>8.5</td> <td>7.5</td> </tr> <tr> <td>2013</td> <td>8.5</td> <td>7.5</td> </tr> </tbody> </table>	Year	Hurunui (%)	Sector average (%)	2009	3.5	7.5	2010	3.5	7.5	2011	3.5	7.5	2012	8.5	7.5	2013	8.5	7.5	<p><b>Net cash flows from operations to capital expenditure</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hurunui (%)</th> <th>Sector average (%)</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>50</td> <td>80</td> </tr> <tr> <td>2010</td> <td>75</td> <td>80</td> </tr> <tr> <td>2011</td> <td>35</td> <td>80</td> </tr> <tr> <td>2012</td> <td>80</td> <td>80</td> </tr> <tr> <td>2013</td> <td>80</td> <td>80</td> </tr> </tbody> </table>	Year	Hurunui (%)	Sector average (%)	2009	50	80	2010	75	80	2011	35	80	2012	80	80	2013	80	80	<p><b>Working capital</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hurunui (%)</th> <th>Sector average (%)</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>130</td> <td>185</td> </tr> <tr> <td>2010</td> <td>100</td> <td>185</td> </tr> <tr> <td>2011</td> <td>85</td> <td>185</td> </tr> <tr> <td>2012</td> <td>35</td> <td>185</td> </tr> <tr> <td>2013</td> <td>35</td> <td>185</td> </tr> </tbody> </table>	Year	Hurunui (%)	Sector average (%)	2009	130	185	2010	100	185	2011	85	185	2012	35	185	2013	35	185	<p><b>Resilience</b> Resilience to short-term anticipated events reflects how well we can “bounce back”.</p> <p>Our working capital is held at lower levels than sector benchmarks because we use surplus cash to minimise our borrowing.</p>
Year	Hurunui (%)	Sector average (%)																																																							
2009	3.5	7.5																																																							
2010	3.5	7.5																																																							
2011	3.5	7.5																																																							
2012	8.5	7.5																																																							
2013	8.5	7.5																																																							
Year	Hurunui (%)	Sector average (%)																																																							
2009	50	80																																																							
2010	75	80																																																							
2011	35	80																																																							
2012	80	80																																																							
2013	80	80																																																							
Year	Hurunui (%)	Sector average (%)																																																							
2009	130	185																																																							
2010	100	185																																																							
2011	85	185																																																							
2012	35	185																																																							
2013	35	185																																																							
<p><b>Interest expense to debt</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hurunui (%)</th> <th>Sector average (%)</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>7.5</td> <td>6.5</td> </tr> <tr> <td>2010</td> <td>7.5</td> <td>6.5</td> </tr> <tr> <td>2011</td> <td>7.5</td> <td>6.5</td> </tr> <tr> <td>2012</td> <td>9.5</td> <td>6.5</td> </tr> <tr> <td>2013</td> <td>9.5</td> <td>6.5</td> </tr> </tbody> </table>	Year	Hurunui (%)	Sector average (%)	2009	7.5	6.5	2010	7.5	6.5	2011	7.5	6.5	2012	9.5	6.5	2013	9.5	6.5	<p><b>Capital expenditure to depreciation</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hurunui (%)</th> <th>Sector average (%)</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>130</td> <td>170</td> </tr> <tr> <td>2010</td> <td>200</td> <td>170</td> </tr> <tr> <td>2011</td> <td>340</td> <td>170</td> </tr> <tr> <td>2012</td> <td>120</td> <td>170</td> </tr> <tr> <td>2013</td> <td>120</td> <td>170</td> </tr> </tbody> </table>	Year	Hurunui (%)	Sector average (%)	2009	130	170	2010	200	170	2011	340	170	2012	120	170	2013	120	170	<p><b>Gross debt to total assets</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hurunui (%)</th> <th>Sector average (%)</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>3.4</td> <td>4.5</td> </tr> <tr> <td>2010</td> <td>3.4</td> <td>4.5</td> </tr> <tr> <td>2011</td> <td>3.4</td> <td>4.5</td> </tr> <tr> <td>2012</td> <td>3.4</td> <td>4.5</td> </tr> <tr> <td>2013</td> <td>3.4</td> <td>4.5</td> </tr> </tbody> </table>	Year	Hurunui (%)	Sector average (%)	2009	3.4	4.5	2010	3.4	4.5	2011	3.4	4.5	2012	3.4	4.5	2013	3.4	4.5	<p><b>Sustainability</b> Sustainability looks at how prepared we are for long-term uncertainties and to continue indefinitely.</p> <p>Our debt levels are low, and we use debt effectively for investment in our key revenue producing asset – the Hanmer Springs Thermal Pools and Spa.</p>
Year	Hurunui (%)	Sector average (%)																																																							
2009	7.5	6.5																																																							
2010	7.5	6.5																																																							
2011	7.5	6.5																																																							
2012	9.5	6.5																																																							
2013	9.5	6.5																																																							
Year	Hurunui (%)	Sector average (%)																																																							
2009	130	170																																																							
2010	200	170																																																							
2011	340	170																																																							
2012	120	170																																																							
2013	120	170																																																							
Year	Hurunui (%)	Sector average (%)																																																							
2009	3.4	4.5																																																							
2010	3.4	4.5																																																							
2011	3.4	4.5																																																							
2012	3.4	4.5																																																							
2013	3.4	4.5																																																							
<p>Overall, Hurunui results are very much in line with the whole sector. The impact of capital expenditure in 2010/11 shows up, causing a temporary dip in the measures.</p>																																																									

## Community Services & Facilities



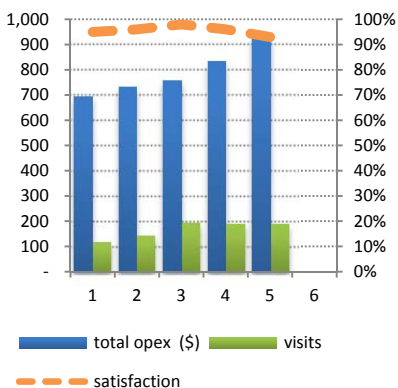
Revenue

Expenditure

Rates funding for this group

Share of total council expenditure

### Libraries



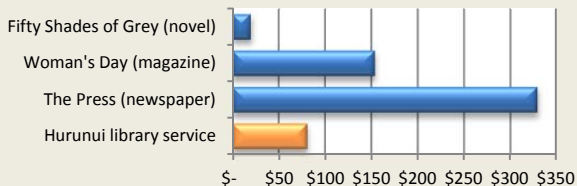
**The library story: no cost to ratepayers**  
 There is no rates contribution for operating the libraries. The libraries in Amberley and Hanmer Springs are located on reserves, and therefore operational costs are funded through the surplus from the Hanmer Springs Thermal Reserve. Libraries in Culverden, Hawarden and Cheviot are not on reserves, but are able to be funded from the Council's treasury surplus.

This means we are able to provide a level of service that compares well with any district in New Zealand. The cost per capita is \$76, higher than the national average of \$61 – but this is still only the cost of three paperback novels, or less than an annual magazine or newspaper subscription.

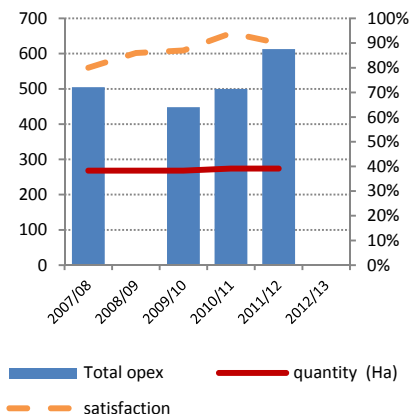
We have over 190,000 library visits a year – equal to 17 visits by each resident.

Our libraries are consistently the highest rated service that we offer, when measured by our residents survey.

### Annual cost - various publications



### Reserves



**Open space**  
 The Department of Conservation manages estates of 224,500Ha, which is 26% of our district land area. Over 38,000Ha have Significant Natural Areas.

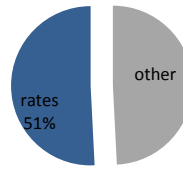
In 2010 the Queen Mary Hospital Reserve was transferred to us, and becomes part of our 274Ha of parks and reserves. This equates to a very healthy 23.8Ha per 1,000 residents – 10% higher than the national average.

*Note: Operating expenditure for open space was not separately reported in 2008/09*

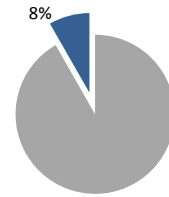
Parks and reserves per 1,000 residents  
 Hurunui **23.8ha** NZ **21ha**

Along with our 8 libraries, 26 playgrounds, 32 recreation reserves; this group also includes 2 swimming pools, 14 halls, 9 cemeteries and other assets.

## Environment & Safety



Revenue

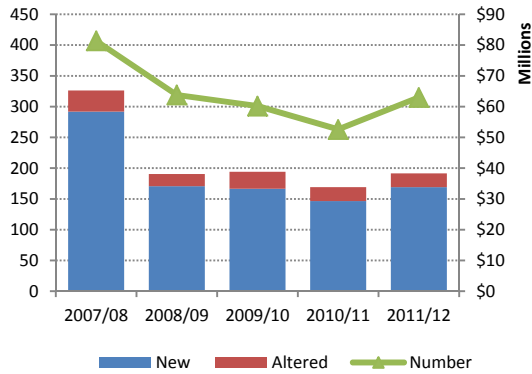


Expenditure

Rates funding for this group

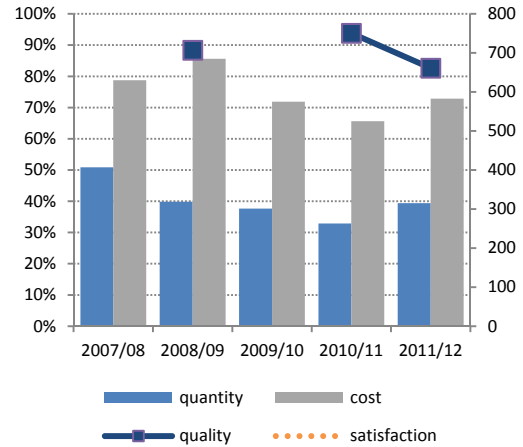
Share of total council expenditure

### Number and value of Building Consents



Fee as a % of declared value (2009/10)  
 Hurunui **0.88%** NZ **1.35%**

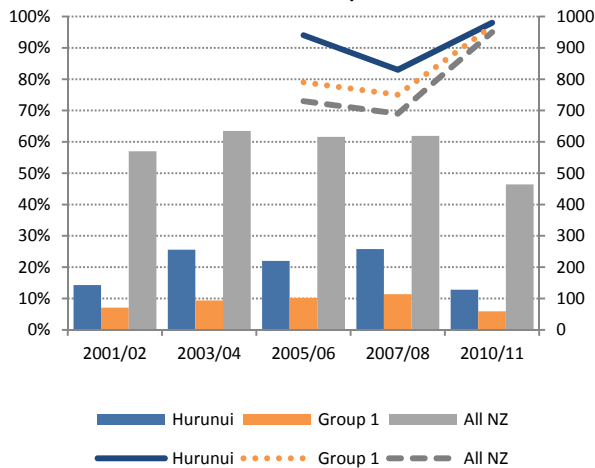
### Building Consents processed



The lines measure % of consents processed within statutory timeframes

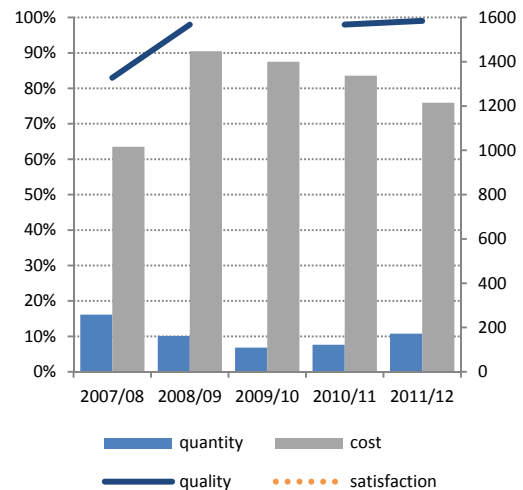
After a sustained drop in recent years, building consent numbers picked up in 2011/12. The entire region is feeling the effects of the demand in this area, and this shows in the % of consents processed within statutory timeframes. A real positive is our fee level, which at 0.88% of declared building value, is significantly lower than the national average.

### Resource Consents processed



The lines measure % of consents processed within statutory timeframes

### Resource Consents processed



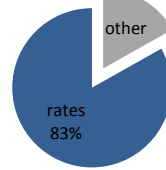
The lines measure % of consents processed within statutory timeframes

Hurunui is within the national grouping with lower numbers of consents (group 1). Our volumes reflect national patterns. The chart on the left shows monitoring data collected by MfE, and shows that Hurunui is outperforming both group and national averages. We are also managing to reduce total compliance costs.

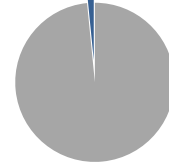
*NB: satisfaction has not been measured for this group of activities*

## Growth & Development

### Revenue



2%

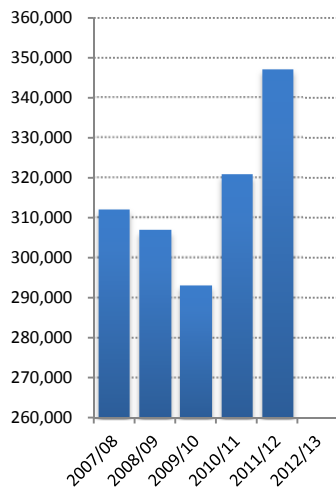


### Expenditure

Rates funding for this group

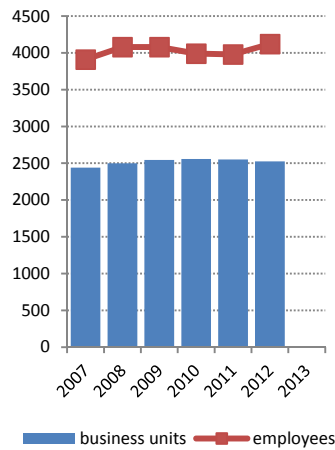
Share of total council expenditure

### Guest nights



Tourism contributes 6.9% of the district's GDP & 12.4% of employment.

### Number of business units and employees

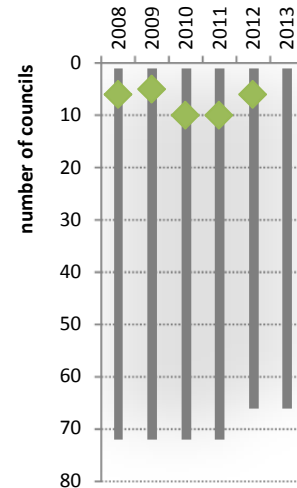


GDP **\$370m**  
2012

### Productivity

GDP per employee  
**\$89,806**      **\$67,029**  
 Hurunui              New Zealand

### BERL regional rankings



Green diamond indicates Hurunui rank nationally

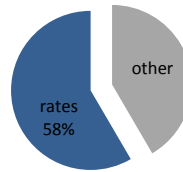
There are 66 councils in this ranking

Rank by growth in...	2012	5 year trend
Population	<b>4</b>	<b>9</b>
Employment	<b>14</b>	<b>9</b>
Business units	<b>24</b>	<b>11</b>
GDP	<b>6</b>	<b>10</b>

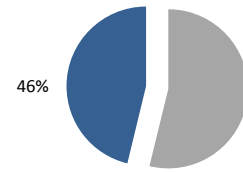
For the last 5 years Hurunui has ranked in the top 10 councils in the country, according to BERL's regional rankings report.

BERL notes: Hurunui's performance was driven by excellent 2012 performances in population and GDP growth and strong performances across all medium-term indicators. Hurunui District's 12.7 percent growth in GDP was underpinned by a 26 percent increase in primary sector GDP. Just over 47 percent of Hurunui District's employment is in the primary sector, with an increasing proportion of that being dairy cattle farming.

## Utility Services & Infrastructure



Revenue

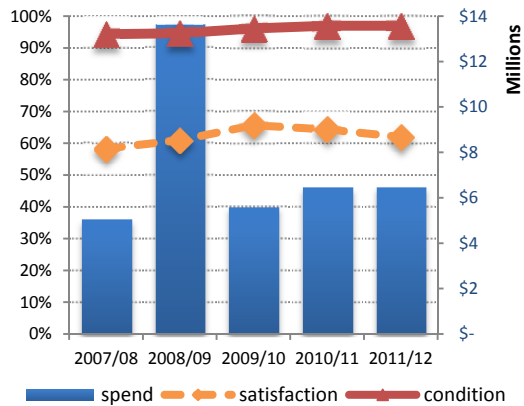


Expenditure

Rates funding for this group

Share of total council expenditure

### Roading



### On roads

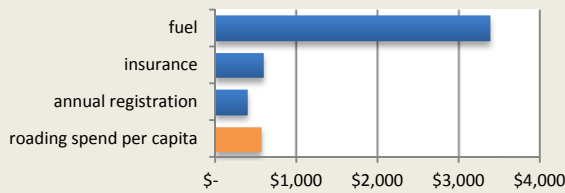
In Hurunui we spend approximately \$4,400 per kilometre on our roads every year. NZTA pays about half of this cost. In some of our neighbouring districts they receive a higher Financial Assistance Rate, or FAR.

Another way to think about this cost is that it equates to \$560 per resident. This is quite similar to the annual cost of registration (\$430) or insurance for a motor vehicle; and less than the estimated average fuel costs of \$3,300 that drivers incur.

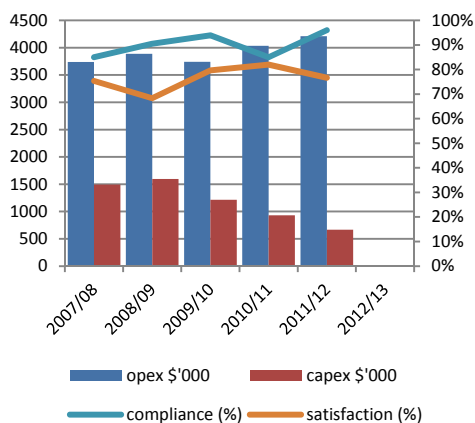
The good news is that the condition of our roads is very high, and we are continuing to maintain them every year, within our funding constraints.

60% of our road network is unsealed, due to low traffic volumes. Nationally, 62% of the network is sealed (excluding state highways). We know that everyone would prefer to have roads sealed, but this is not affordable. We are focused on achieving the best mix of quality, condition and safety of our roads with our contractors that we can.

### Annual costs - medium car user



### Water supply performance



### Water quality

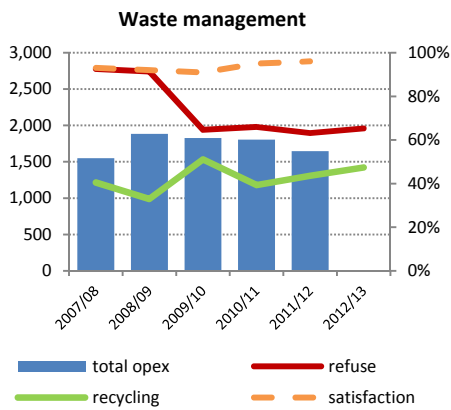
The national drinking water quality standards impose challenging requirements on a district like ours, with 13 water schemes drawing from 22 sources. In 2013 we will commission 9 new MIOX plants which will see the removal of all the district's permanent boiled water notices. The estimated capital cost of full compliance with the Standards is another \$14 million, equivalent to 30% of the value of our network. District-wide rates will fund the work, being planned for 2024-27

An interesting comparison is the cost of our water supply on a per-litre basis, with other common household purchases. At 4/10<sup>th</sup> of a cent per litre, our water represents good value. You could buy 500 litres of our water for the price of a 1 litre bottle at the shop.

### Comparisons

#### Cost per litre

Milk	\$2.50
Petrol	\$2.20
Water (bottle)	\$2.00
Water (tap)	\$0.004



Volume of waste per capita (2011/12)  
 Hurunui **278kg** NZ **580kg**

**Reduce-reuse-recycle**

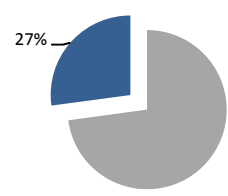
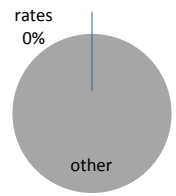
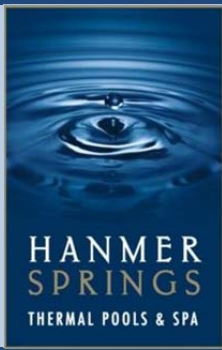
Recycling volumes are increasing, and our refuse volumes, while not reducing, are still low. Our residents dispose of around half as much as the average across the country.

The Kate Valley landfill within the Hurunui district is the regional service, taking all our waste from our 5 transfer stations, plus our weekly kerbside collections. After a 2009 review, we improved our delivery model, and saw the benefits in terms of reducing costs. In early 2014 we will move to a consolidated service contract which will result in another \$180,000 p.a. savings in this area.

A success story is the commercial nappy composting plant, developed in 2009 and processing 60,000 nappies a day. This is now being rolled out in other locations, in New Zealand and the UK.

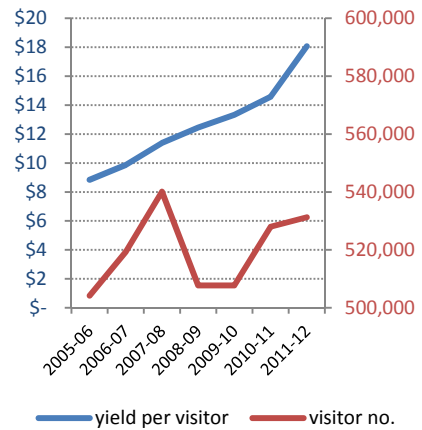
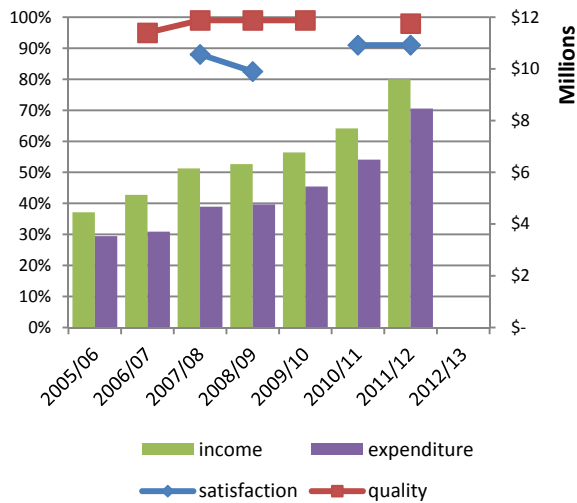
This group also includes our stormwater and sewerage networks. Together these consist of over 2,000 km of pipeline, 77 pump stations and 7 treatment plants.





Rates funding for this group

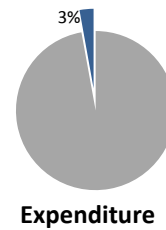
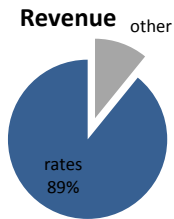
Share of total council expenditure



Hanmer Springs Thermal Pools & Spa is a magnet for visitors. So much so, that in 2004, 2005 and 2006, it won Best Visitor Attraction in the New Zealand Tourism Awards. It consistently ranks at the top of the 101 must-do attractions and with over half a million visitors a year, ranks among the most popular sites nationally. In 2012 it won the Best Natural Bathing Spa award from the Australasian Spa Association. It won the Hospitality/Retail category at the Canterbury Champion Awards, and is the 3<sup>rd</sup> top attraction in NZ on Facebook.

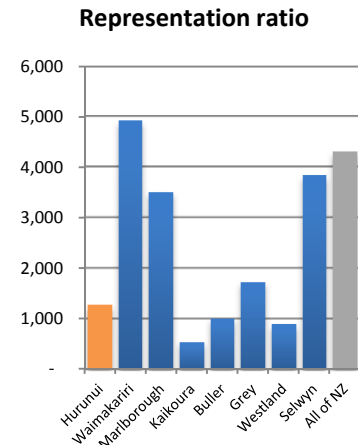
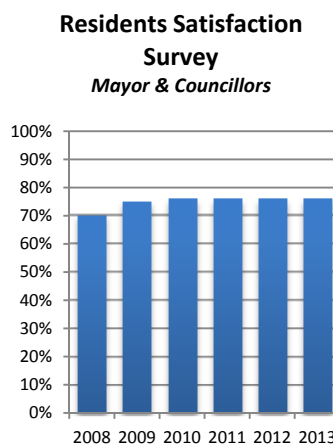
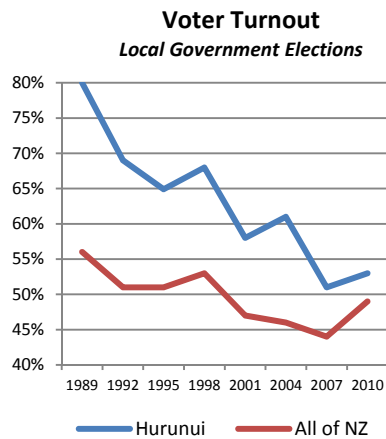
2011/12 was the first full year of operation of the expanded facility, which includes the Visitor Information Centre and the Cafe. The operating surpluses are used to assist funding of reserves in the district, and this makes a significant contribution to the Council's ability to deliver high quality services at a low cost to ratepayers.

## Governance



Rates funding for this group

Share of total council expenditure



All of New Zealand has seen a steady decline in voter turnout since the 1989 amalgamations. Hurunui voting has always been high, although patterns reflect the nationwide trends.

Resident satisfaction with the performance of their elected members has been steady for the past 5 years.

With representation ratios, Hurunui residents are fortunate to have such a low ratio – this means the ‘local’ voice is enhanced in local government. The average ratio for all of the country excluding Auckland, is just over 4,000 people per councillor.

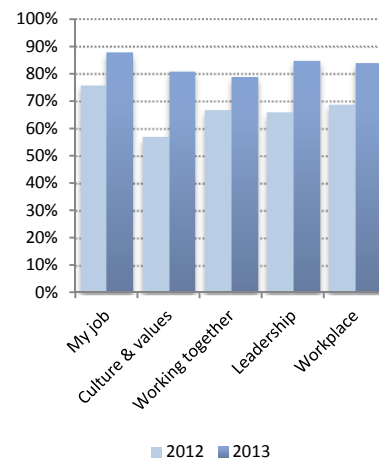
## Organisational Health

### Staff satisfaction

% agree or strongly agree

	2012 Last year	2013 This year
My job	76%	88%
Culture & values	57%	81%
Working together	67%	79%
Leadership	66%	85%
Workplace	69%	84%

### Staff Survey % agree or strongly agree



Our 2013 staff survey results show a significant positive shift in responses. The table and chart show the percentage of responses that agree or strongly agree. This is a fantastic result, and shows that we are on the right track with the efforts we are putting in to our organisational health.