Quarter 1 2025-26

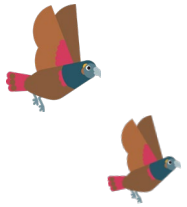
Te Kaunihera o Te Awa Kairangi ki Tai

Hutt City Council

Quarterly Performance Report



Ngā hua o roto
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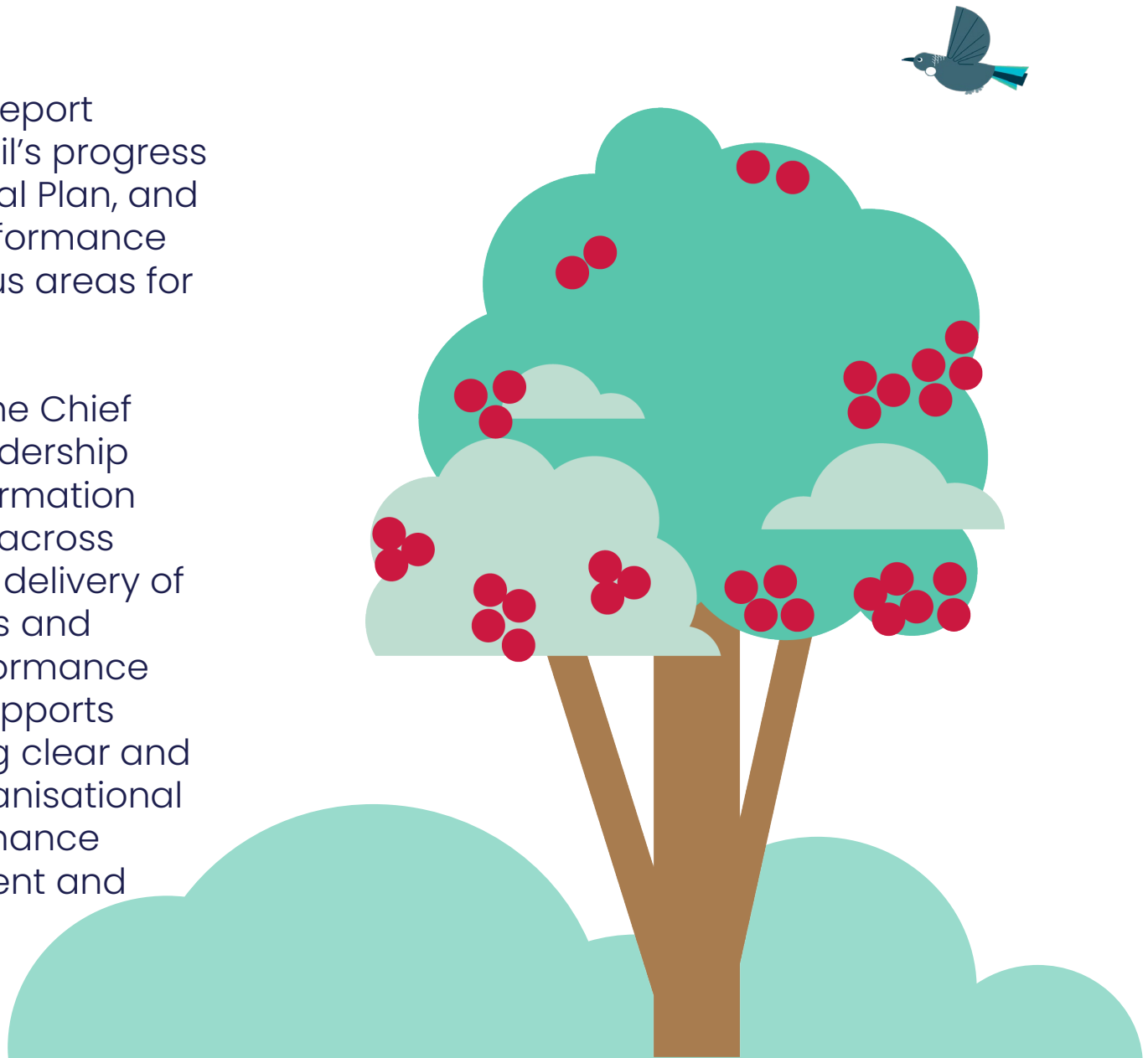
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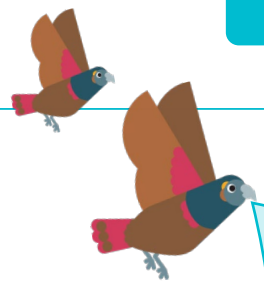
Tīmatanga Kōrero
Introduction

This quarterly performance report summarises Hutt City Council's progress on the Long Term Plan, Annual Plan, and the Chief Executive's key performance indicators and strategic focus areas for Quarter 1, 2025 to 2026.

The report aims to provide the Chief Executive, the Corporate Leadership Team, and staff with the information needed to align their efforts across groups and teams, ensuring delivery of Council's strategic outcomes and maintaining a focus on performance and accountability. It also supports elected members by offering clear and transparent updates on organisational performance, so their governance decisions are based on current and accurate information.

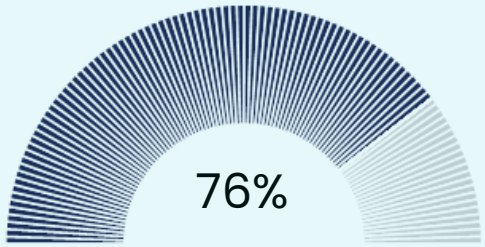


Quarter 1 Summary



73% of strategic focus areas are on track in Quarter 1

Non-financial KPIs Quarter 1 targets met



- 79% of targets met in Q1, up from 60% at the same time last year.
- The major lift was driven by 3 Waters KPIs, improving from 56% in Q1 last year to 90% this quarter.
- Although the targets have not yet been fully met, consent processing times are steadily improving and are now approaching the 100% target.
- Challenges remain in waste management and emissions.

Major projects and programmes summary

Overall status	Number of projects/programmes (as of Q1)
Green	4
Amber	3
Red	0



1 Highlights & Areas for future focus



What's this section about?

This section summarises our performance, with a focus on things we achieved, key highlights, and challenges we're facing.

Ngā Pānui Hirahira Highlights

Huia Pool goes fossil-free

Fossil gas was permanently switched off at Huia Pool in September, marking a major milestone in Council's decarbonisation efforts. This transition is part of an upgrade to heat pump technology, with completion expected in early 2026. As Council's largest gas consumer, Huia Pool's shift is projected to significantly reduce overall gas usage and the associated greenhouse gas emissions.

Enhancing visibility and accessibility at Te Puni Urupā

Street frontage upgrades at Te Puni Urupā were completed in Q1, enhancing both the cultural integrity and accessibility of the site. The works included a new tomokanga (gateway), improvements to the urupā fence line, a mobility parking space, and a kerb extension featuring a traditional whāriki (woven mat) paving design with boulder seating. These enhancements support urupā tikanga practices and create a more welcoming environment for whānau and visitors.

Boosting emergency response with community support

Council gifted three surplus utes to NZRT-18, a local volunteer emergency response team, strengthening the city's readiness for natural disasters. NZRT-18 plays a vital role when Lower Hutt's Emergency Operations Centre is activated, assisting with reconnaissance, road closures, property protection, and saving lives during severe weather and earthquake events.

Riverbank market relocation announced

In July, Mayor Campbell Barry confirmed that the Riverbank Market will relocate to Dowse Square and the surrounding Civic Precinct next year.

New council profile data released

To improve transparency and give ratepayers more insight into how councils are performing, the Department of Internal Affairs published new Council Profile Data in July, comparing Hutt City Council to other large metro councils. The data reflects our strong population growth and significant investment in water infrastructure.

Community-Led Events, Supported by Council, Bring People Together

Our Walter Nash facilities remain a hub for large-scale, community-led events that celebrate connection and diversity. In this quarter, ethnic, migrant, and former refugee communities came together for Multi-fest in July and Welcoming Week in September. Both events drew large crowds and showcased the power of community leadership in building cohesion and achieving shared goals. Council's support through funding, access to facilities, and staff collaboration—helps these communities take the lead in creating vibrant, inclusive spaces where everyone feels welcome and valued.

Ngā Pānui Hirahira Highlights

City Centre Framework adopted

Council adopted the City Centre Framework in July, setting a strategic direction for the future development and revitalisation of the city centre. The framework aims to create a vibrant, greener, and more accessible urban environment, with emphasis on enhancing riverside areas and public spaces. The framework was shaped through engagement with Mana Whenua, local businesses, and the wider community, ensuring it reflects shared aspirations for the city's future.

Melling transport improvements underway

The huringa ā-Nuku (ceremonial sod turning) for the Melling transport improvements took place this quarter, led by Mana Whenua and supported by Minister of Transport Hon Chris Bishop and Mayor Campbell Barry. This marks a significant step forward in transforming SH2 and supporting long-term growth and accessibility to Lower Hutt. The project is part of Te Wai Takamori o Te Awa Kairangi (RiverLink), a major infrastructure programme to improve safety, connectivity, and resilience across the region.

Faster response times for urgent water callouts

Wellington Water has significantly improved its response times for urgent callouts. In Q1, the median time to resolve urgent issues with the drinking water network was 1.7 hours, well ahead of the 8 hour target.

Melling transport improvements underway

The huringa ā-Nuku (ceremonial sod turning) for the Melling transport improvements took place this quarter, led by Mana Whenua and supported by Minister of Transport Hon Chris Bishop and Mayor Campbell Barry. This marks a significant step forward in transforming SH2 and supporting long-term growth and accessibility to Lower Hutt. The project is part of Te Wai Takamori o Te Awa Kairangi (RiverLink), a major infrastructure programme to improve safety, connectivity, and resilience across the region.

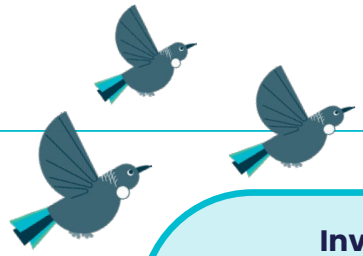
Te Manu Kairangi | My Hutt City: A smarter way to connect through our new customer portal

Council prepared to launch a new customer portal, Te Manu Kairangi | My Hutt City, designed to make it easier for residents to report issues and stay informed. Building on the previous system, the new portal allows users to log in, track requests, receive real-time updates, and access helpful information through self-service tools. Te Manu Kairangi | My Hutt City went live on Monday 6 October.

Building consent performance continues to improve

Statutory compliance for building consents and Code of Compliance Certificates continues to trend up, driven by targeted improvement initiatives. In Q1, 94% of building consents and 97% of Code of Compliance certificates were processed within statutory timeframes, reflecting strong operational performance and a commitment to service excellence.

Ngā Pānui Hirahira Highlights



National recognition for AI innovation

Council's bold AI initiative, *AI-Volution: Harnessing GenAI to Transform Local Government*, was awarded the Te Tohu Auaha Hou | Innovation Award at the 2025 Spirit of Service Awards, hosted by the Public Service Commission. This award celebrates new technologies and approaches that are creating positive change for Aotearoa. AI-Volution demonstrates that the public sector can be agile, delivering faster services and better outcomes for our community through strategic use of generative AI.

Water Services Delivery Plan approved by the DIA

The Department of Internal Affairs (DIA) approved the Metro Water, Water Services Delivery Plan. The Regional Establishment Team moved ahead with key implementation work, including appointing the Board. This milestone signals a new phase in regional collaboration to reform water services, as the region prepares for the launch of the new metropolitan water organisation in July 2026.

Suzy Cato brings story time magic to Lower Hutt libraries

As part of a regional library tour, beloved children's entertainer Suzy Cato NZOM visited Lower Hutt in July, hosting two lively sessions at the War Memorial Library and Wainuiomata Neighbourhood Hub. These family-friendly events showcased the power of storytelling and song to connect with tamariki and their whanau.

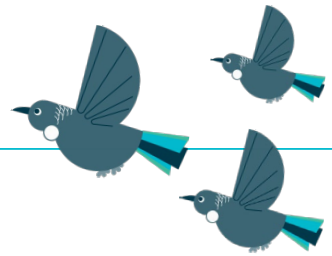
Investing in Our Communities

This quarter, we ran funding rounds for the Mouri Ora Fund and the Community Climate Action Fund. Mouri Ora is Council's largest investment in community initiatives that align with our priorities. We received 63 applications seeking $1.8 million in funding, with 42 projects approved and $770,000 allocated to strengthen community wellbeing. The Community Climate Action Fund supports local climate initiatives that align with our Climate Pathway. This round attracted 20 applications, and $112,721 was allocated to eight community-led projects that help reduce emissions and build local resilience. Together, these funds are helping grow stronger, more connected, and sustainable communities across Lower Hutt.

Walter Mildenhall Park opens

The redeveloped Walter Mildenhall Park opened in September, marking the final milestone in the Whakatupu Ngaengae programme to revitalise the town centre, alongside Te Mako Naenae Community Centre and Te Ngaengae Pool + Fitness. As part of the redevelopment, tamariki from Naenae Primary and Rātā Street schools planted native species they helped select a year earlier, bringing their vision full circle.

As Enviroschool participants, these students have played a hands-on role in shaping a sustainable, community-led space.



Te Pae Tawhiti
Areas for future focus

Rates increase and instalments change

The combination of the new 3-month rates instalment amount, together with the rates increase has been challenging for many ratepayers. The change in rates cycle increased customer queries from the start of the rating year and the level of interactions continue to be high. Council continues to offer flexible payment plans, the Government Rates Rebate Scheme, and other support to help people manage their rates. Work is progressing at pace on the development of the Rates Assistance Scheme which will provide further support to ratepayers when it is implemented

Wellington Water Limited capital programme 2025-26

Wellington Water's capital programme for the 2025-26 financial year is unable to be fully delivered due to capacity and timing constraints. To help address the backlog of renewals for aging water infrastructure, Council is considering bringing forward a number of renewal projects. This aims to maintain service reliability and reduce long-term risks associated with deferred maintenance.

Progressing the Proposed District Plan

Council has agreed to seek an exemption from the Minister for the Environment to enable progression of a significant portion of the Proposed District Plan. The formal application was submitted in October 2025 and it's anticipated that we will have a response before the end of December.

Innovating voter engagement: tackling declining participation

Encouraging voter enrolment and participation in local government elections is a growing challenge for councils.

HCC promoted enrolment on a range of channels, particularly targeting young and first-time voters. We used Spotify advertising for the first time, alongside advertising on Āti Awa Toa FM Radio, social media (including Tiktok for the first time), Hutt News ads and digital billboards.

The mayoral debate on 1 September at Lower Hutt Events Centre was a key event. More than 1,100 people have watched the recording since then, giving people the chance to hear directly from those seeking to lead our city.

For the first time we also invited council candidates to record a short video answering set questions, and these were shared on our website. After voting opened in early September, we used the same channels to encourage people to vote. Visits to high schools and a candidate event for rangatahi focused on getting young people engaged in local democracy.

2 Strategic Focus Areas



What's this section about?

This section provides a progress summary on Council's strategic focus areas

Pou Tāhū

Building a stronger city and thriving community

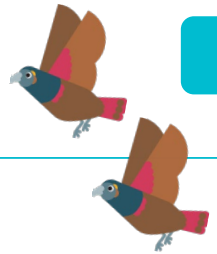
Delivery of year two of the LTP 2024 - 2034

Climate change and environmental sustainability

- The proportion of electric vehicles in the Council's fleet has increased to 85% in Q1, up from 80% the previous quarter. This continued progress reflects our commitment to reducing emissions from Council operations and puts us on track to exceed 90% electrification by the end of Q2.
- Fossil gas was permanently switched off at Huia Pool in September 2025. As Huia was Council's largest gas consumer, this change is anticipated to significantly reduce overall gas usage and the associated greenhouse gas emissions.
- Council officers provided advice on reducing electricity-related emissions through the use of Renewable Energy Certificates (RECs). RECs allow the Council to match its electricity consumption with renewable energy generation, effectively supporting the transition to cleaner energy sources and helping to account for emission reductions in its carbon footprint.
- Challenges remain in other areas, particularly in decarbonising major contracts and addressing emissions from the Silverstream Landfill. Initiatives aimed at reducing waste and associated emissions, such as Food Organics and Garden Organics (FOGO) collection service, have yet to be implemented.

Emergency preparedness and public safety

- Council supported the national emergency response to Nelson-Tasman flooding, with HCC Emergency Advisor, Nick Ridley deployed to assist on the ground. This was part of a coordinated regional contingent of Civil Defence Emergency Management (CDEM) staff from across councils
- Council contributed to national emergency response efforts, with HCC Emergency Advisor, Nick Ridley, deployed to Nelson-Tasman in response to severe flooding. Facilitated by the National Emergency Management Advisory (NEMA), this was part of a coordinated regional contingent of Civil Defence Emergency Management (CDEM) staff from councils and Wellington Region Emergency Management Office (WREMO). Over the course of a week, Nick supported the Emergency Operations Centre in roles, including Operation Manager, Intelligence Manager, and Logistics Manager.



Pou Tāhū

Building a stronger city and thriving community

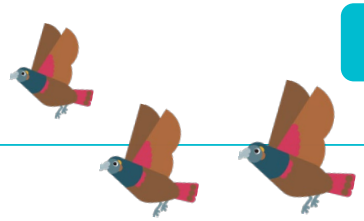
Delivery of year two of the LTP 2024 - 2034

Developments on associated Water Services

- The Department of Internal Affairs approved the Metro Water, Water Services Delivery Plan. The Regional Establishment Team moved ahead with key implementation work, including appointing the Board. This milestone signals a new phase in regional collaboration to reform water services, as the region prepares for the launch of the new metropolitan water organisation in July 2026.
- Detailed establishment planning is now underway to support implementation of deliverables. This includes work across asset transfers, billing and revenue arrangements, customer service agreements, debt transfer mechanics, Treasury strategy, and staffing impacts.
- Wellington Water will continue to deliver water services under the current model until Metro Water assumes responsibility.

Te Wai Takamori Te Awa Kairangi (RiverLink) advances across design, procurement, and city centre planning

- The Te Awa Kairangi Programme has focused on design integration and construction planning in collaboration with partners, ensuring progress remains on track.
- Key milestones include procurement planning for the City Link Bridge, with a focus on local employment, and completion of the Draft Disruption Response Plan to manage traffic impacts during construction.
- Te Wai Takamori programme partners are planning to launch a Disruption Awareness campaign in Q2 2025-26. The purpose of this campaign in to prepare the community for visible change by building awareness, understanding, and trust before major disruption begins.
- The transitional Parking Plan and temporary cyclist and pedestrian access routes are progressing toward implementation in mid 2026.



Pou Tāhū

Building a stronger city and thriving community

Delivery of year two of the LTP 2024 - 2034

Progressing the City Strategy

- Council continues to play an active role in shaping the City Strategy through its participation in the City Leadership Group (CLG), providing a platform for strategic alignment across city partners.
- Engagement on the Strategy was completed during Q1, and officers are now working with CLG to finalise the document and prepare for the endorsement process.
- The incoming Mayor, following the October elections, will be briefed on the CLG to ensure continuity and momentum in progressing the City Strategy.

Stormwater and Wastewater design progressing to enable future housing growth

- Consent design work is nearing completion, with consent submission planned for April 2026.
- Engagement with private property owners is progressing. Valuations are nearing completion, and price negotiations are expected to begin in the coming months.

Aligning transport programme with Government priorities and Council direction

- Council continues to advance its transport programme in alignment with the Government Policy Statement on Transport. Work is ongoing to ensure business cases reflect national funding priorities, including resilience, productivity and growth, value for money, and safety. This alignment supports Council's strategic direction while positioning projects for future investment and delivery.

Pou Tuarongo

Doing the basics brilliantly

Momentum on planning and infrastructure

The Proposed District Plan

- Following the Government's new Resource Management Act legislation, Council has agreed to apply to the Minister for the Environment for an exemption that would allow progress on a significant proportion of the Proposed District Plan. The application is scheduled for submission in October, and a response is anticipated before the end of Q2. This approach aims to maintain momentum in planning processes despite legislative changes.

Business partnerships strengthened to support infrastructure delivery

- Council has established a Business Advisory Group, with its Terms of Reference approved at the inaugural meeting.
- A Business Disruption Group has also been formed to support businesses through the development and delivery phases of major infrastructure projects.
- These groups will play a key role in ensuring business needs are considered and opportunities maximised as projects such as Te Wai Takamori o Te Awa Kairangi progress.

Supporting Hutt Valley Chamber of Commerce '35 by 35 roadmap'

- Council's contribution to the '35 by 35 roadmap' has focused on advancing key infrastructure initiatives that support local economic development. This includes Te Wai Takamori o Te Awa Kairangi where efforts are underway to embed procurement practices, ensuring the programme delivers benefits for local businesses and supports skills development.

Pou Tuarongo

Doing the basics brilliantly

Informing and empowering voters in the 2025 local elections

Strong election campaign aims to boost voter participation

- A comprehensive election campaign was delivered throughout Q1, using a wide range of channels to reach and engage voters. This included digital and print advertising, electronic billboards, radio, Spotify, and social media, as well as displays in community hubs and libraries, election flags, and engagement with rangatahi.
- The Mayoral debate was livestreamed, helping raise awareness, encourage community engagement, and educated participation in the lead-up to the elections.

Pre-election report published and shared across the city

- The Pre-Election Report was published on schedule and made widely accessible, including hard copies at Council facilities. It was shared with numerous groups and individuals, and presentations were delivered across Lower Hutt, complemented by a podcast series, which were well received locally and nationally. These efforts help ensure transparency and informed participation in the elections.

Leading the way in AI

- HCC continues to strengthen its position as a national leader in AI adoption. In Q1, we engaged with a range of organisations to share our work and help kick start their AI journey, including Upper Hutt City Council, Ashburton District Council, Rotorua District Council, and Association of Local Government Information Management (ALGIM) Australia through a hosted webinar.
- We are also exploring new strategic partnerships to support future AI initiatives, with recent discussions involving Microsoft as part of our participation in the Global Mayors Challenge.

Pou Whenua

Our Mana Whenua partners, and their priorities are at the core of our policies and practices



Partnership with Mana Whenua to give effect to Te Tiriti o Waitangi

Supporting Mana Whenua to lead city-wide Te Reo Strategy

- Council supports Mana Whenua in the development of a city-wide Te Reo Māori strategy, which will contribute to the formation of a broader region-wide strategy. This partnership reflects the commitment to strengthening Te Reo through collaboration and shared leadership.

Engagement with Mana Whenua

- Regular hui continue to strengthen partnerships and ensure Mana Whenua perspectives are reflected in Council's planning and decision-making. Discussions at the August hui covered a range of topics and initiatives, such as, recent legislative changes affecting the District Plan, Water Services Delivery Plan, the Mayors' Bloomberg Challenge, and the City Strategy.

Pou Tokomanawa

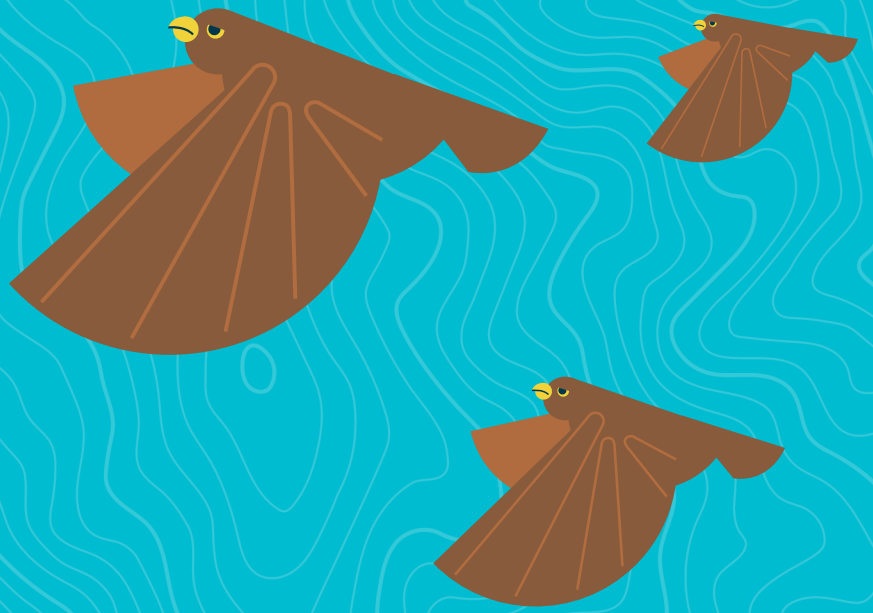
Our environment and culture provide a positive employee experience that enables our people to thrive

Improving systems and processes

Launch of Human Resource Information System (HRIS) and Payroll project

- The HRIS/Payroll project has commenced, working with our vendor Datacom to implement HRIS (Workday) and Payroll (Datapay). The new systems will provide an integrated HR and Payroll solution for Council.

3 Projects & Programmes



What's this section about?

This section provides an overview of the major programmes and projects currently delivering services, assets or improvements across the organisation and wider community.

Major project updates

PROJECT/PROGRAMME	PROGRAMME/ PROJECT MANAGER	FINANCIALS		PROJECT HEALTH								Q1 SUMMARY
		Total overall cost (CAPEX & OPEX)	ACTUAL SPEND (to date)	OVERALL	Scope	Schedule	Budget	Risk	Issues	Benefits	H&S	
Infrastructure Acceleration Fund (IAF) Stormwater and Wastewater Business Owner: Jon Kingsbury	Eddie Anand	$174.3m (Capex)	$5.16m (Capex)	G	A	A	G	A	G	G	G	The project continues to report GREEN at the end of Q1. The IAF project progressed through its pre-implementation phase in Q1, reaching 2.7% completion. Preliminary design is underway with key achievements including completion of Stage 1 geotechnical investigations and agreement with GWRC on stormwater outfall and stop-bank penetration. While some delays in site investigations have pushed the timeline slightly, buffer time remains, and no overall delay is signaled. Risks around property acquisition, aquifer protection, and coordination with RiverLink are actively managed. Stakeholder engagement continues through weekly meetings and a dedicated comms plan.
Tupua Horo Nuku Business Owner: Jon Kingsbury	David (Rawiri) Kennedy	$81.8m (Capex)	$73.1m (Capex)	A	G	A	A	A	A	G	G	The project is reporting AMBER at the end of Q1, a change from GREEN in the previous quarter. The project reached 86.2% completion, with formal handover of York Bay and Whiorau Reserve completed in August following resolution of outstanding defects. The Three Lane Closure Strategy was implemented in early August, bringing the forecast completion date of Tupua Horo Nuku forward by 26 weeks to March 2026, reducing programme risk. Health & safety improved to green, supported by increased audits and refined traffic management practices. Key risks remain around alignment with the Te Ara Tupua programme, though mitigations are in place and community engagement continues to be strong.
Te Pātaka Kōrero o Pito One | Petone Neighbourhood Hub Business owner: Joann Ransom	Malcolm Miller	$5m (Capex)	$293k (Capex)	A	A	A	G	A	G	G	G	The project is reporting AMBER at the end of Q1. The project is in the initiation phase with 12% completion. Key progress includes completion of investigation and strip-out works, the Registration of Interest (ROI) process completed and four contractors have been shortlisted to proceed to the Request for Tender (RFT) stage. Despite some schedule delays and scope challenges, the project remains within its capped budget and is actively managing five high-risk items.

RAG Status Key:

- **G = On track:** minimal or no significant risk
- **A = Delayed/at risk:** some challenges, actively monitor
- **R = Off track:** significant risk, escalation required
- N/A: Update not provided

Major programmes updates

PROJECT/PROGRAMME	PROGRAMME/ PROJECT MANAGER	FINANCIALS		PROJECT HEALTH								Q1 SUMMARY
		Total overall cost (CAPEX & OPEX)	ACTUAL SPEND (to date)	OVERALL	Scope	Schedule	Budget	Risk	Issues	Benefits	H&S	
Te Wai Takamori o Te Awa Kairangi (RiverLink) Business Owner: Jon Kingsbury	Eddie Anand	$179.68m (Capex)	$21.38m (Capex)	A	G	G	A	A	A		G	The programme continues to report AMBER at the end of Q1. During the quarter, key planning and design activities were advanced, including finalising the Disruption and Response Plan and completing the Transitional Parking Plan to mitigate impacts from upcoming construction. Procurement planning for the City Link Bridge progressed, with market engagement scheduled for November. Construction began on a temporary shared path for pedestrians and cyclists between Kennedy Good Bridge and Melling Bridge to maintain access during closures. Risks remain around design integration, construction cost escalation, and partner delivery timeframes, but mitigation strategies and stakeholder engagement are actively in place.
Te Kōhao o te Ngira / Go Digital Programme Business Owner: Lyndon Allott	Lyndon Allott	$17.73m (Opex)	$13.18m (Opex)	G	G	G	A	G	A	G	G	The programmes status report remains at GREEN as at 30th September. To date, 32 projects in the programme have been completed. While the overall status is GREEN, the budget remains at AMBER, accounting for a financial risk. Delivery of in-flight projects has progressed, but there are still unknowns regarding the cost of future projects. The indicative costs for these works are estimates at this stage and cannot be clarified until feasibility for these works is completed.
Parks and Reserves Programme Business Owner: Andrea Blackshaw	Arthur Nelson	$24.7m (Capex)	$2.6m (Capex)	G	G	G	G	G	G	G	G	As at the end of Q1, the programme continues to report a GREEN status overall. The programme progressed well during the quarter, with most projects on track. Several key upgrades and developments were initiated or delivered, including playground upgrades, new amenities, and master planning for reserves. Achievements included the completion of Hall Crescent Reserve upgrades and significant progress on Moera Reserve and Frederick Wise Reserve facilities. Challenges arose from scope changes, initial works needing revision, and some projects delayed or at risk due to legislative changes and funding requirements. Financially, the programme is expected to underspend by around $2.5 million due to deferred sub-projects, with risks mainly related to seismic strengthening requirements and demand-driven changes to project plans.
Transport Delivery Programme Business Owner: Jon Kingsbury	David (Rawiri) Kennedy	$15.36m (Capex)	$5.3m (Capex)	G	G	G	G	G	G	G	G	The programme is progressing well, with most projects on track and no major changes since the last report. Notable progress includes completion of Wise Street Extension stages 1 and 2, Korokoro Footpath improvements nearing final certification, and ongoing planning for Eastern Hutt Road Phase 2 with NZTA. Risks remain around scope management for Stage 3 of Wise Street and finalising agreements for the Cuba Street Overbridge.

4

Non-financial Key Performances Indicators

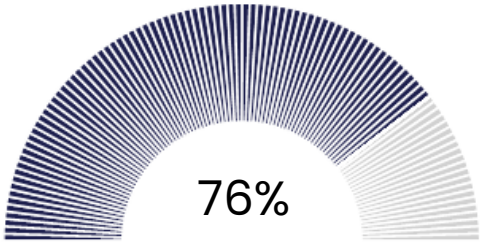


What's this section about?

A summary of our performance over the quarter according to our Annual Plan key performance measures

Hutt City Council

Q1 Targets Met



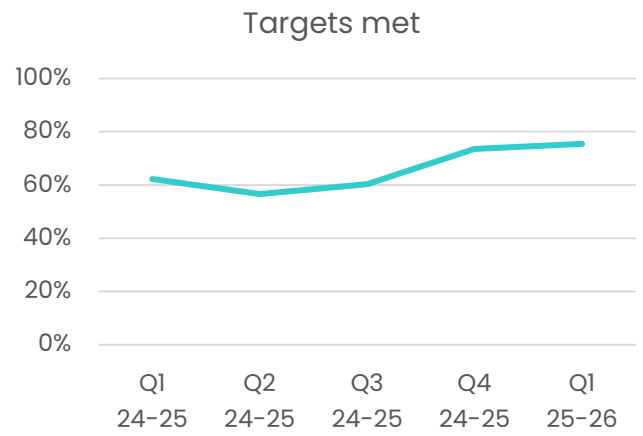
Summary

- There are 79 indicators in the Annual Plan/Long Term Plan. 55 of these are reported quarterly.
- 76% of targets were met in Q1.
- This compares to 60% in Q1 2024-25.

Highlights

- 3 Waters saw significant improvement across the board this quarter, meeting 90% of their targets compared to 56% in Q1 last year.
- As of Q1, there are 340 Neighbourhood Support member households, up from 322 in Q4 2024-25.
- Overall loans from hubs/libraries exceeded target by 32% in Q1.
- 6 of 6 pools met visitor targets.

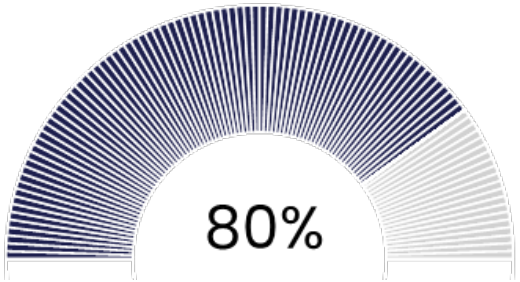
Quarterly trends



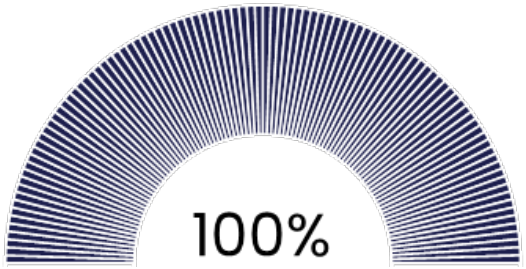
Three waters

Q1 Targets Met

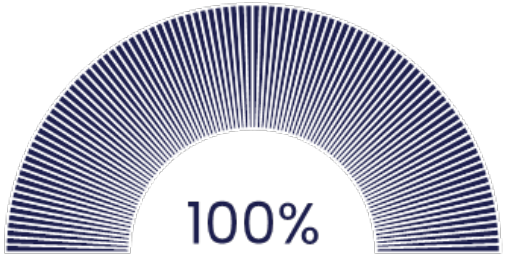
Water Supply



Wastewater

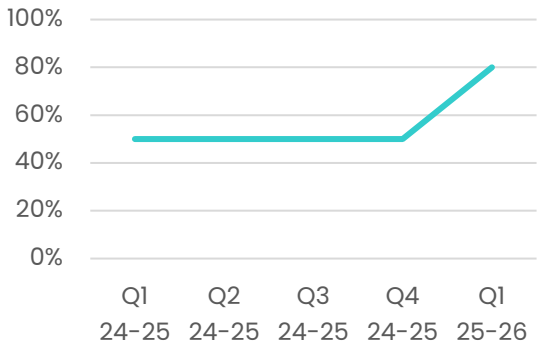


Stormwater

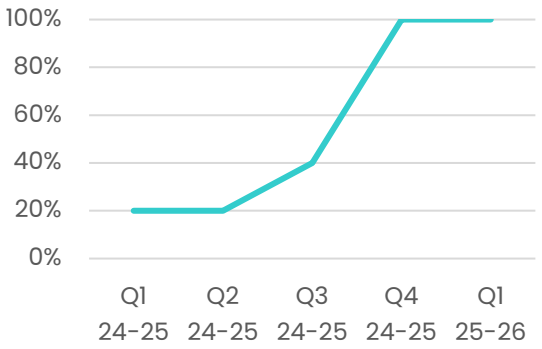


Quarterly Trends

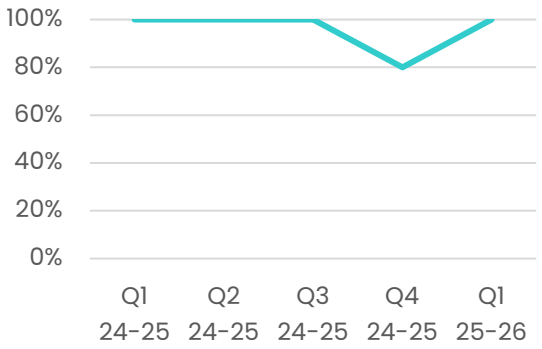
Water Supply Targets Met

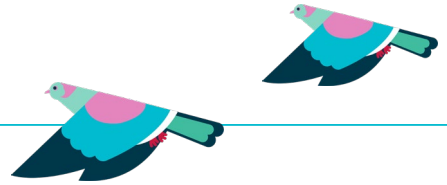


Wastewater Targets Met



Stormwater Targets Met

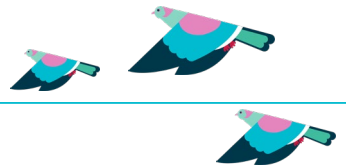




Water supply

Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
The extent to which the local authority's drinking water supply complies with the T3 bacterial rules (previously part 4 of the drinking-water standards –bacteria compliance criteria)	All met (100%)	All met (100%)	All met (100%)	✓	Target met
The extent to which the local authority's drinking water supply complies with T3 protozoal rules (previously part 5 of the drinking-water standards – protozoal compliance criteria)	All met (100%)	All met (100%)	All met (100%)	✓	Target met
The extent to which the local authority's drinking water supply complies with D3.29 microbiological monitoring rule	All met (100%)	All met (100%)	All met (100%)	✓	Target met
Number of complaints received about water clarity, taste, odour, pressure, flow and continuity of supply per 1,000 connections	≤20	≤5	7.9	✗	
Attendance for urgent callouts: from the time the local authority received notification to the time service personnel reach the site	≤90 mins	≤90 mins	40 mins	✓	Target met

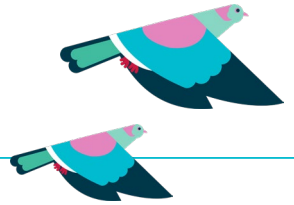
✓ Target met ✗ Target not met



Water supply

Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
Resolution time of urgent callouts: from the time the local authority receives notification to the time service personnel confirm resolution of the fault or interruption	≤8 hours	≤8 hours	1.7 Hours	✓	Target met
Attendance for non-urgent callouts: from the time the local authority received notification to the time service personnel reach the site	≤72 hours	≤72 hours	21 Hours	✓	Target met
Resolution of non-urgent callouts: from the time the local authority receives notification to the time service personnel confirm resolution of the fault or interruption	≤20 working days	≤20 working days	3 working days	✓	Target met
Average drinking water consumption per resident per day	≤385 litres	≤385 litres	375 litres	✓	Target met
Kilometers of renewals for three waters infrastructure	≥9.3 km	2.3 km	0.22 km	✗	Renewals in FY 2025-26 will be lower than last FY because Council's capital programme this year is largely focused on the Seaview Wastewater Treatment Plant. The renewals work completed in Q1 was additional watermain activity completion associated with the HCC Watermain Package 2 in Rata St. This include two additional streets, Norrie Grove and Patricia Grove. Council's Chief Executive has given approval under delegation to bring forward additional renewal works to offset a forecast year end underspend.

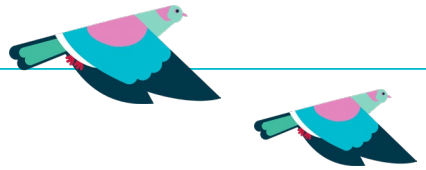
✓ Target met ✗ Target not met



Wastewater

Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
Dry weather wastewater overflows per 1,000 connections	≤20	≤5	0.8	✓	Target met
Number of complaints per 1,000 connections	≤30	≤7.5	7.3	✓	Target met
Attendance time: from the time the territorial authority receives notification to the time service personnel reach the site	≤90 mins	≤90 mins	74 mins	✓	Target met
Resolution time: from the time the territorial authorities receives notification to the time service personnel confirm resolution of the blockage or other fault	≤8 hours	≤8 hours	3 hours	✓	Target met
Compliance with resource consents measured by the number of abatement notices, infringement notices, enforcement orders, and convictions from wastewater system	0	0	0	✓	Target met (0 = no enforcement action)

✓ Target met ✗ Target not met



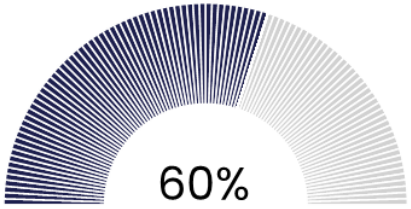
Stormwater

Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
Number of flooding events (where stormwater enters a habitable floor)	≤2	≤0.5	0	✓	Target met
Number of habitable floors affected by flooding events (per 1,000 connections)	≤0.24	≤0.06	0	✓	Target met
Number of complaints about stormwater system performance (per 1,000 connections)	≤20	≤5	4.2	✓	Target met
Median response time to attend a flooding event, measured from the time the territorial authority receives notification to the time service personnel reach the site	≤8 hours	≤8 hours	0 hours	✓	Target met - no flooding events
Compliance with resource consents for discharges from stormwater system (number of abatement notices, infringement notices, enforcement orders, and convictions)	0 notices	0 notices	0 notices	✓	Target met (0 = no enforcement action)

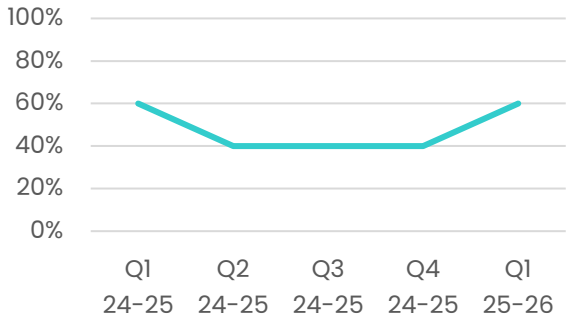
✓ Target met ✗ Target not met

Solid waste

Q1 Targets met



Quarterly Trends

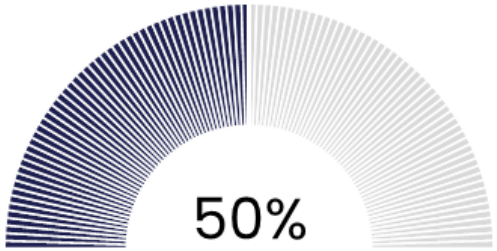


Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
Number of resource consent-related infringement notices received from Greater Wellington Regional Council	0 notices	0 notices	0 notices	✓	Target met
Number of illegal dumping complaints	≤266	≤67	53	✓	Target met
Tonnes of kerbside waste to landfill (tonnes per person)	≤23,181 / 114,000 = 0.20	≤5,795 / 114,000 = 0.05	5,161 / 114,000 = 0.04	✓	Target met
Percentage of kerbside recycling that is contaminated and diverted to landfill	≤10%	≤10%	12%	✗	Contamination remains above the target level of 10%, this is likely due to a variety of reasons, including households lacking clarity on what is recyclable, and the limited ability for Council to identify and engage with households that are responsible for contamination. (Note that contamination is measured by way of scoop tests of truck loads processed at the recycling processing facility. At least four tests are conducted per week, with different collection routes covered by testing during the month, to obtain representative samples of the material collected)
Tonnes of kerbside recycling collected	≥5,274	≥1,319	1,141	✗	The target was missed, this is likely the result of various factors, including supplier choices of the packaging they use for products, consumer choices, and economic activity. Note that the removal of bins due to contamination may result in a reduction of collected material in the order of about 20t per quarter, which is not significant overall.

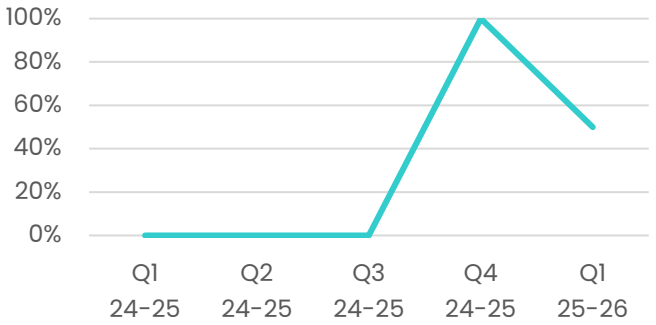
✓ Target met ✗ Target not met

Sustainability and resilience

Q1 Targets met



Quarterly Trends

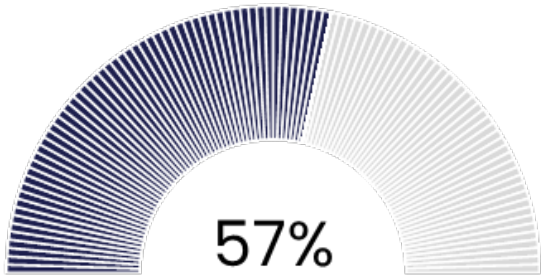


Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
Emissions from Council owned facilities (tCO2-e)	≤1,867	≤439	730	✗	Target not met despite Council's programme to phase out fossil gas. Note that the overall results are sensitive to changes and assumptions regarding the carbon intensity of New Zealand's electricity production. Emissions associated with electricity for Q1 have been estimated because emission factors for electricity are not available for 6-12 months after the end of the last full calendar year. As a result, overall emissions for the quarter are an estimate and may be updated in the future.
Emissions from Council owned fossil fuel vehicles (tCO2-e)	≤49	≤12	12	✓	

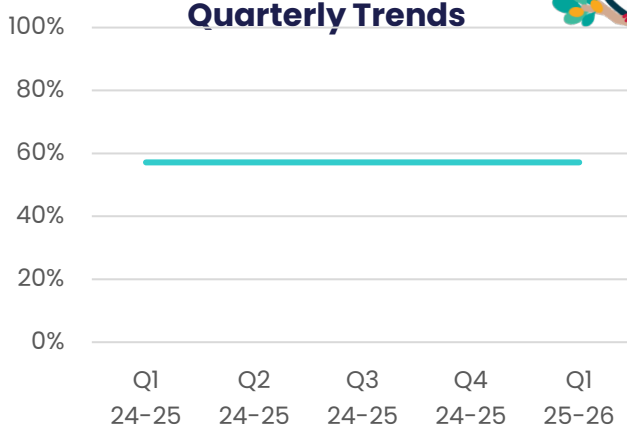
✓ Target met ✗ Target not met

Regulatory services

Q1 Targets met

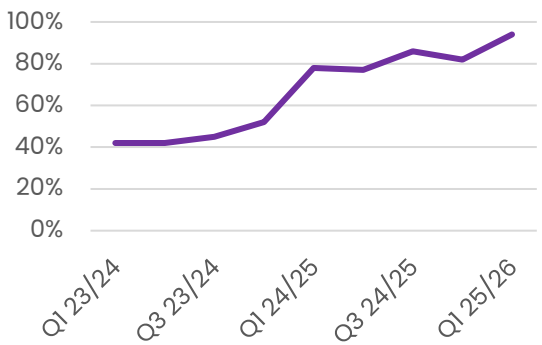


Quarterly Trends

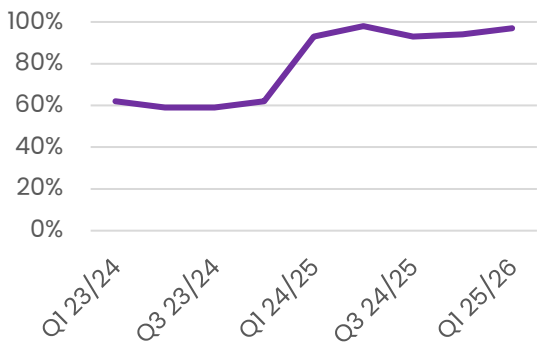


Consents

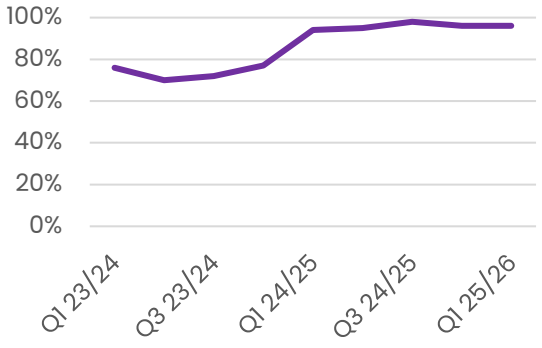
Building consents processed within timeframes



Code of compliance certificates processed within timeframes



Resource consents processed within timeframes



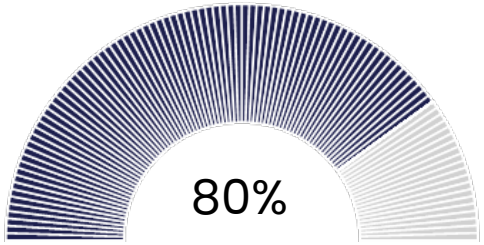
Regulatory services

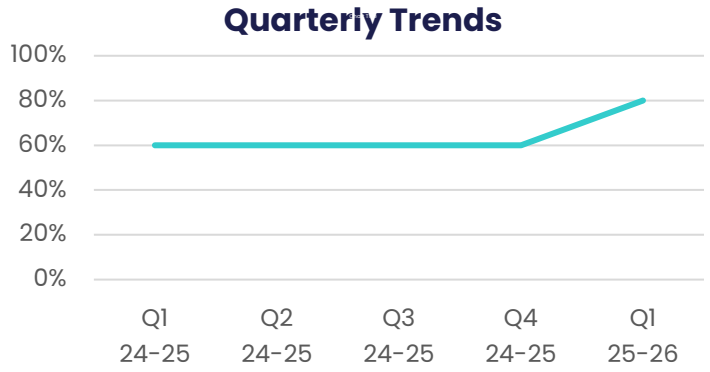
Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
Percentage of building consents processed within statutory timeframe	100% within 20 days	100% within 20 days	94%	✗	Target not met due to poor quality of some applications and complex commercial consents taking longer to process.
Code of compliance certificates issued within the statutory timeframe	100% within 20 days	100% within 20 days	97%	✗	Target not met due to poor quality of some applications and complex commercial consents taking longer to process.
Percentage of non-notified resource consents processed within statutory timeframes	100% within 20 days	100% within 20 days	96%	✗	Consistent achievement, with one complex subdivision exceeding timeframes.
Existing food premises verified within time frames (one month of due date)	85% by due date	85% by due date	100%	✓	Target met
Sale and supply of liquor (high risk premises) inspected	95% checked	95% checked	100%	✓	Target met
Noise control (excessive noise) complaints (%) investigated within 45 minutes	≥85%	≥85%	91%	✓	Target met
Number of animal management community education programmes carried out yearly	≥20	≥5	13	✓	Target met

✓ Target met ✗ Target not met

Transport

Q1 Targets met



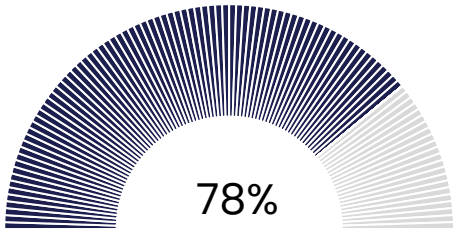


Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
Kilometers of shared pathways and cycle lanes added	0.0 km	0.0 km	0.0 km	✓	0.0km added during Q1, this figure is based on the absence of any new practical completion certificates received during reporting period. Only projects with formal completion confirmed are counted toward this measure, ensuring consistency and avoiding prematurely reporting incomplete work.
Kilometers of renewals for footpaths	≥2.6 km	0.6 Km	1 km	✓	Target met
Audit of contracts – number of contracts audited	12 of 12	3 of 12	11 of 12	✓	Target met
Audit of contracts – percentage of audited contract specifications that met contractual obligations	≥90%	90%	90%	✓	Target met
The number of fatalities and serious injury crashes on the local road network	≤25	6	10	✗	The number of fatalities and serious injury crashes exceeded the Q1 target, likely due to higher traffic volumes and winter conditions. Transport continues to work with NZ Police and Waka Kotahi to monitor crash trends and focus on high-risk areas for future improvement.

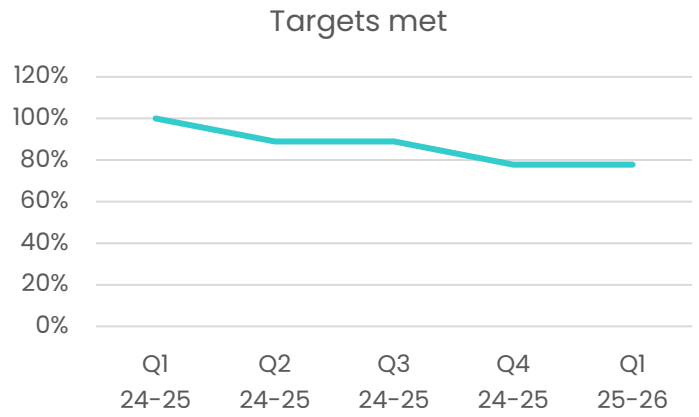
✓ Target met ✗ Target not met

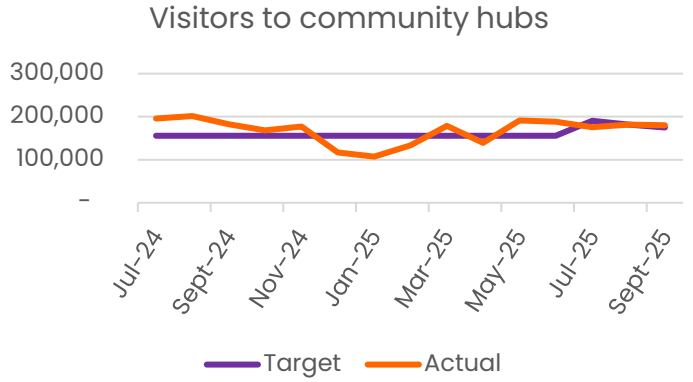
Community partnering and support

Q1 Targets met



Quarterly and annual trends





*Hub targets for 2025-26 have been updated to reflect seasonal variations.



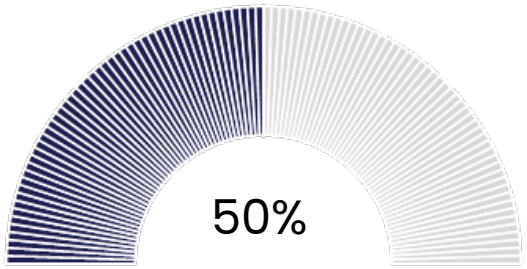
Community partnering and support

Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
Number of Te Awa Kairangi ki Tai Lower Hutt households assisted into more settled accommodation	≥50	≥12.5	11	✗	Minor variance of 11 assisted into housing against the target of 12 for Q1.
Number of households provided with legal housing advice and advocacy	≥80	≥20	52	✓	Target met
Number of households assisted by the homeless prevention programme	≥80	≥20	31	✓	Target met
Number of neighbourhood hubs that met visitor number targets	9 of 9	9 of 9	7 of 9	✗	Renewals undertaken at Walter Nash in Q1 disrupted operations, resulting in lower visitor numbers. Wainuiomata experienced a similar shortfall and did not meet its target.
Number of community wellbeing activities delivered by, or in partnership with, Council	≥3,000	≥750	2,042	✓	Target met
Number of overall loans from hubs/libraries	≥790,000	≥197,500	260,765	✓	Target met
Number of digital literacy programmes/activities delivered/enabled	≥100	≥25	238	✓	Target met
Number of early years literacy programmes/activities delivered/enabled	≥800	≥200	420	✓	Target met
Number of Neighbourhood Support member households	Previous year plus 10% ≥105	≥26	322	✓	Target met

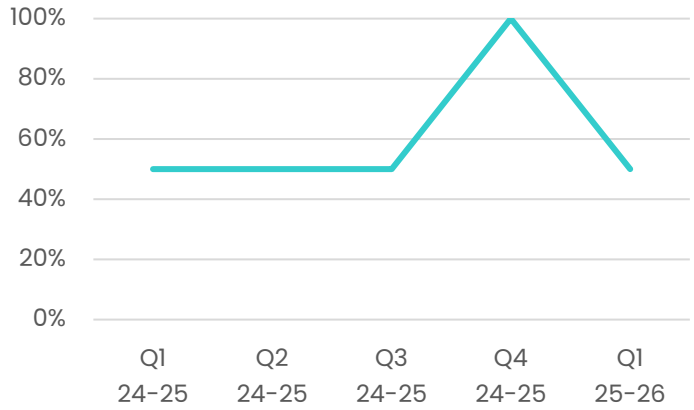
✓ Target met ✗ Target not met

Open spaces, parks and reserves

Q1 Targets met



Quarterly Trends



Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
Number of days Council owned/maintained artificial turf sports fields are closed (due to maintenance issues)	≤20 days	≤5 days	0 days	✓	Target met
Number of days Council owned/maintained grass sports fields are closed (due to maintenance or drainage issues)	≤10 days	≤2.5 days	4 days	✗	Sports fields were closed for 4 days due to heavy rain.

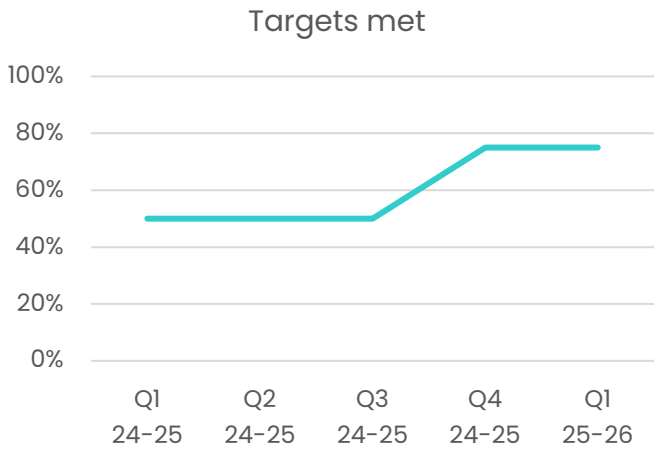
✓ Target met ✗ Target not met

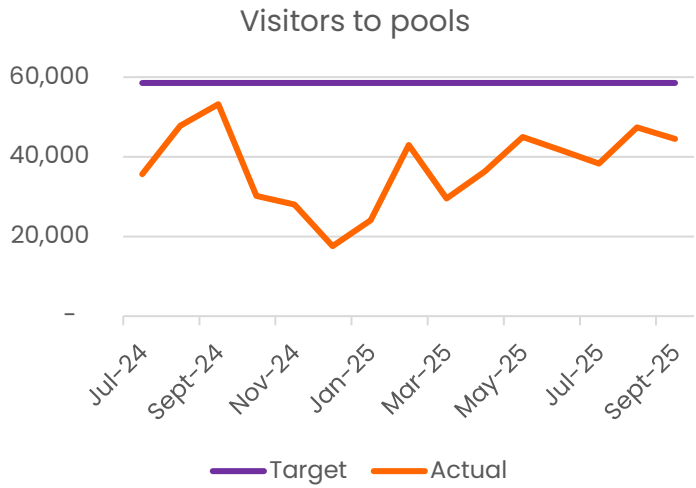
Connectivity, creativity, learning and recreation





Quarterly and annual trends





Connectivity, creativity, learning & recreation

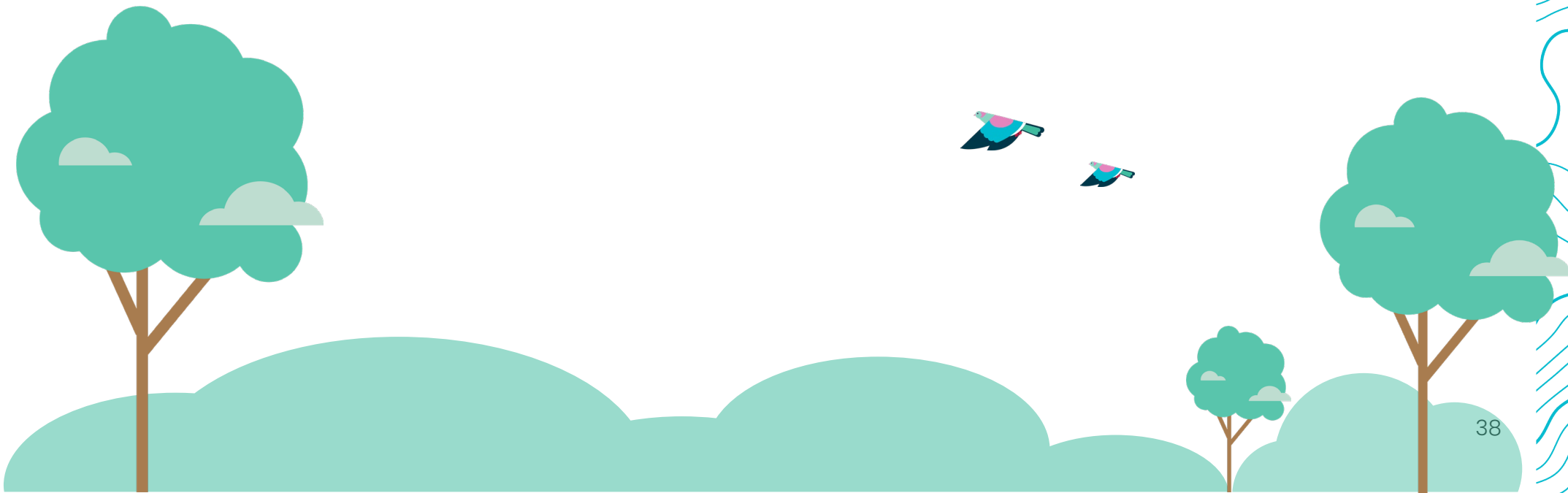
Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
Number of pools that met visitor number targets	6 of 6	6 of 6	6 of 6	✓	Target met
Number of fitness suite members	≥2,469	≥2,469	2,336	✗	Over the last year we have been doing extensive work at Huia which may have impacted gym memberships. Also, the Upper Hutt pool reopened which may have resulted in members relocating back to their old facility.
Number of museums that met visitor number targets	2 of 2	2 of 2	2 of 2	✓	Target met
Number of arts and culture programmes delivered at museums	≥200	≥50	85	✓	Target met

✓ Target met ✗ Target not met

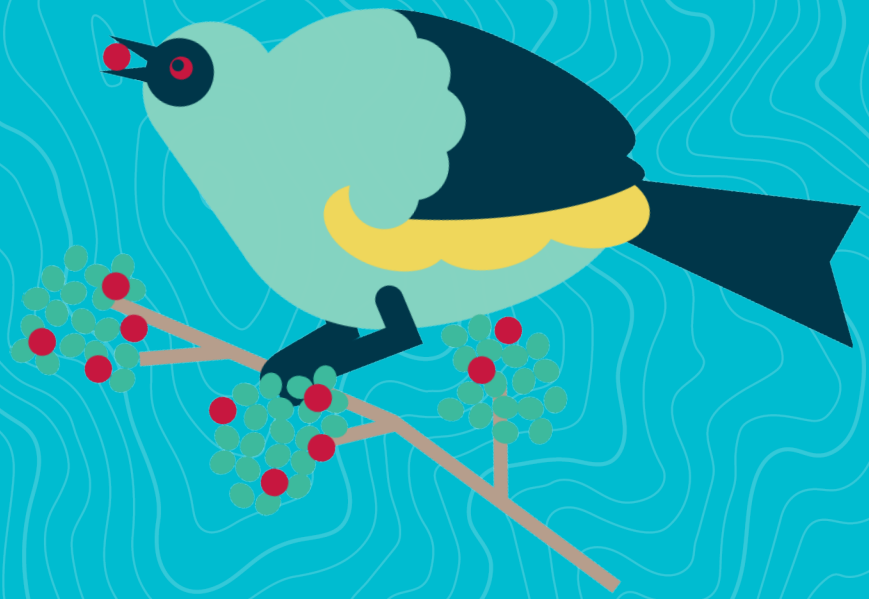
Governance, strategy and partnerships

Measure	Target 2025-26	Target Quarter 1	Actual Quarter 1	Quarter 1 vs Target	Variance reason
Percentage of Council agendas made available to the public within statutory timeframes (four clear working days under Council's standing orders)	100%	100%	100%	✓	Target met

✓ Target met ✘ Target not met



5 Financial Summary



What's this section about?

This section summarises our financial performance, including net operating and capital results for the quarter

Financial Performance Results

As at 30 September 2025

Operating Performance Results

The year-end forecast is **$0.9M or 1.3% unfavourable** against a revised budget deficit of $67.9M.

Key year end unfavourable forecast variances are:

- Reduced landfill revenue based on reduced volume estimates account for the unfavourable variance in Solid Waste
- Regulatory services is unfavourable due to higher costs related to infringements and enforcement activities

Capital Investment Performance Results

Year-end forecast is **$59.8M (22%) below the revised budget** of $271.2M.

Key year end forecast variances are:

- $35M under budget in Water Services due to delays in programmes of work, particularly related to the Waste water treatment plant.
- $10.8M under budget in Transport mainly due to delays with Eastern Hutt Road Network Resilience project awaiting NZTA funding decisions.
- $6.3M under budget in Open Spaces, Parks & Reserves related to Petone Wharf ($4M) and some Reserves Development projects being delayed while consenting and scoping activities are underway.
- $5.3M under budget in Connectivity, Creativity, Learning & Recreation mainly due to the Petone Library Renewal and Huia Pool Refurbishment delays.

Financial Performance Results

As at 30 September 2025

Key:

Favourable or minimal variance =>1%:

Moderate variance:

High unfavourable variance >-5%:

Operating Performance Results

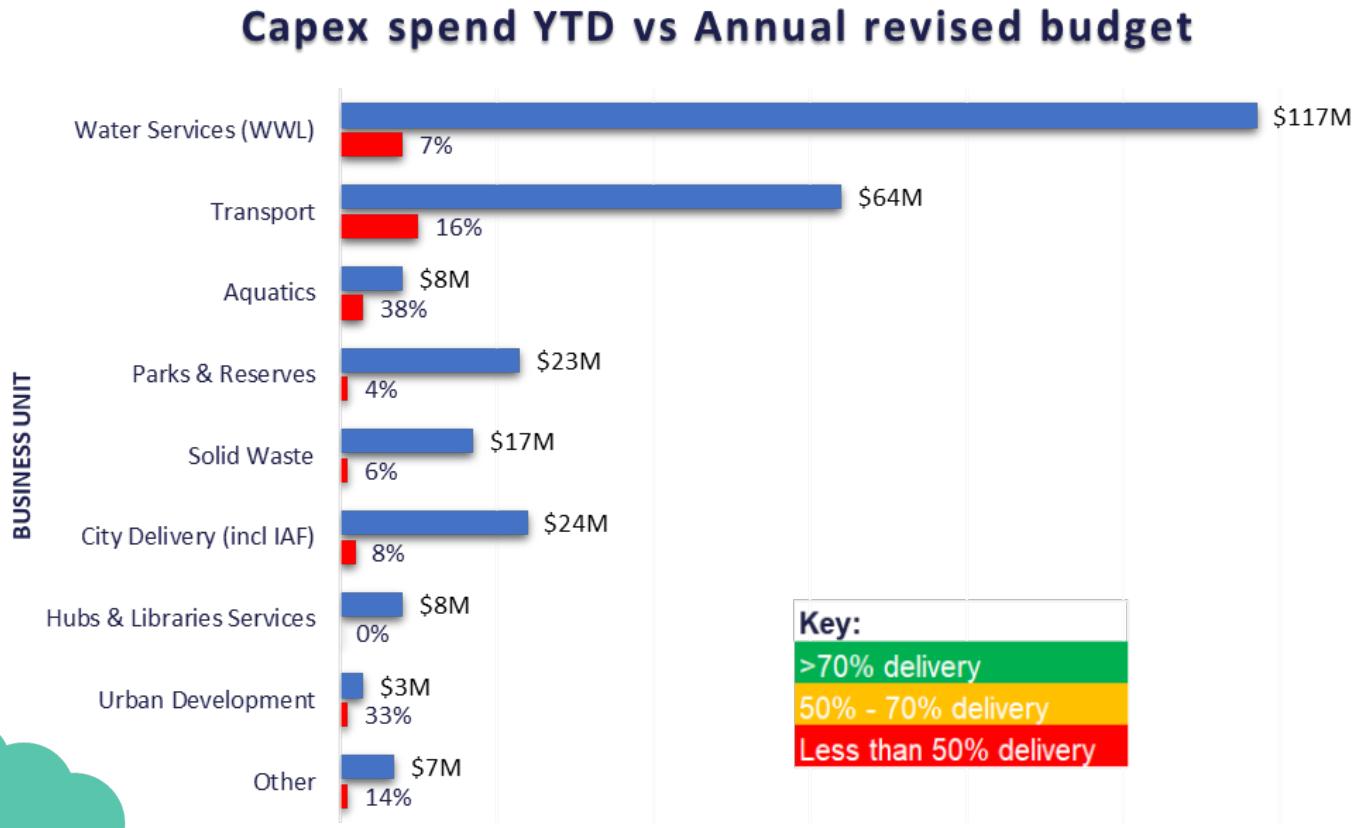
$million	YTD Actual	YTD Revised Budget	Variance	%		Annual Forecast	Annual Revised Budget	Variance	%		Annual Plan Budget
Operating Revenue	21.2	23.8	(2.7)	11.3%		90.5	92.0	(1.5)	1.6%		92.0
Operating Expenditure	(90.8)	(92.6)	1.9	2.1%		(369.4)	(370.0)	0.6	0.2%		(367.8)
Net Operating Before Rates Income	**(69.6)**	**(68.8)**	**(0.8)**	**1.2%**		**(278.9)**	**(278.0)**	**(0.9)**	**0.3%**		**(275.8)**
Rates Income	211.1	208.8	2.3	1.1%		210.1	210.1	-	0.0%		210.1
Net Operating	**141.5**	**140.0**	**1.5**	**1.1%**		**(68.8)**	**(67.9)**	**(0.9)**	**1.3%**		**(65.7)**
Capital Contributions	10.5	7.4	3.1	41.7%		46.8	47.1	(0.3)	0.6%		47.1
Gain/(Loss) on disposal of assets	(2.5)	0.1	(2.6)			1.3	1.3	-			1.1
Net Surplus/(Deficit)	**149.5**	**147.5**	**2.0**	**1.4%**		**(20.7)**	**(19.5)**	**(1.2)**	**6.2%**		**(17.5)**

Capital Performance Results

$millions	YTD Actual	YTD Revised Budget	Variance	%		Annual Forecast	Annual Revised Budget	Variance	%		Annual Plan Budget
Total	27.0	41.2	14.2	34.5%		211.4	271.2	59.8	22.0%		255.6

Capital investment delivery – some risks

As at 30 September 2025



Capital delivery results

YTD capital delivery to date is 35% below budget. This is partly due to timing of projects, given the early part of the financial year.

Overall, the year end forecast is showing delivery of $211M against the revised budget of $271M, with significant forecast underspends in Water Services and Transport. The forecast reflects around 83% delivery against the original AP26 budget of $256M. Budget carryover requests will be progressed once there is more certainty on the timing and spend.

Net Operating Results

Overview

Year-end operating result is forecast to be $0.9m unfavourable against the revised budget

Net operating results by activity (excludes Rates, Capital Contributions & Support Costs)

Key favourable forecast variances are:

- $0.8M in City Development is largely due to budget reduction for District Plan work, which is not required.
- 0.3M in Community Partnering & Support relates to funding for grants that are not expected to be awarded due to no suitable applications in this financial year.

Key unfavourable forecast variances are:

- $0.8M in Corporate Services, mainly due to CLT savings targets held in this activity for budgeting purposes as approved through Annual Plan 2025-26, while savings activities are being achieved elsewhere such as City Development.
- $0.6M in Regulatory Services, mainly due to provision for bad debt write-offs for Animal services and higher court lodgement fees for Parking, partly offset by higher parking enforcement revenue.
- $0.4M in Solid Waste due to reduced commercial volumes, partly offset by reduced Ministry for Environment levy costs, Emission Trading Unit costs and lower refuse, recycling and green waste costs.
- $0.4M in Connectivity, Creativity, Learning & Recreation, mainly due to higher employee costs in Hubs & Libraries and Arts & Culture, and unavoidable increases in utility costs in Aquatics.

Net Operating Results

Key:

Favourable or minimal variance =>1%:

Moderate variance:

High unfavourable variance >-5%:

Net operating results by activity

(excludes Rates, Capital Contributions & Support Costs)

$Million	YTD Actual	YTD Revised Budget	Variance	%		Annual Forecast	Annual Revised Budget	Variance	%		Annual Plan Budget
Environmental Wellbeing											
Water Supply	(17.3)	(14.7)	(2.6)	17.6%		(58.8)	(58.8)	-	0.0%		(58.8)
Wastewater	(13.4)	(13.3)	(0.1)	0.8%		(53.6)	(53.6)	-	0.0%		(53.6)
Stormwater	(8.1)	(6.8)	(1.4)	20.7%		(25.6)	(25.6)	-	0.0%		(25.6)
Solid Waste	(0.3)	0.1	(0.4)	584.5%		(0.2)	0.2	(0.4)	255.7%		0.2
Sustainability & Resilience	(0.3)	(0.4)	0.1	24.9%		(1.6)	(1.6)	-	0.0%		(1.6)
Regulatory Services	0.6	0.7	(0.1)	14.5%		(1.6)	(1.0)	(0.6)	59.7%		(1.0)
Environmental Wellbeing Total	**(38.8)**	**(34.4)**	**(4.4)**	**12.8%**		**(141.4)**	**(140.5)**	**(0.9)**	**0.6%**		**(140.5)**
Economic Wellbeing											
Transport	(7.6)	(7.8)	0.2	2.5%		(32.6)	(32.6)	-	0.0%		(32.6)
City Development	(2.1)	(3.1)	1.0	32.0%		(11.3)	(12.1)	0.8	6.6%		(10.6)
Economic Wellbeing Total	**(9.7)**	**(11.0)**	**1.3**	**11.8%**		**(43.9)**	**(44.7)**	**0.8**	**1.8%**		**(43.2)**
Social & Cultural Wellbeing											
Community Partnering & Support	(2.3)	(2.6)	0.3	11.4%		(9.9)	(10.3)	0.3	2.9%		(9.8)
Open Spaces, Parks & Reserves	(3.4)	(4.7)	1.3	27.7%		(18.7)	(18.6)	-	0.0%		(18.6)
Connectivity, Creativity, Learning & Recreation	(6.3)	(6.5)	0.2	3.1%		(26.1)	(25.7)	(0.4)	1.6%		(25.7)
Governance Strategy & Partnerships	(1.0)	(1.0)	-	0.0%		(4.1)	(4.1)	-	0.0%		(4.1)
Corporate Services	(8.2)	(8.5)	0.4	4.7%		(34.8)	(34.0)	(0.8)	2.3%		(34.0)
Social & Cultural Wellbeing Total	**(21.1)**	**(23.4)**	**2.3**	**9.8%**		**(93.6)**	**(92.8)**	**(0.8)**	**0.9%**		**(92.1)**
Total Council	**(69.6)**	**(68.8)**	**(0.8)**	**1.2%**		**(278.9)**	**(278.0)**	**(0.9)**	**0.3%**		**(275.8)**

Capital Investment Results

Overview

Year-end capital spend is forecast to be less than the revised budget by $59.8M or 22%

Key forecast variances

Key underspends in the year-end capital spend forecast are outlined below.

Environmental wellbeing

- $7.7M underspend in Water Supply, which includes delays in the metering programme with the focus being on business case development in this financial year, partly offset by bringing forward work on Watermain renewals and Bulk water cross connection.
- $23.2M underspend in Wastewater due to a revised programmed for the Treatment plant renewal works.
- $4.0M underspend in Stormwater relating to several projects where the work schedules have been revised and updated.
- $1.5M underspend in Solid Waste, mainly due to delays related to FOGO and Manor Park affecting the Transfer station project.
- $0.3M underspend in Sustainability and Resilience, which is expected to be spent in later years with a carryover to be requested.

Economic wellbeing

- $10.8M underspend in Transport mainly related to Network Resilience Eastern Hutt Road project as we are waiting on NZTA business case approval, and the Cuba Street Bridge Seismic Strengthening as a result of delays due to access issues.

Social and cultural wellbeing

- $6.3M for Open Spaces, Parks & Reserves is related to Petone Wharf ($4M) and some Reserves Development projects being delayed while scoping and consenting work is underway. Budget rephasing to 2026-27 has been requested.
- $5.3M for Connectivity, Creativity, Learning & Recreation relates to the Petone Library Renewal and Huia Pool Refurbishment. As physical work for Petone Library Renewal project is starting in Feb 2026, some of the budget will be rephased to 2026-27 to align with the completion date of the project. Huia Pool forecast is being reviewed.

Capital Investment Results

Capex results by activity

Category $million	YTD Actual	YTD Revised Budget	Variance	%	Annual Forecast	Annual Revised Budget	Variance	%	Annual Plan Budget
Environmental Wellbeing									
Water Supply	3.2	3.2	-	0.0%	26.6	34.3	7.7	22.4%	28.1
Wastewater	5.4	11.2	5.8	52.0%	57.0	80.2	23.2	28.9%	74.3
Stormwater	0.7	1.4	0.7	49.4%	10.1	14.0	4.0	28.5%	12.8
Solid Waste	1.1	4.2	3.1	73.2%	15.4	16.9	1.5	8.9%	15.0
Sustainability & Resilience	-	0.1	0.1	156.3%	-	0.3	0.3	117.2%	-
Regulatory Services	-	-	-		-	-	-		-
Environmental Wellbeing Total	**10.4**	**20.1**	**9.7**	**48.3%**	**109.1**	**145.8**	**36.7**	**25.2%**	**130.3**
Economic Wellbeing									
Transport	10.3	10.7	0.4	3.7%	54.3	65.2	10.8	16.6%	68.9
City Development	1.4	1.8	0.5	27.8%	14.2	14.2	-	0.0%	14.2
Economic Wellbeing Total	**11.7**	**12.5**	**0.9**	**7.2%**	**68.5**	**79.4**	**10.8**	**13.6%**	**83.1**
Social & Cultural Wellbeing									
Community Partnering & Support	(0.0)	0.3	0.3	86.2%	1.1	1.5	0.4	27.3%	1.1
Open Spaces, Parks & Reserves	0.7	3.0	2.3	75.6%	16.0	22.3	6.3	28.2%	21.4
Connectivity, Creativity, Learning & Recreation	3.6	3.9	0.3	7.7%	11.7	16.9	5.3	31.3%	14.4
Governance Strategy & Partnerships	-	-	-		-	-	-		-
Corporate Services	0.6	1.3	0.7	52.8%	5.0	5.3	0.3	5.7%	5.3
Social & Cultural Wellbeing Total	**4.9**	**8.6**	**3.6**	**41.9%**	**33.8**	**46.0**	**12.3**	**26.7%**	**42.2**
Total Council	**27.0**	**41.2**	**14.2**	**34.5%**	**211.4**	**271.2**	**59.8**	**22.1%**	**255.6**

Balanced Operating Budget Result

The Long Term Plan 2024-2034 includes a financial strategy that outlines important principles that provide the foundation for prudent, sustainable financial management. This includes achieving a balanced operating budget over time and ensuring that everyday costs are paid for by everyday income. The Annual Plan 2025-26 projected that a balanced budget would not be achieved until 2027-28.

With the year end forecast deficit of $64M, the year end balanced operating budget position for 2025-26 is currently forecast to be $0.9M unfavourable compared to the planned position, as reflected in the table below.

$Million	YTD Actual	YTD Revised Budget	Variance	%	Annual Forecast	Annual Revised Budget	Variance	%	Annual Plan Budget
Net Operating	141.5	140.0	1.5	1.1%	(68.8)	(67.9)	(0.9)	1.3%	(65.7)
Plus Capital Renewal subsidies	0.1	0.2	0.1	45.7%	4.7	4.7	-	0.0%	4.7
Total	**141.6**	**140.2**	**1.4**	**0.0**	**(64.1)**	**(63.2)**	**(0.9)**	**0.0**	**(61.0)**

Note: The Hutt City Council balanced operating budget target is defined as the Local Government (Financial Reporting and Prudence) Regulations 2014 definition, modified to exclude from the definition of revenue Waka Kotahi's capital improvement subsidies, National Infrastructure Acceleration Fund grants and central government COVID-19 Response and Recovery co-funding for Tupua Horo Nuku.

Annual Plan v Revised Plan

The current Annual Plan 2025-26 was approved by Council on 27 June 2025. The annual budgets included for 2025-26 were based on the best financial information and estimates available at the time of preparation.

A revised budget for 2025-26 was created to reflect the budget updates required to improve the accuracy of budgets and the associated reporting of variances. The focus of performance monitoring is on financial results compared to the revised budget, as this is most meaningful from a performance perspective.

The following table provides a summary view of the budget changes made to date and includes decisions made at Council meetings.

$Million	Net Surplus/ (Deficit)	Capital	Change reference
Annual Plan 2025-26	(17.6)	255.6	
	Deficit		
2024-25 year end approved carryovers	(2.0)	15.6	Council meeting 7 October 2025
Revised budget 2025-26 as at 30 September 2025	(19.6)	271.2	
	Deficit		

6 Treasury Management Summary



What's this section about?

This section provides an overview of how Council is complying with Treasury Risk Management Policy limits and performance of treasury activities against plans

Treasury Report

Our focus

The focus of treasury management activity has been on:

- managing interest rate risk and minimising funding costs,
- monitoring cash flow and liquidity,
- managing debt requirements and the maturity profile.

Highlights

- An average cost of funds of 4.32% has been achieved year to date, which is aligned to the budget.
- Interest costs were slightly lower than budget by $0.3M for the period, mainly due to lower market interest rates.
- Interest earned on cash holdings was slightly lower than budget by $0.1M for the period, mainly due to lower cash holdings and market interest rates.

	Actual YTD	YTD Budget	Variance
Average cost of funds	4.32%	4.27%	0.05%
Interest expense – borrowings	($7.15M)	($7.38M)	$0.3M
Interest earned	$0.65M	$0.75M	($0.1M)
Fair value loss on derivatives	($2.6M)	-	-

Debt Portfolio Performance

- Net debt* increased from $480.8M (30 June 2025) to $491.3M as at 30 September, whilst gross debt remained at $591.7M over the same period.
- There was $60M of short-term debt issuance in the three months to 30 September 2025.
- We had $30M of debt mature during the three-month period to 30 September 2025.
- Both revolving credit facilities, LGFA ($35M) and Westpac ($25M), remained undrawn as at 30 September 2025.

Interest Rate Swaps:

Council has a range of interest rate swap agreements ($167M) in place to manage interest rate risk and to provide some certainty of future interest costs. Due to fluctuations in the interest rate market the overall mark-to-mark value of these agreements is constantly changing.

As of 30 September 2025, a fair value ***loss*** of $2.6M was recorded. This is an accounting adjustment required to be recorded, and there are no cash flow implications.

*Net debt is calculated from Gross Debt, ***less*** CCO investment, LGFA Borrower Notes, pre-funding Term Deposits and cash holdings.

Policy Compliance and Risk Controls

Policy Compliance

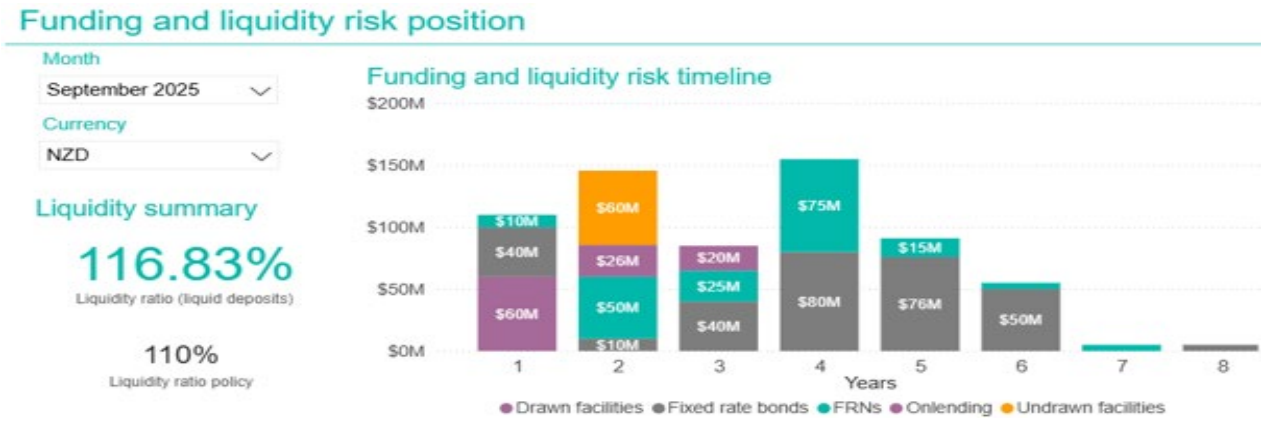
Measures	Policy	Actual 30 June 2025	Compliant
Net external debt/total revenue	Maximum 250%	154.2%	Yes
Net interest on external debt/total revenue	Maximum 15%	6.8%	Yes
Net interest to annual rates income	Maximum 25%	11.5%	Yes
Liquidity ratio	Minimum 110%	115.6%	Yes

Funding Risk Control Limits

Period	Minimum %	Maximum %	Actual gross debt Not including Revolving Credit Facility ($60M)	Actual % 30 June 2025	Compliant
0 to 3 years	15%	60%	$280.7M	47%	Yes
3 to 7 years	25%	85%	$306.0M	52%	Yes
7 years plus	0%	60%	$5.0M	1%	Yes
		Total	$591.7M	100%	

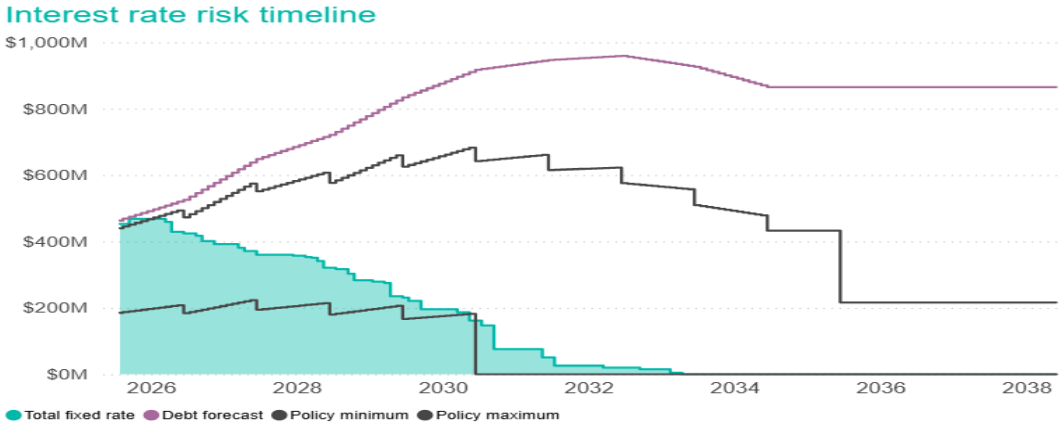
Funding Maturity and Interest Rate Risk

Funding maturity profile



Interest rate risk control limits

Interest rate risk is managed through the risk control limits. The graph that follows shows the level of fixed rate cover in place within the minimum and maximum limits of the treasury risk management policy.



After overlaying interest rate swaps, the split between fixed and floating debt is as follows:

