

Half Year Performance Report

Quarters 1 and 2

1 July – 31 December 2022



Contents

This half year performance report provides a summary of Hutt City Council's progress made against the Long Term Plan, Annual Plan and Chief Executive's KPIs/strategic focus areas for Quarters 1 and 2, 2022/23.

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Section one

Half year community wellbeing update

This section provides an overview of our city with data on population, education, employment, health, and housing.

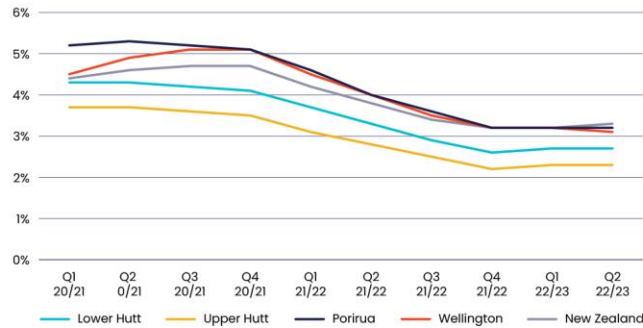
Half year community wellbeing update

Te Awa Kairangi Lower Hutt

Employment



Unemployment Rate



Source: Infometrics

Business confidence as at Nov 2022

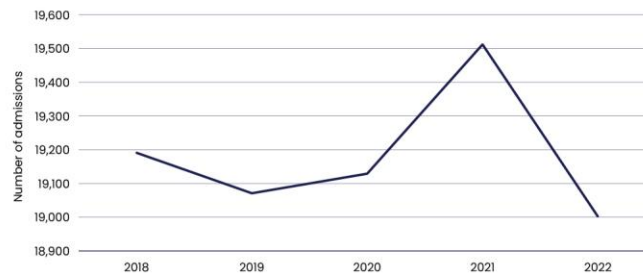


Source: Hutt Valley Chamber of Commerce

Health

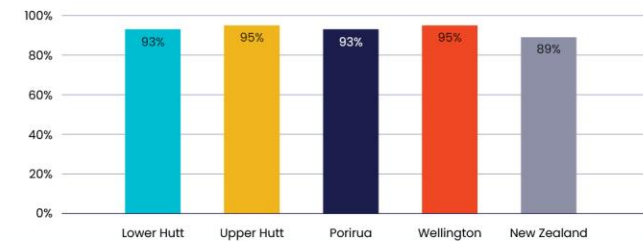


Hospital admissions - Lower Hutt



Source: Health NZ Capital Coast and Hutt Valley District, Hutt hospital

Covid 19 - Vaccination Rates

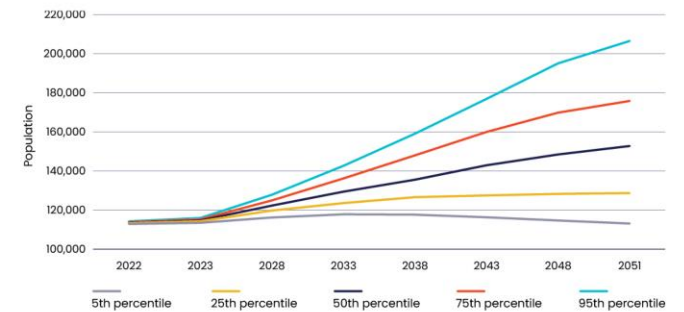


Source: Ministry of Health as of December 2022

Population



Population Projection



Source: Sense Partners
 Percentile: the probability that the actual result is lower than the percentile. For example, the 75th percentile indicates an estimated 75% probability that the actual result will be lower, and a 25% probability that the actual result will be higher.

Ethnicity



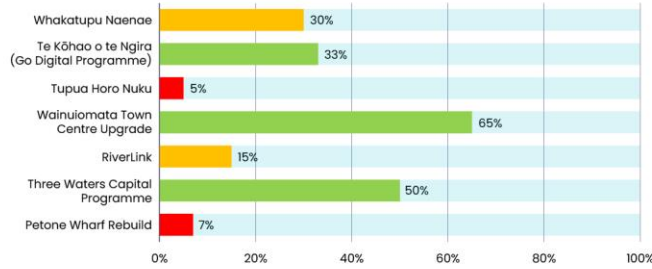
MELAA: Middle Eastern, Latin American, and African.
 Total % is more than 100% as people can identify as more than one ethnicity.
 Source: Stats NZ, Census 2018



Other

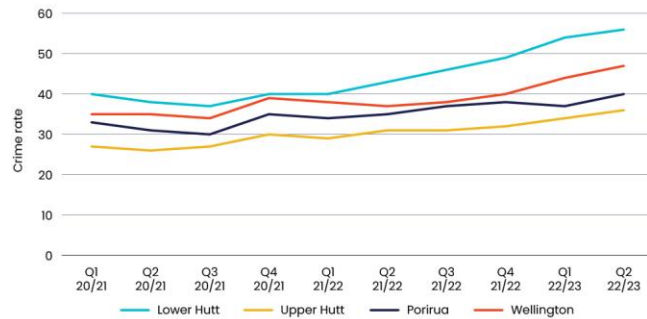
Major Projects

Project status and progress towards completion



Source: Hutt City Council Project Status Report as of December 2022

Crime rate



Crime rate = average victimisations per 10,000 population over the last 12 months
Source: NZ Police via DOT Loves Data

Deprivation index

An area-based measure of socioeconomic deprivation based on nine Census variables

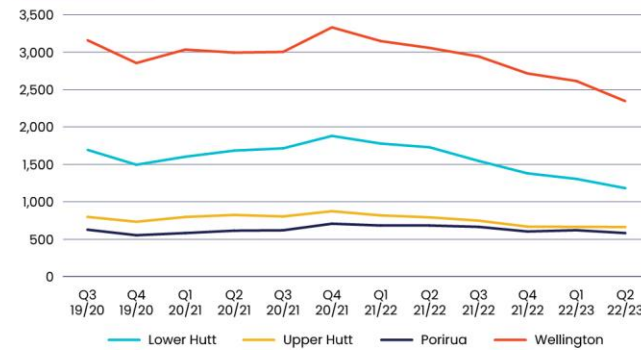


Source: DOT Loves Data as of December 2022

Housing

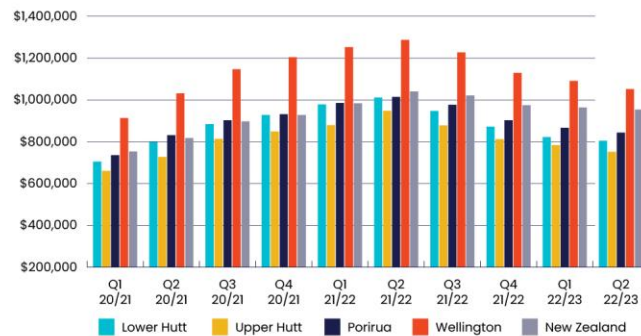


House sales



Source: Infometrics

House values



Source: Infometrics

Wā Kāinga Tākiri Mai te Ata

265 whānau/households were supported by Wā Kāinga between July 2021 and October 2022.

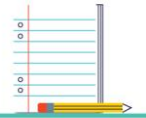
133 whānau/households enrolled for wrap around support services.

Emergency housing

99 adults **48** children in emergency housing as at December 2022.

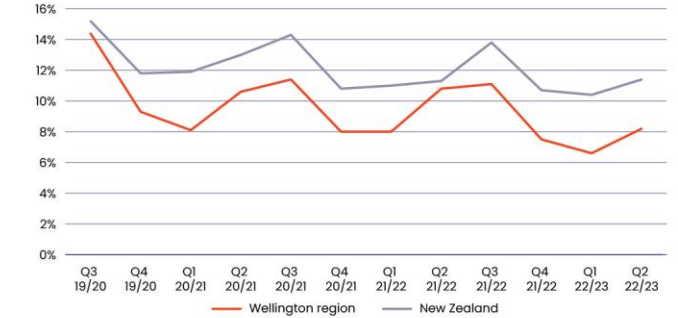
37% reduction in households in emergency housing between March and December 2022.

Education



NEET Rate

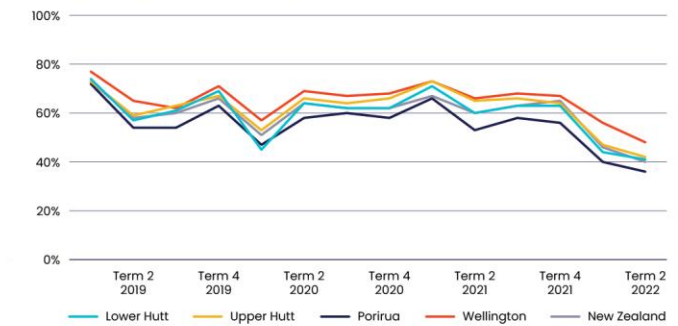
Percentage of 15-24 year olds not in education or employment



Source: Stats NZ

Attendance rate

State primary and secondary schools



Source: Education Counts (Ministry of Education)



Section two

Highlights and challenges

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

Highlights

Non-financial KPIs

Our education campaign on kerbside recycling started in October 2022 and while target wasn't met, the percentage of contamination is decreasing. In Quarter 1, 19% contamination was reported and 16% in Quarter 2 (target of ≤10%). As part of the Three Strikes initiative, bins with repeated contamination can now be removed.

48% of our vehicle fleet is now electric, up from 45% in Quarter 1 22/23.

Several business improvement initiatives have been started in Regulatory Services and performance is expected to continue to improve.

23 animal management community education programmes were carried out in the half year, which is well above a quarterly target of 8.5.

Visitors to Petone Community Library exceeded target by 15% and visitors to Petone Settlers Museum exceeded target by 19%.

Quarterly hui with Mana Whenua

Eight hui were held with Mana Whenua over Quarters 1 and 2, attended by the Mayor, Deputy Mayor, Chief Executive, and senior staff. The hui provide a useful forum for council and Mana Whenua at the governance level.

Three Waters and local government reform were key areas of discussion along with the District Plan review and submissions on wider policy.

IANZ accreditation

The IANZ audit in August 2022 confirmed that Hutt City Council would maintain accreditation as a Building Control Authority (BCA). As we are considered a low-risk organisation, we won't be audited again until February 2024.

Regulatory

Performance has steadily improved and by the end of Quarter 2, 81% (average) of building consents were issued within 20 days and 95% (average) of Code of Compliance Certificates (CCCs) were issued within 20 days. All resource consents were also being allocated as they arrived and processing of all land use consents was largely within statutory timeframes.

Three Waters capital investment

At the end of Quarter 2 the capital programme was ahead of target, with several projects in construction. There is a high level of confidence in delivery of the full programme with most projects having been designed and awarded prior to the commencement of the current financial year.

Highlights

Tupua Horo Nuku

A successful huringa nuku (sod turning ceremony) led by Te Āti Awa Taranaki Whānui, was held Eastbourne in Quarter 1, to mark the start of construction for Tupua Horo Nuku Eastern Bays Shared Path. This was attended by Mana Whenua, the Minister of Transport, Mayor, Waka Kotahi, council staff, and other key stakeholders.

Approval was granted to progress 900 meters of wastewater main renewal at Sunshine Bay, detailed design for Mahina Bay, and additional investigations for increased resilience of Lowry Bay.

Award winning website

Hutt City Council's website has been ranked third of all councils in the country, in the 2022 Website Experience Benchmark Report by the Association of Local Government Information Management (ALGIM). This assessed and rated websites based on factors including accessibility, content quality assurance, searchability, performance, response time, availability. This project was part of the wider Te Kōhao Go Digital programme.

2022 Local Government Elections

The pre-election report was published in Quarter 1, providing an opportunity to have a kōrero about our city and the role of council in our community. The report was shared widely through our facilities and was well received by the community and local government sector. Presentations were made to various community groups including Probus and Rotary.

We ran a wide ranging campaign to encourage participation in local government elections. This included organising a well-attended Council Candidate Kōrero and Mayoral Debate, communications across all council channels, and new "Be a voter" banners around the city in English and Te Reo Māori. We also put voting bins in libraries and our other community facilities and provided assistance to the public with electoral officers at Laings Road, Walter Nash, Koraunui Stokes Valley Community Hub and Wainuiomata library.

2022 Induction of Elected Members

We ran a comprehensive induction programme for elected members in Quarter 2. This included sessions with 72 different speakers made up of council staff, iwi, and other external facilitators/presenters. Topics ranged from 'how local government works' to 'laws that affect them' as well as a 'who's who at council' session, understanding Iwi Mana Whenua and the history of the area, including a very well-received session by our Kaitātari Tumuaiki Māori, media training, and understanding finance, and health and safety. Elected members were also taken on two bus tours to learn about Te Awa Kairangi and gain an understanding of Māori reserve lands.

Some of the standout sessions were the induction by Taranaki Whānui ki Te Upoko o Te Ika/Port Nicholson Block Settlement Trust on Te Ao Māori, a talk by Meng Foon, Race Relations Commissioner, and an overnight hui at the Silverstream Retreat.

The induction programme continues in Quarter 3 with more media training and a bus tour of key Hutt City infrastructure and projects.

Highlights

Wellington Regional Workforce Plan

The Wellington Regional Workforce Plan was launched in Quarter 1 at the Dowse. The plan highlights the labour supply and demand trends for the Wellington region and identifies where change is needed from regional and national stakeholders to allow central and local government to better plan for, and address, future skills shortages.

In Quarter 2 we met with Weltec and the Hutt Valley Chamber of Commerce to discuss how we could work together on implementing the plan. We also discussed how to address future workforce needs particularly in the area of infrastructure and the RiverLink Project.

We agreed to establish regular meetings to focus on specific workforce training requirements and introduce the successful RiverLink consortium partners, once selected, and other major contractors into future discussions.

Organisational values

We realigned Te Reo Māori translations of two of our values to better support our aspirational direction of being a Te Ao Māori capable council, and to give our values more depth and meaning. After consultation with staff, Te Hononga and Kia Kaha were replaced with Kotahitanga and Rangatiratanga.

Whakatupu Ngaengae

Construction started on the new Naenae Pool and Fitness Centre, despite adverse weather conditions and the delay of removing contaminated soil to Silverstream. Construction started on the main pool slab and the first concrete pour was achieved on 5 December 2022.

Work on the pool slabs will continue through Quarter 3 and this will enable the construction of the main pool walls to begin as well as preparations for the main steel structure.

Challenges

Non-financial KPIs

Overall, there were 27 unmet targets in Quarter 1 (54%) and 26 in Quarter 2 (52%).

Unmet targets include:

Water related measures – sewerage system callout attendance and resolution time, water supply non-urgent callout attendance time

Waste – contamination of kerbside recycling, although progress has been made

Consents – number of building and resource consents processed within statutory timeframes, although progress has been made and timeframes have generally improved

Libraries – whilst the number of physical library loans has steadily decreased over the half year, the number of electronic loans has increased and is well over target

Museums – the Dowse continues to have a lower visit rate than pre COVID-19, however the Petone Settlers Museum exceeded targets in both Quarters 1 and 2.

Regulatory

There have been significant challenges in the planning and regulatory area and resources have been directed to this.

In the 2021-22 financial year we received an unprecedented high volume of building and planning consent applications due to the economic circumstances, changes to development contributions policy, intensification of residential zoning and the aftermath of COVID-19 lockdowns. This led to an accumulation of consents and insufficient professional expertise to deal with them. Food premise verifications and alcohol licencing inspections were also affected.

We've implemented several business improvement initiatives through the half year, to optimise systems, processes and practices, with positive results.

The labour market has also eased and the ability to recruit skilled and experienced staff has steadily improved. Since the beginning of Quarter 1 our new recruits have become more productive and reliance on external resources has reduced. At the same time the changing economic situation has seen a reduction in incoming numbers which is helping the consenting times. We are confident that results will continue to improve.

Challenges

Economic climate and financial pressures

The challenging economic conditions have seen sharp inflation and cost pressures across a wide range of projects and services including, higher borrowing costs and supply chain issues. The draft Annual Plan 2023-24 is being prepared in this context, with careful consideration being given to these factors and difficult decisions being worked through to prioritise and rephase work programmes, as well as consider funding solutions. The draft plan is on track for the public consultation process in April 2023.

Tupua Horo Nuku

The total cost to deliver this project has increased. We're currently working with Crown Infrastructure Partners (CIP) and Waka Kotahi on additional funding opportunities. CIP and Waka Kotahi Delegations Committee will consider these options in February 2023.

Petone Wharf

In December the LTP/AP Subcommittee agreed to the proposal to rephase the Petone Wharf project, with budget going to 2029/30 in the current LTP to help ease financial pressures. This will go into the draft Annual Plan consultation with community in April before a decision is made.

Section three

Strategic focus areas

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

POU TĀHŪ

Our Long Term Plan is delivered, enabling our city and communities to thrive.

Strategic focus area	Half yearly update (1 July – 31 December 2022)
<p>Our delivery of key LTP 2021 to 2031 initiatives</p>	<p>Annual Plan</p> <ul style="list-style-type: none"> The draft Annual Plan 2023/24 is progressing as planned, with advice provided to the council on 22 November and 20 December 2022. <p>Climate action and waste reduction</p> <ul style="list-style-type: none"> The 12-month review of our kerbside service commenced in October 2022, and a full report back to the Climate and Sustainability Committee is scheduled for May. We developed and commenced an education campaign to reduce recycling contamination. This started in October, and we did the first bin removals following repeated contamination ('three strikes'). Contamination rates dropped to 15.7% in November and 15.2% in December for mixed recycling based on scoop testing. This compares to contamination sitting at 17–20% before the start of the campaign. We started developing a business case, in collaboration with Porirua City, for the management of residential and commercial food waste. EV charging stations were completed at two additional sites, Walter Nash Stadium and Moera Library. <p>Community facilities</p> <ul style="list-style-type: none"> Council's Leadership Team (CLT) received an update on the Assets Review in November and will receive a further update on the building and financial information in Quarter 3. A workshop for councillors on this, is scheduled for April 2023. <p>Sport and recreation</p> <ul style="list-style-type: none"> Work on the sports and recreation review started later than anticipated due to conflicting priorities. A briefing to Council on this is scheduled in Quarter 4.
<p>Our collaboration on key regional priorities</p>	<p>Emergency management</p> <ul style="list-style-type: none"> During this reporting period we reviewed our local emergency response plans, and briefed key stakeholders on our 'most likely' and 'most dangerous' hazard response plans (flooding and tsunami). Improved staff training was rolled out, along with initiatives to build stronger leadership and function teams. Training was also delivered to elected members as part of the council induction programme, and we started training exercises to ensure that 'council leadership in emergency management' is practised regularly. We connected with other councils in the region to collaborate and understand different approaches to recruiting, retaining, and rewarding staff; and engaging with communities and other stakeholders to build resilience across the region. We recruited an emergency management advisor who starts in Quarter 3. This role has been established to strengthen our emergency management practices, capability, and capacity; and assist with emergency management policy development.

POU TĀHŪ

Our Long Term Plan is delivered, enabling our city and communities to thrive.

Strategic focus area	Half yearly update (1 July – 31 December 2022)
<p>Our collaboration on key regional priorities (continued)</p>	<p>Housing was a significant focus with ongoing discussions with MHUD and MSD and the opening of our new housing development in Taita with the Associate Minister of Housing.</p> <p>Partnership with housing providers/Kāinga Ora</p> <ul style="list-style-type: none"> • The housing partnership between Hutt City Council, Urban Plus Limited, Kahungunu Whānau Services and Te Rūnanga o Te Ātiawa was officially opened in December 2022 and has helped settle 19 whānau into their new homes. • Discussions with RiverLink partners, Waka Kotahi and Wellington Water have been ongoing about the delivery of the Three Waters infrastructure associated with the Infrastructure Acceleration Fund (IAF) commitments. • Also through the IAF agreement we committed to establishing a Central Hutt Regeneration Steering Group (Regeneration Steering Group). Our relationships with Kāinga Ora and housing providers will principally be facilitated through this group once it is established. • We started procurement for a provider to do a survey of services within the area where new infrastructure will be placed. <p>Homelessness strategy and action plan</p> <p>Our Homelessness Strategy aims to eliminate barriers that whānau experience in accessing housing or homelessness support and services. We fund three providers Tākiri Mai te Ata Whānau Ora Collective, Tuatahi Centre and Community Law to respond to homelessness more broadly than simply moving people into temporary accommodation. In the reporting period our providers have:</p> <ul style="list-style-type: none"> • Strengthened partnerships with government and community providers to implement the wraparound Whānau Ora model of care in Lower Hutt. • Helped whānau from 42 households secure emergency or transition accommodation/on-going support on the pathway to permanent housing. • Delivered training programmes/support clinics to whānau/households. • Facilitated the Lower Hutt Housing and Homelessness Network hui attended by 18 partner organisations. <p>Resource Management Reform</p> <ul style="list-style-type: none"> • In November 2022 the government released new bills for legislation that would repeal and replace the RMA. We've reviewed the bills and are preparing advice for councillors on the proposed new legislation and the potential impacts on council and community.

POU TUARONGO & WHENUA

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

Half yearly update (1 July – 31 December 2022)

Our relationship with Mana Whenua

Hui with Mana Whenua

- Eight hui over Quarter 1 and 2 were held with Mana Whenua, attended by the Mayor, Deputy Mayor, Chief Executive, and senior staff. The hui provide a useful forum for council and Mana Whenua at the governance level.
- Three Waters and local government reform are key areas of discussion with high involvement of Mana Whenua. Updates on the District Plan review and submissions on wider policy were canvassed, along with a proposed timeline for engagement with Mana Whenua on the District Plan Review.
- Planning for the induction of the new council with Mana Whenua sessions were agreed.
- A bimonthly hui with Te Rūnanga o Toa Rangatira were also held in August and November.

Plan changes

- We received submissions on a Proposed Plan Change (56) from Ngāti Toa Rangatira, and from Taranaki Whānui.
- A key concern over the protection of Marae and Urupā in residential and commercial zones from intensification adjoining these sites has resulted in provisions being included in the Plan Change to manage potential impacts.
- Outcomes of the submissions were reported back at quarterly hui with Mana Whenua partners.
- We engaged with Mana Whenua partners on the appointment of a Tikanga Māori Commissioner for the Plan Change 56 Independent Panel Hearing in April this year. This, combined with perspectives from the submissions, will ensure the voice and views of Mana Whenua are presented at the panel hearing.

Kāhui Mana Whenua

- We started development of the funded Kāhui Mana Whenua to enable Mana Whenua to have stronger engagement and partner with council on city development projects over the next three years.
- With Kāhui Mana Whenua we're proposing a coordinated approach to engaging with council's Mana Whenua partners in a meaningful way and through effective mechanisms, around the requirements of the city development projects.

Cultural competency

- Several staff attended the 'Ūpane Basic Cultural Competency Wānanga for Councils' course, hosted by Te Rūnanga o Toa Rangatira. It's expected that all staff who engage with Ngāti Toa will need to complete this training.

POU TUARONGO & WHENUA

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

Strategic focus area	Half yearly update (1 July – 31 December 2022)
<p>Our relationships with stakeholders</p>	<p>Staying close to central government as the Crown's reform programme progresses was a key focus to ensure we kept informed and influenced, as far as possible, any impacts on our city and community. This was particularly relevant in terms of the implementation of the health reform programme and tertiary education changes.</p> <p>We met with the Interim Director of Te Whatu Ora and agreed to continue discussions, including with the National Director Hospital and Specialist Services on health services and influencing health outcomes for our community.</p> <p>The Chief Executive assisted the Productivity Commission in a series of workshops into the Fair Chance for All inquiry.</p> <p>The Chief Executive met with the Interim Chief Executive of GNS to discuss strategic priorities and the direction of science and research facilitated by this Crown Research Institute.</p> <p>We maintained our key strategic relationships with government funders including CIP and Waka Kotahi.</p> <p>Review into the Future for Local Government</p> <ul style="list-style-type: none"> • The Future for Local Government Panel's work continued with a regional workshop on their draft report, released in October 2022. • Officers are working with colleagues from across the region and metro councils to develop and agree key response messages. • The council's submission is due by 28 February 2023. <p>Taituarā</p> <ul style="list-style-type: none"> • Taituarā continued its work programme with a key focus on the wellbeings, local government reform, water and housing. The Chief Executive and Head of Transport spoke at the Taituarā annual conference in Wellington on resilience specifically on lifelines and slips. <p>Wellington Regional Leadership Committee</p> <ul style="list-style-type: none"> • We hosted the committee meeting in Quarter 1 where the Regional Economic Development Plan was endorsed. • The plan will guide the long-term direction of the Wellington region economy, identify issues and opportunities in key focus areas and help prioritise initiatives over the next 10 years. The plan can be viewed here. <p>Wellington Regional Workforce Plan</p> <ul style="list-style-type: none"> • Launched at the Dowse in Quarter 2, the plan highlights the labour supply and demand trends for the Wellington region and identifies where change is needed to allow central and local government to better plan for, and address, future skills shortages. With two polytechnics in our city and high demand for a skilled labour-force, this is an important document for council and industry.

POU TUARONGO & WHENUA

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

Strategic focus area	Half yearly update (1 July – 31 December 2022)
Our relationships with stakeholders (continued)	<p>Three Waters Reform</p> <ul style="list-style-type: none">• The Chief Executive and Strategic Advisor have been actively involved with regional steering and working groups that were established to lead and coordinate transition for Wellington Water Limited (WWL) shareholder councils.• In-house steering and working groups have also been established to manage the transition and coordinate the provision of information as required by DIA.• People and financial Requests For Information (RFI) have been completed on time. The legal RFI was received in late December and is being worked on.• We submitted on the Water Services Entities Bill in Quarter 1 and published the submission on our website. <p>Science, Technology, Engineering and Mathematics (STEM) business engagement</p> <ul style="list-style-type: none">• Business and Economy team members visited 20 local STEM businesses during the half year, to understand the challenges and opportunities this sector is encountering, and how we can support them individually or collectively.• Through these visits we connected businesses with local schools to expand the integrated learning opportunities for rangatahi. <p>Business</p> <ul style="list-style-type: none">• Our partnership with Hutt Valley Chamber of Commerce (HVCC) has been leveraged by multiple teams within council including the Environment and Sustainability team for engagement with local businesses around waste.• We approved several grants from the Business Activation Fund to attract customers back to hospitality and retail.• We helped organise a social procurement event hosted by Amotai and Te Matarau a Māui in November to encourage connections between local Māori businesses and contract opportunities. This event was attended by approximately 200 people.• Callaghan Innovation invested \$0.25m of funding to support innovation in local businesses. <p>Whitireia and WelTec / Lower Hutt Jobs and Skills Hub</p> <ul style="list-style-type: none">• We met regularly with Whitireia and WelTec which has now become a business division of Te Pūkenga. There are opportunities through the new vocational education and training structure for programme delivery responding to demand and the establishment of the newly announced Jobs and Skills Hub (JSH) which will be based in Lower Hutt and is funded by the Ministry of Social Development.• The JSH is expected to support construction and infrastructure demand for RiverLink. <p>2022 Induction of Elected Members</p> <ul style="list-style-type: none">• We ran a comprehensive induction programme for elected members in Quarter 2. The programme included 72 speakers/presentations, interactive sessions, bus tours, marae visit and an overnight hui. The programme continues in Quarter 3 with more media training and a tour of key infrastructure and projects.

POU TUARONGO & WHENUA

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

Strategic focus area	Half yearly update (1 July – 31 December 2022)
Our customer and regulatory services	<p>IANZ accreditation</p> <ul style="list-style-type: none">• Accreditation as a Building Control Authority (BCA) has been reconfirmed. Hutt City Council is now regarded as low risk and the next review by IANZ is scheduled for February 2024.• The strategic review of the Building Control function is on track with initial report completed. The next phase, an action plan, is being developed which includes scoping and development of sub projects. This work is aligned with the implementation of the GoGet digital building consent system. <p>Improving customer service</p> <ul style="list-style-type: none">• Phase one of the Customer Excellence Project (customer services review) was completed. With our external partner Merkle Aotearoa we conducted internal and external workshops, community surveys, and a robust review of our customer experience maturity. We're working through the report by Merkle to understand the findings and determine the next steps which will inform a future roadmap for Te Kōhao (Go Digital) for the next two-three years. <p>Award winning website</p> <p>Our website was ranked third of all councils in the country, in the 2022 Website Experience Benchmark Report by the Association of Local Government Information Management (ALGIM).</p> <p>Statutory timeframes</p> <ul style="list-style-type: none">• Additional resources were directed towards regulatory statutory timeframes, and results have steadily improved. At the end of Quarter 2, 81% (average) of building consents were issued within 20 days and 95% (average) of Code of Compliance Certificates (CCCs) were issued within 20 days.• The Resource Consent Improvement Project has progressed well. In Quarter 2 all resource consents were being allocated as they arrived and processing of all land use consents was largely within statutory timeframes.• A number of historic consents, that were received during the peak workload associated with the Plan change, are 'on hold' with the customer, waiting further information. These historic consents are over 20 days and will continue to negatively affect our statutory timeframes as they come off 'hold' and are processed. 38% of all resource consents were granted within statutory timeframes In Quarter 1, 41% in Quarter 2.• The Customer Advisory Group (CAG) was established in Quarter 1, and CAG members volunteered to take part in business improvement initiatives. The next CAG meeting will be held in Quarter 3.• Our planning and engineering managers have regularly communicated with key stakeholders and this was supported by adhoc project communications as required. Work will begin in Quarter 3 to establish a formal resource consenting advisory group. <p>Food verification</p> <ul style="list-style-type: none">• We have additional resource in place and have made good progress in clearing the food verification backlog that accumulated through the COVID-19 lockdowns. This is now expected to be cleared by the end of Quarter 3.

POU TOKOMANAWA

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

Strategic focus area	Half yearly update (1 July – 31 December 2022)
Our culture and leadership	<p>Our values</p> <ul style="list-style-type: none">• We realigned Te Reo Māori translations of two of our values to better support our aspirational direction of being a Te Ao Māori capable council and to give our values more depth and meaning.• Our values and capabilities are a focus during induction of new staff and we'll continue to embed these over the coming months. <p>Waiora Engagement Survey</p> <ul style="list-style-type: none">• We ran a Waiora Pulse Survey in November which had a participation rate of 84%. The results, published on our website, showed an overall increase in engagement of 11% in the last 12 months and an 8% increase in staff recommending Hutt City Council as a great place to work. The next full Waiora Engagement Survey will be run in May 2023. <p>Improving capability</p> <ul style="list-style-type: none">• The Te Ao Māori Capability Programme is continuing to be delivered with two cohorts of staff completed in Quarter 2 and a further cohort started.• Waiata sessions for staff were started in Quarter 1 and will continue to run throughout the year. <p>Promoting Hutt City Council as employer</p> <ul style="list-style-type: none">• In Quarter 1 we attended a local Jobs Expo with HVCC, and a Victoria University Careers Expo, and throughout both quarters we've continued to promote opportunities at council on our careers site, SEEK, Local Government Jobs, LinkedIn and other relevant job boards.• There has been good interest in roles and quality applications received through this reporting period, and 105 permanent, fixed term and casual job offers made.• Our attrition rate continues to track down with permanent staff starting to exceed those leaving during Quarter 2. This trend is in alignment with other councils in our region.• During this quarter we've moved our exit survey process onto our CultureAmp platform to ensure questions align with our engagement survey and will enable us to gain further insights to support future retention initiatives. <p>Te Wiki o Te Reo Māori</p> <ul style="list-style-type: none">• We developed a calendar of events in celebration of Te Wiki o Te Reo Māori. These included workshops for staff on Te Reo Māori, mirimiri and rongoā, Te Tiriti o Waitangi, and events for the community to engage with Te Reo Māori. This programme was delivered across Hutt City by our staff and community partners.

POU TOKOMANAWA

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

Strategic focus area	Half yearly update (1 July – 31 December 2022)
Our culture and leadership (continued)	<p>He Tangata Awards</p> <ul style="list-style-type: none"> The annual He Tangata awards were held in December with a record 124 nominations received across six categories for both individual and team awards.
Our systems and processes	<p>Business Process Optimisation (BPO)</p> <ul style="list-style-type: none"> The first draft of the BPO prioritisation matrix was completed, identifying initial priority areas as Resource Consent Improvement and Library Process Improvements. <p>Te Kōhao (Go Digital programme)</p> <p>HRIS and payroll projects</p> <ul style="list-style-type: none"> The HRIS / Payroll project was placed on hold due to the delay of a software release that contains a feature that's required for Hutt City Council and to ensure Holidays Act compliance. We've continued to prepare data for migration and updated policies and processes ready for the new system. <p>Finance system refresh project</p> <ul style="list-style-type: none"> We successfully delivered the TechnologyOne finance system upgrade to the latest "CiAnywhere" version, which includes new forecasting and budgeting processes. The new contract management functionality is being rolled out early in Quarter 3 as part of the final stage of the project.

Section four

Programme and project summary

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

PROGRAMME AND PROJECT INFORMATION				HALF YEAR UPDATE – as at 31 December 2022		
Project title	Strategic alignment	Upcoming Milestones over the next 12-18 months:		Indicator	RAG	Progress update
Petone Wharf Rebuild	Social and cultural wellbeing	Project paused pending discussions to rephase funding until 2029/30. Should this be rephased, the LTP Subcommittee will decide on the scope of the project in the Draft 2024/34 Long Term Plan process. This would inform a new schedule and milestones.		Scope	↓	The project has decreased across all RAG indicators since the last reporting period with the exception of Risks which continues to report RED. Specialist consultants have provided a series of technical reports to inform the design of three rebuild options. Cost estimates indicate that the three options are unable to be delivered within the approved budget of \$21M. In December the LTP Subcommittee agreed to the proposal to rephase the Petone Wharf project, with budget going to 2029/30 in the current LTP to help ease financial pressures. This will go into the Annual Plan consultation with community in April before a decision is made.
				Schedule	↓	
				Budget	↓	
				Risk	→	
				Health & Safety	↓	
				Overall Confidence	↓	

Three Waters Capital Programme	Environment al wellbeing	<ul style="list-style-type: none"> Barber Grove main collecting sewer complete Hutt City Central Storage Reservoir Consenting & Detailed design complete Petone Collector Sewer Consenting & detailed design complete 	Jun 2023	Scope	↑	At the end of the Quarter 2, the programme was ahead of target with several projects in construction. There is a high level of confidence in the delivery of the full programme with most projects having been designed and awarded prior to the commencement of the financial year. WWL is working on a capital budget range of between \$42-\$60M this financial year which will see work brought forward and completed earlier than anticipated. Year end forecast is signalling the Barber Grove project costs will potentially exceed the total project budget by \$1.6m.
			Dec 2023	Schedule	→	
				Budget	↑	
				Risk	→	
			Apr 2024	Health & Safety	→	
				Overall Confidence	→	

Project RAG Status Key:

R = Red
A = Amber
G = Green

On track: minimal or no significant risk

Delayed/at risk: some challenges, actively monitor

Off track: significant risk, escalation required

↑ Improvement
→ No Change
↓ Decline

PROGRAMME AND PROJECT INFORMATION				HALF YEAR UPDATE – as at 31 December 2022		
Project title	Strategic alignment	Upcoming Milestones over the next 12-18 months:		Indicator	RAG	Progress update
RiverLink	Economic wellbeing	<ul style="list-style-type: none"> Preferred team identified 	Early 2023	Scope	→	<p>Waka Kotahi secured ministerial permission to release the RFP commencing the Alliance procurement process. The RFP was released on 13 Oct 2022 and closed on 15 Dec 2022. Announcement of the preferred supplier is expected to be made on 31 March 2023.</p> <p>Project delays over the last year have led to a lower spend than anticipated, however this will correct itself once the Alliance team is onboard.</p> <p>The Environment Court hearing has been completed and RiverLink was granted resource consent in November 2022.</p>
			Oct 2023	Schedule	↓	
		Budget		→		
		Risk		→		
		Health & Safety		→		
		<ul style="list-style-type: none"> Completion of IPAA phase (scope and price setting) Advanced works construction start Construction start on site (Alliance contract) 	Mid 2023			
Late 2023	Overall Confidence	→				

Wainuiomata Town Centre Upgrade	Economic wellbeing	<ul style="list-style-type: none"> Wainuiomata Rd end of Queen St completed Plaza area completed 	Jan 2023	Scope	→	<p>The overall health of the project improved and has moved towards green with additional budget approved by council.</p> <p>The schedule for stage 4 (public space in community hall) is still being developed in line with the submitted final designs. Until this is finalised, the date for project completion cannot be confirmed however recent indications suggest April 2023 is still achievable.</p>
			Apr 2023	Schedule	↓	
		Budget		→		
		Risk		→		
		Health & Safety		→		
			Overall Confidence	↓		

PROGRAMME AND PROJECT INFORMATION				HALF YEAR UPDATE – as at 31 December 2022		
Project title	Strategic alignment	Upcoming Milestones over the next 12-18 months:		Indicator	RAG	Progress update
Tupua Horo Nuku (Eastern Bays Shared Path)	Economic wellbeing	<ul style="list-style-type: none"> Construction complete – Ma Koromiko/Windy Point 	Jun 2023	Scope	→	<p>Southern Bays (Bays 5 & 6): The first concrete pour on foundation at Ma Koromiko was completed in December and construction work has now resumed after the work-site was closed for the Christmas period. Concept design and the estimated total cost is being developed for waste water main renewal at Sunshine Bay. Initial consultation has taken place with Rona Bay residents to discuss bird protection plans at Bishop’s Park.</p> <p>Northern Bays (Bays 1-4) Budget and risk indicators are reporting RED due to the increased cost to deliver the overall project. We’re working with Crown Infrastructure Partners (CIP) and Waka Kotahi on additional funding opportunities. CIP and Waka Kotahi Delegations Committee will consider these options in February 2023.</p>
			Jun 2023	Schedule	→	
				Budget	→	
		Jun 2024 (TBC)	Risk	→		
			Health & Safety	→		
		Overall Confidence	↓			

Te Kōhao o te Ngira (Go Digital Programme)	Economic wellbeing	<ul style="list-style-type: none"> InfoCouncil – final transfer of files to SharePoint, project completion 	Jan 2023	Scope	→	<p>Overall confidence in the programme is at amber as we continue to understand the programme’s workload and improve its processes, structure and assurance. It also recognises that the Customer Service Excellence project will have an impact on the future work for the programme.</p> <p>The total budget of \$16.6 million has been adjusted across Te Kōhao o te Ngira:</p> <ul style="list-style-type: none"> Go Digital base infrastructure and applications managed by IT - \$1.88 million Go Digital projects managed and reported on through the Programme - \$14.92 million <p>The adjustment was made to better reflect who is accountable for delivery. All programme outcomes remain the same.</p>
			Feb 2023	Schedule	→	
				Budget	→	
		Feb 2023	Risk	→		
			Health & Safety	→		
		Overall Confidence	→			

PROGRAMME AND PROJECT INFORMATION			HALF YEAR UPDATE – as at 31 December 2022			
Project title	Strategic alignment	Upcoming Milestones over the next 12-18 months:		Indicator	RAG	Progress update
Whakatapu Ngaengae	Economic wellbeing	Naenae Pool				<p>Naenae Pool and Fitness Centre: Good progress has been made on the new Naenae Pool and Fitness Centre, despite adverse weather conditions and the delay of removing contaminated soil to Silverstream</p> <p>Construction started on the main pool slab and the first concrete pour was achieved on 5 December 2022. Work on the pool slabs will continue through January and this will enable construction of the main pool walls and preparations for the main steel structure.</p> <p>Main contractor Apollo reported that completion is on track for mid-2024.</p> <p>Te Ngaengae Community Centre Conversion of the old Naenae Post Office to community centre is progressing well.</p> <p>Consent for the change of use has been granted by council planners with the support of Heritage NZ, tenders have been received and a preferred contractor Duncan Commercial Construction selected.</p> <p>Te Ngaengae Community Centre is currently scheduled for works to commence early 2023 and completion early 2024.</p>
		• Substructure and foundations	Apr 2023	Scope	➔	
		• Superstructure & building envelope	Oct 2023	Schedule	➔	
		• Internal works	Feb 2024			
		• Fit out and commissioning	May 2024	Budget	➔	
		• Practical completion	Jul-Dec 2024	Risk	➔	
		• Pool operational	Jul-Dec 2024			
		Community Centre				
• Sign contract with preferred supplier	Jan 2023	Health & Safety	➔			
• Demolition, seismic strengthening	Jan 2023					
• Building services & internal finished	Dec 2023	Overall Confidence	➔			
• Practical completion	Dec 2023					
• Open community centre	Feb 2024					

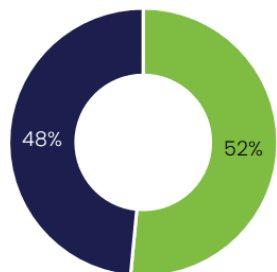
Section five

Non-financial key performance indicators

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

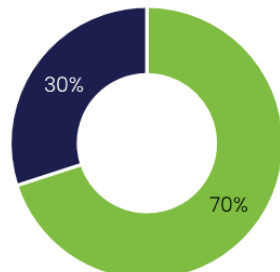
Overview

Environmental wellbeing
Total targets met vs not met
Year to Date (Q1 & Q2)



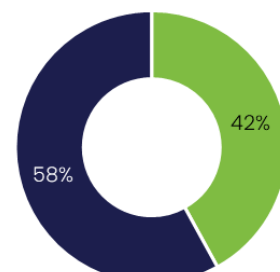
■ Targets met ■ Targets not met

Economic wellbeing
Total targets met vs not met
Year to Date (Q1 & Q2)



■ Targets met ■ Targets not met

Social & cultural wellbeing
Total targets met vs not met
Year to Date (Q1 & Q2)



■ Targets met ■ Targets not met

Environmental wellbeing

- 32 Annual Plan KPIs
- Achieved 47% of KPIs in Q1 and 56% in Q2

Economic wellbeing

- 5 Annual Plan KPIs
- Achieved 60% of KPIs in Q1 and 80% in Q2

Social & cultural wellbeing

- 13 Annual Plan KPIs
- Achieved 46% in Q1 and 38% in Q2

Legend for the tables

22/23 Target column

≥ Target is greater than or equal to the number specified

≤ Target is less than or equal to the number specified

Variance and actual columns

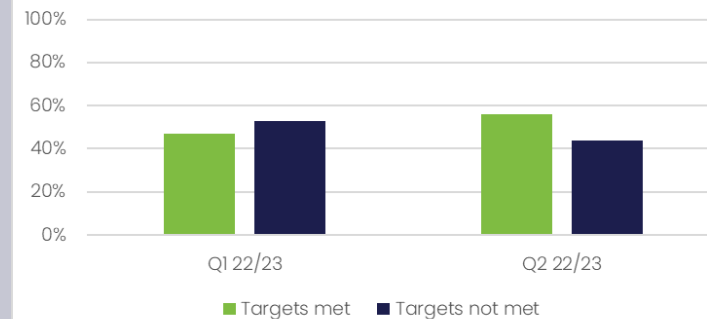
45% Numbers in blue indicate the target was met or exceeded (i.e. overachieved)

45% Numbers in red indicate the target was not met

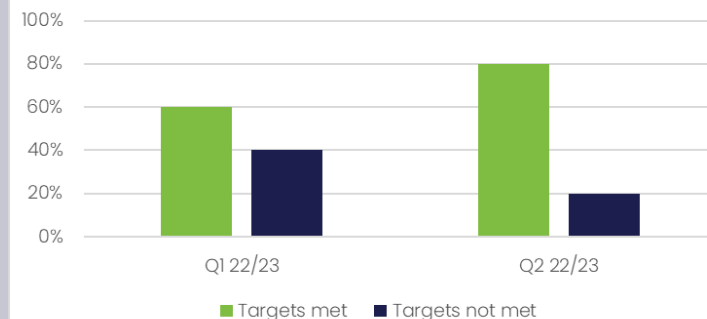
Note: There are 86 indicators in the Annual Plan/LTP, 50 of these are included in this report. The remaining 36 are reported on annually/bi-annually and will be included in the Q4 report.

Trends

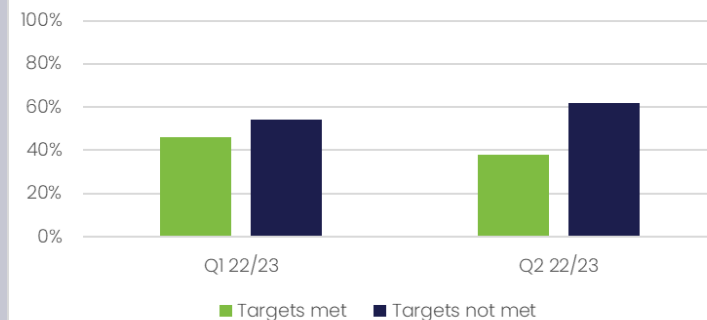
Environmental wellbeing
Targets met vs not met



Economic wellbeing
Targets met vs not met

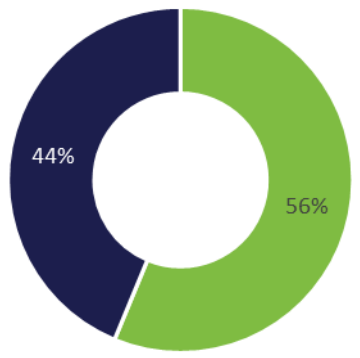


Social & cultural wellbeing
Targets met vs not met



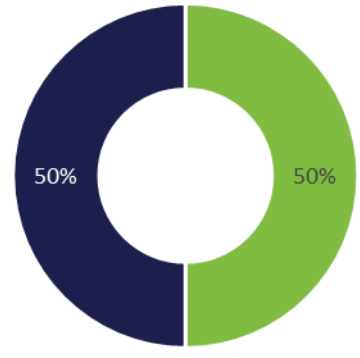
Three waters

Water supply
Targets met vs not met
Year to date (Q1 & Q2)



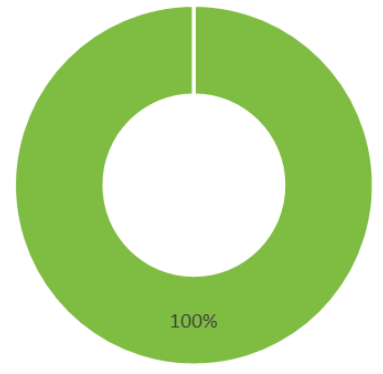
■ Targets met ■ Targets not met

Wastewater
Targets met vs not met
Year to date (Q1 & Q2)



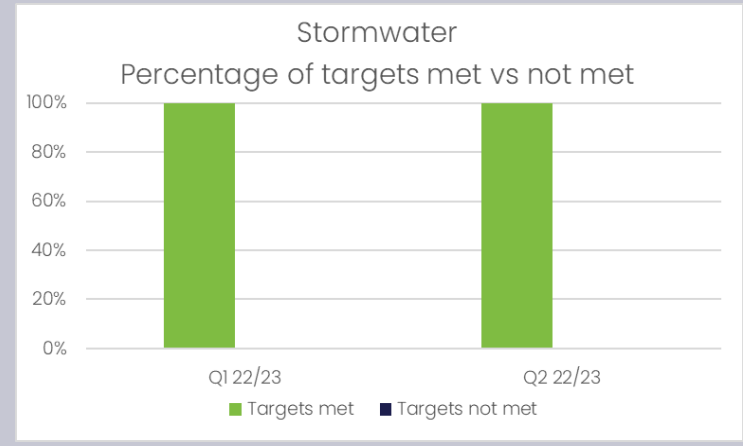
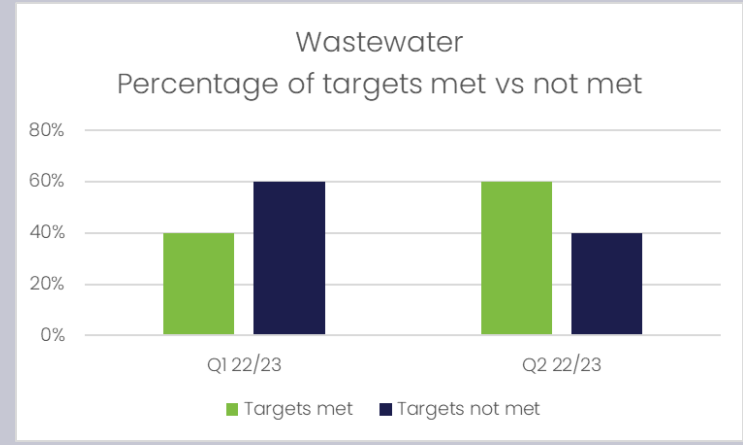
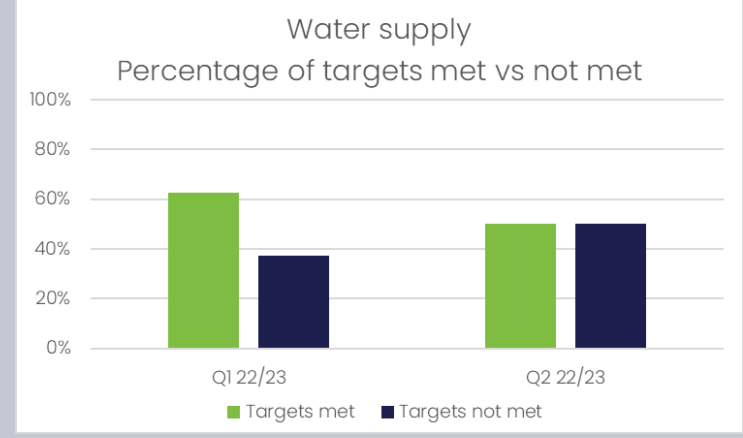
■ Targets met ■ Targets not met

Stormwater
Targets met vs not met
Year to date (Q1 & Q2)



■ Targets met ■ Targets not met

Trends



Water supply

Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Drinking water supply complies with part 4 of the drinking-water standards (bacteria compliance criteria)	100%	100%	100%	100%	0%	Target met
Drinking water supply complies with part 5 of the drinking-water standards (protozoal compliance criteria)	100%	100%	100%	100%	0%	Target met
Number of complaints for drinking water per 1000 connections	24.3	6	6	≤20 (≤5/ quarter)	1	Target not met. The network is aging and associated fault volumes are increasing. Pipes are prone to bursts or in need of repairs
Attendance for urgent callouts: from the time the local authority receives notification to the time that service personnel reach the site	66 mins	47 mins	92 mins	≤90 mins	2 mins	Target not met. We continue to manage increasing workloads and capacity issues that have an impact on our response and resolution times
Resolution of urgent callouts: from the time the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption	3 hrs	1.6 hrs	5.9 hrs	≤8 hrs	-2.1 hrs	Target met, with results better than target. However resolution times increased over summer, as resources were stretched and leaks more visible

Water supply

Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Attendance for non-urgent callouts: from the time the local authority receives notification to the time that service personnel reach the site	92.4 hrs	75.5 hrs	144.3 hrs	≤72 hrs	72.3 hrs	Target not met. WWL continues to prioritise and fix leaks by targeting high value losses rather than their age, in line with our water conservation strategy. Additionally, the number of leaks continues to exceed available resources. Previous years have shown that this trend will naturally continue to grow through the summer peak months
Resolution of non-urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption	3 working days	3 working days	5 working days	≤20 working days	-15 working days	Target met, with results better than target
Average drinking water consumption (litres per resident per day)	381 litres	400 litres	408 litres	≤385 litres	23 litres	Target not met. Demand has continued to increase in the lead up to the summer months mainly due to increasing network leakage. The leak backlog increased throughout Q2 and detection and repair work was progressed as quickly as possible with the available funding and resourcing

Wastewater

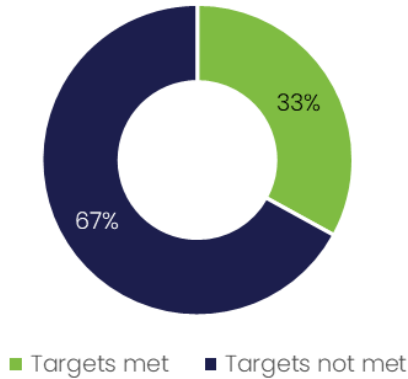
Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Dry weather wastewater overflows per 1000 connections	3.6	2.1	1.4	≤20 (≤5/ quarter)	-3.6	Target met, with results better than target
Number of complaints per 1000 connections	20.6	5	3.3	≤30 (≤7.5/ quarter)	-4.2	Target met, with results better than target
Sewerage system attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site (minutes)	196 mins	1,405 mins	1,305 mins	≤90 mins	1,215 mins	Target not met due to increasing work volume and resource constraints. WWL continues to manage this by prioritising the highest risks and available resources, which has an impact on the response times
Sewerage system resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (hours)	20.3 hrs	42 hrs	42.3 hrs	≤8 hrs	34.3 hrs	Target not met due to increasing work volume and resource constraints. WWL continues to manage this by prioritising the highest risks and available resources, which has an impact on the response times
Compliance with resource consents for discharges from wastewater system	3	2	0	0	0	Target met in Q2 (0 = no enforcement action)

Stormwater

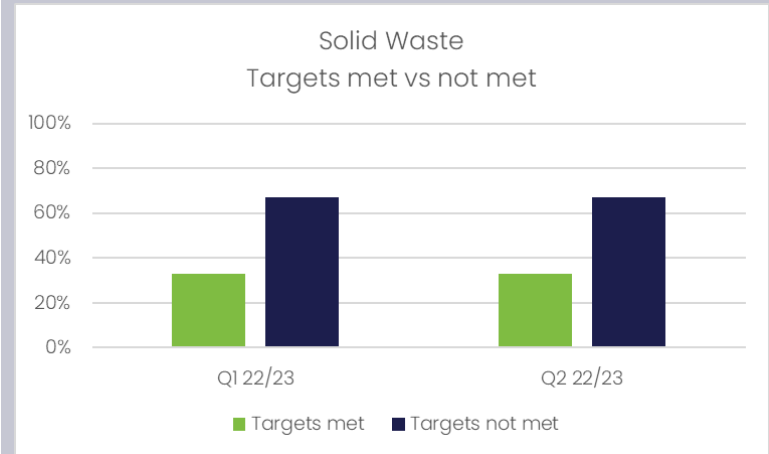
Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Number of flooding events (where stormwater enters a habitable floor)	2	0	0	≤2 (≤0.5/ quarter)	-0.5	Results exceeded target
Number of habitable floors affected by flooding events (per 1000 connections)	0.27	0	0	≤0.24 (≤0.06/ quarter)	-0.06	Results exceeded target
Number of complaints about stormwater system performance (per 1000 connections)	14.3	3.9	2	≤20 (≤5/ quarter)	-3	Results exceeded target
Median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site (hours)	71 hrs	0 hrs	0 hrs	≤8 hrs	-8 hrs	Results exceeded target
Compliance with resource consents for discharges from stormwater system (number of abatement notices, infringement notices, enforcement orders and convictions)	0	0	0	0	0	Target met (0 = no enforcement action)

Solid waste

Solid Waste
Targets met vs not met
Year to Date (Q1 & Q2)



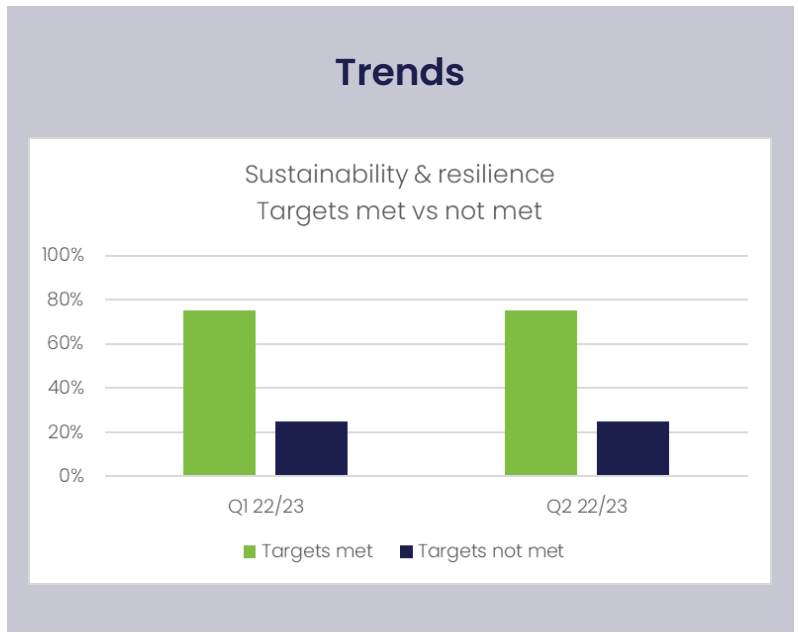
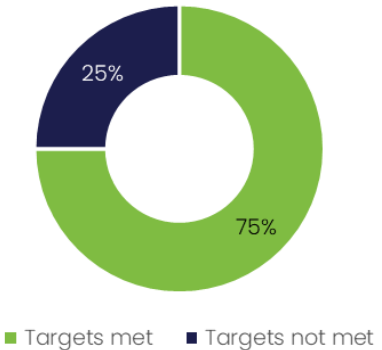
Trends



Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Tonnes of waste to landfill (tonnes per person)	19,735 / 113,559 = 0.17	4,924 / 113,559 = 0.04	5,599 / 113,559 = 0.05	≤19,735 (0.17) (≤4,933/ quarter (0.04))	666/ 113,559 = 0.01	Target not met. As expected, there was increased rubbish in December due to the holiday period. The amount of rubbish was also impacted by new multi-unit dwellings being occupied in Q2
Percentage of kerbside recycling that is contaminated and diverted to landfill	18%	19%	16%	≤10%	6%	Target not met. Education campaign started in October 2022 and percentage of contamination has decreased. As part of the Three Strikes initiative, bins with repeated contamination can now be removed
Tonnes of kerbside recycling collected	5,778	1,383	1,520	≥5,893 (≥1,473/ quarter)	47	Target met, with results better than target

Sustainability and resilience

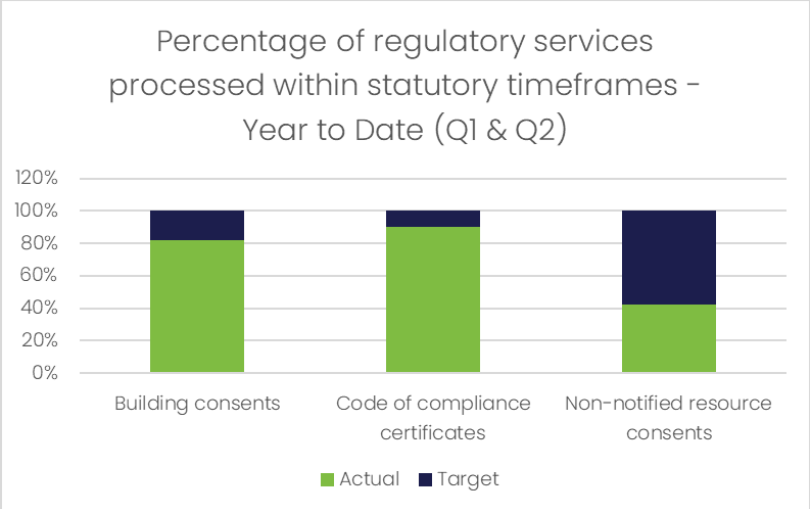
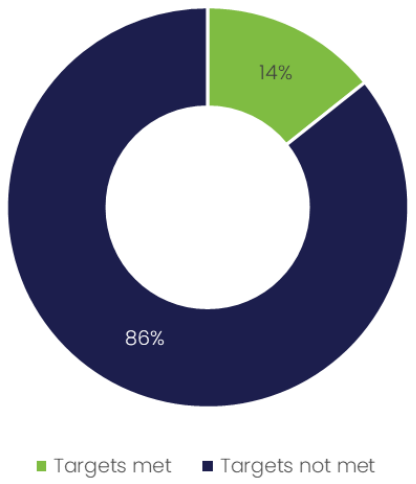
Sustainability & resilience
Targets met vs not met
Year to Date (Q1 & Q2)



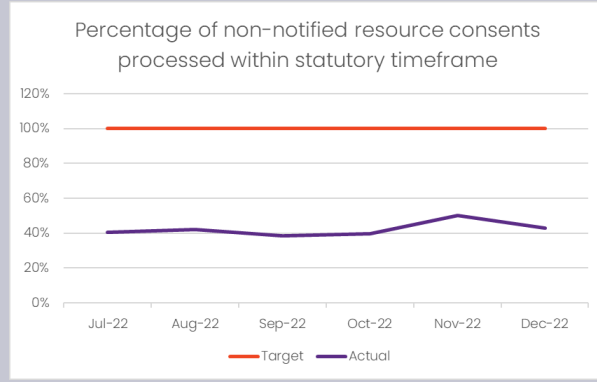
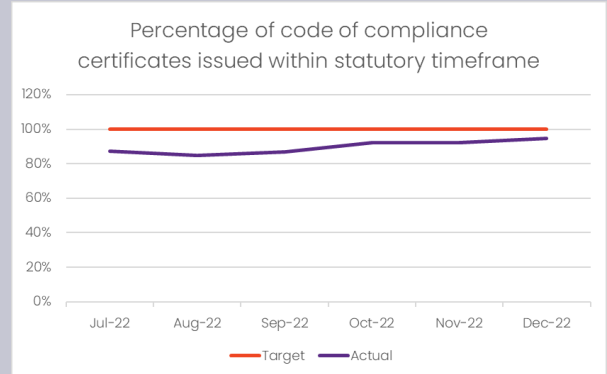
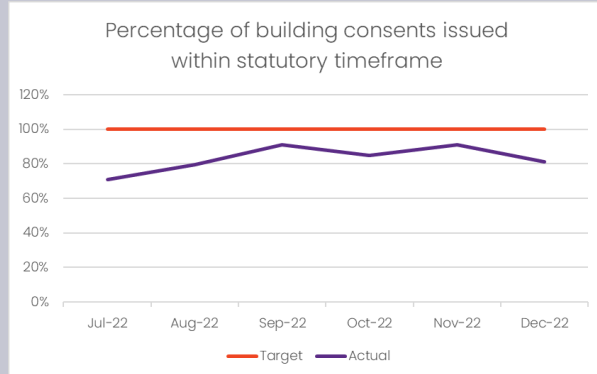
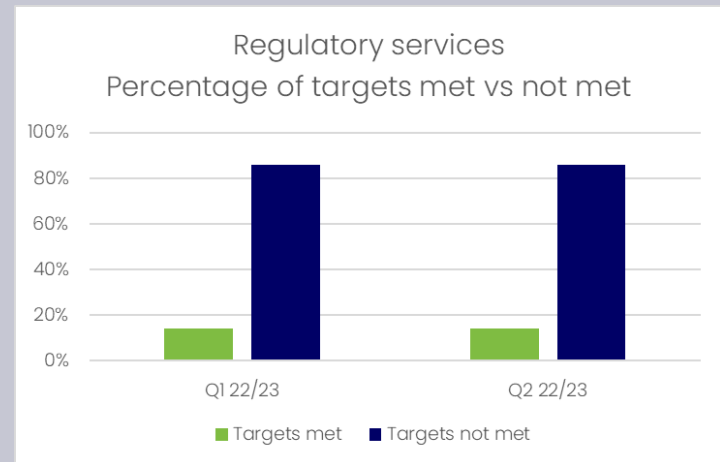
Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Percentage of Community Resilience Plans that are more than 24 months old	60%	61%	42%	0% (none)	58%	Target not met. Review of Community Response Plans was impacted by COVID-19, staff secondments, and competing priorities during the past two years
Emissions from council owned facilities (tCO2-e)	3,190	573	573	≤2,293 (≤573.25/ quarter)	-0.25	
Percentage of council owned vehicle fleet that is electric	42%	45%	48%	≥45%	3%	Results exceeded target. By end of Q2, 32 of 67 vehicles were electric (either fully electric, or plug-in hybrid - but excluding conventional hybrids)
Emissions from council owned fossil fuel vehicles (tCO2-e)	110	21	22	≤94.2 (≤23.55/ quarter)	-1.55	

Regulatory services

Regulatory services
Targets met vs not met
Year to Date (Q1 & Q2)



Trends



Building consents

- Business improvement initiatives are underway to improve performance against target

Code of compliance certificates

- Significant progress has been made on improving performance against statutory timeframes

Non-notified resource consents

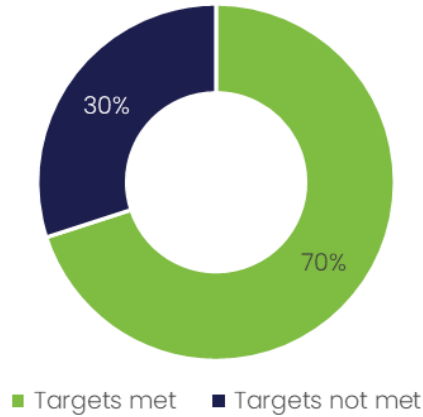
- Results are still being negatively impacted by consents that have been on hold due to requests for further information

Regulatory services

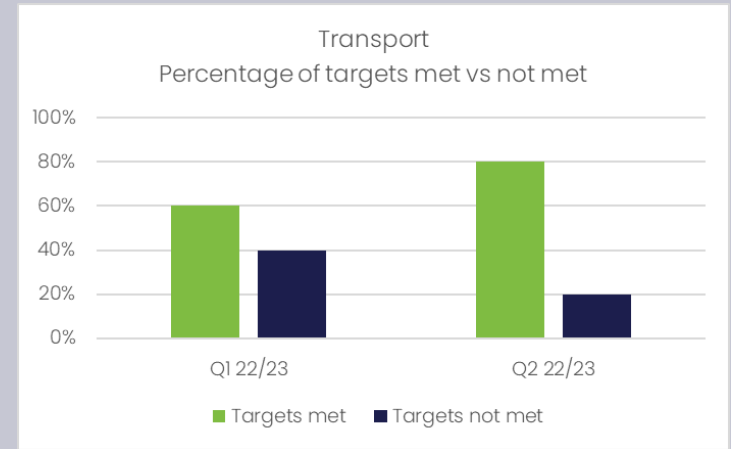
Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Percentage of building consents processed within statutory timeframe	65%	79%	86%	100% within 20 days	-14%	Target not met. However significant progress has been made on improving performance against statutory timeframes. We've started several business improvement initiatives and performance is expected to improve
Code of compliance certificates issued within the statutory timeframe	88%	86%	93%	100% within 20 days	-7%	Target not met. However significant progress has been made on improving performance against statutory timeframes
Percentage of non-notified resource consents processed within statutory timeframes	28%	40%	44%	100% within 20 days	-56%	Target not met. While progress has been made, results are still being negatively impacted by consents that have been on hold (due to requests for further information)
Existing food premises verified within time frames	7%	5%	48%	95% by due date	-47%	Target not met. However extra resource is in place to work through the backlog that accumulated due to COVID-19
Sale and supply of liquor (high risk premises) inspected	99%	65%	27%	95% checked	-68%	Target not met. Our inspectors are accompanied by police for high risk inspections, due to health and safety requirements and in the interests of inter-agency collaboration. Scheduling involves coordination of resources, which impacted the number we could do in both Q1 and Q2. We plan to catch up by the end of Q3
Noise control complaints (%) investigated within 45 minutes	94%	83%	76%	≥85%	-9%	Target not met. The tight employment market resulted in staff shortages for our contactor and fewer noise control officers available to respond to noise complaints within 45 minutes
Number of animal management community education programmes carried out	17	11	12	≥17 (≥4.25/quarter)	7.75	Results exceeded target

Transport

Transport - Targets met vs not met
Year to Date (Q1 & Q2)



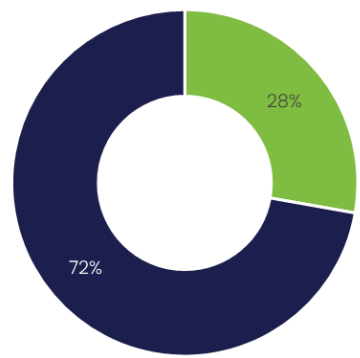
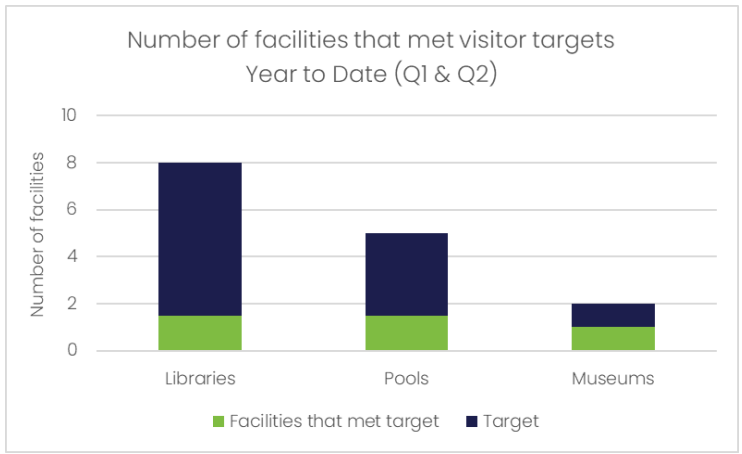
Trends



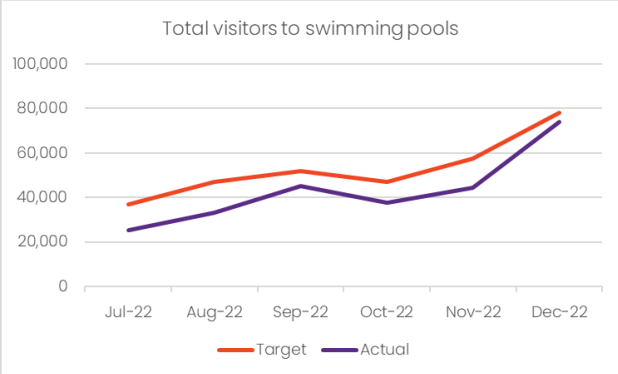
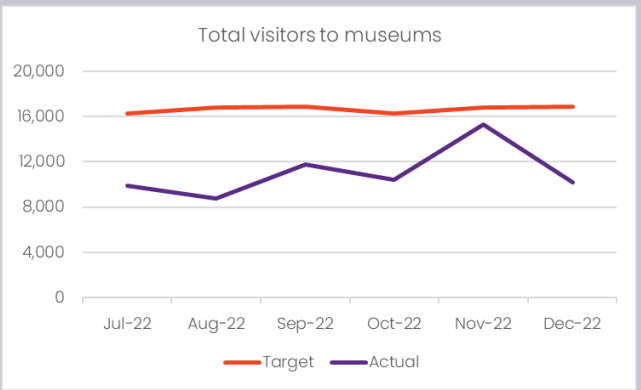
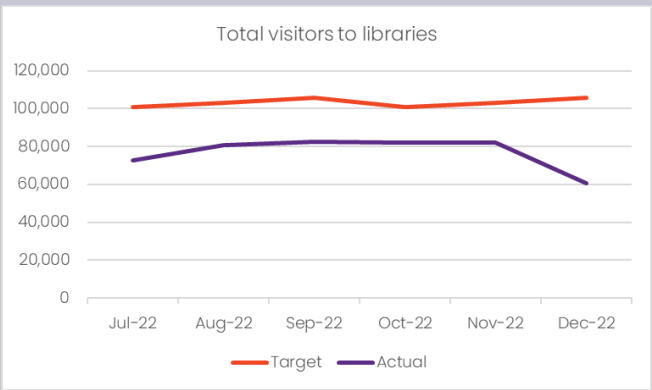
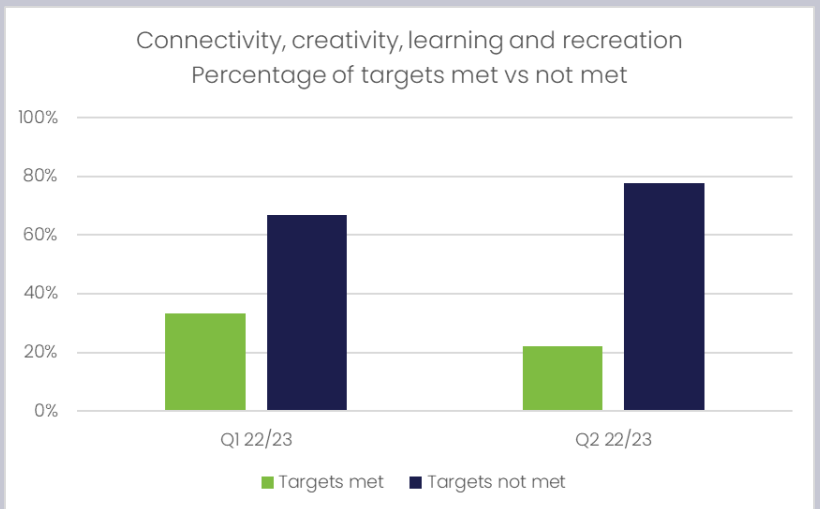
Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
The number of fatalities and serious injury crashes on the local road network	25	10	4	≤25 (≤6.18/quarter)	-2.18	Results exceeded target in Q2. There were higher than average fatalities and serious injuries in Q1
Audit of contracts – physical work (number of contracts audited this quarter)	90%	7 of 7 (100%)	5 of 7 (71%)	≥90%	-19%	Target not met. Two maintenance contracts were not audited in Q2 due to staff and contractor availability
Audit of contracts – percentage of contracts meeting contractual obligations	90%	100%	100%	≥90%	10%	Results exceeded target. All assessed contract specifications this quarter were 90+% compliant
Total length of cycleways	Not available	21.3 km	21.3 km	21.3 km	0 km	Target met
Total length of shared paths	Not available	71.4 km	71.4 km	71.4 km	0 km	Target met

Connectivity, creativity, learning and recreation

Connectivity, creativity, learning and recreation
Targets met vs not met - Year to Date (Q1 & Q2)



Trends



Connectivity, creativity, learning and recreation

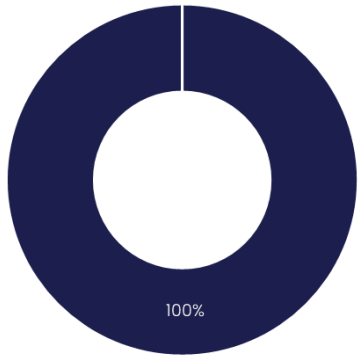
Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Number of libraries that met visitor number targets	1 of 7	2 of 8	1 of 8	8 of 8	7 of 8	Target not met. War Memorial Library (our biggest) missed target by just 1%. Others appear to still be recovering from COVID-19 impacts
Number of pools that met visitor number targets	0 of 5	0 of 5	3 of 5	5 of 5	2 of 5	Target not met. Pools are still recovering from COVID-19 impacts however the number of visitors is increasing. Stokes Valley, Eastbourne and McKenzie pools are meeting YTD targets
Number of museums that met visitor number targets	0 of 2	1 of 2	1 of 2	2 of 2	1 of 2	Target not met. Petone Settlers Museum met target however Dowse Museum has been impacted by COVID-19 since 2020 and no longer has dedicated communications support
Number of physical loans from libraries	712,932	151,855	137,020	≥790,000 (≥197,50/ quarter)	-60,480	Target not met. Loans from libraries have been slow to recover to pre-COVID-19 levels. YTD loans are 73% of target, 19% less than last year. Library outreach programme data not included
Number of physical loans from libraries via the home delivery service	4,390	1,409	1,244	≥5,012 (≥1,253/ quarter)	-9	Target not met. Home deliveries for Q1 and Q2 were 6% above target and 18% better than the same period last year. This is a relatively new measure, so we don't have pre-COVID-19 data
Number of electronic loans from libraries	115,321	31,690	29,613	≥103,392 (≥25,848/ quarter)	3,765	Results exceeded target. 19% over YTD target and 9% better than last year. This is the 5th consecutive year of growth and YTD is almost 3 times pre-COVID-19 numbers
Number of people using the wifi at libraries and community hubs	233,944	68,607	56,499	≥293,400 (≥73,350/ quarter)	16,851	Numbers combine two separate wifi networks available in libraries. Visitor numbers traditionally drop in December

Connectivity, creativity, learning and recreation

Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Use of council computers at libraries and community hubs	52,412	15,504	14,051	≥75,000 (≥18,750/ quarter)	-4,699	Target not met. Some hardware was unavailable while new systems were installed. Number reflects combined usage of old and new hardware
Number of fitness suite members	1,232	1,553	1,650	≥ 1,400	250	Results exceeded target

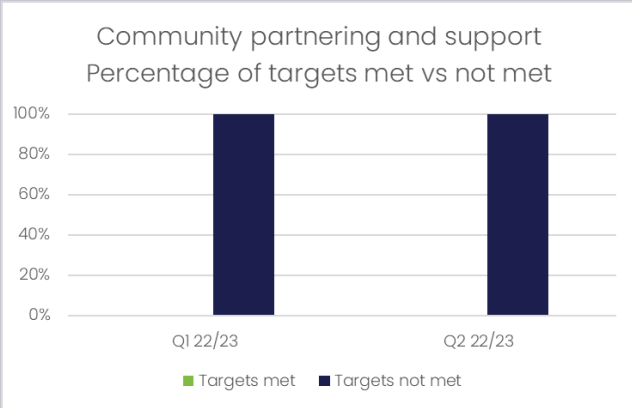
Community partnering and support

Community partnering and support
Targets met vs not met - Year to Date (Q1 & Q2)



■ Targets met ■ Targets not met

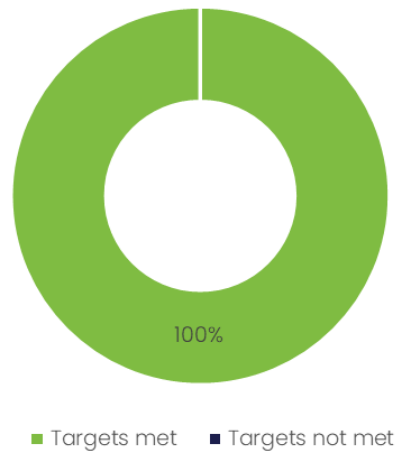
Trends



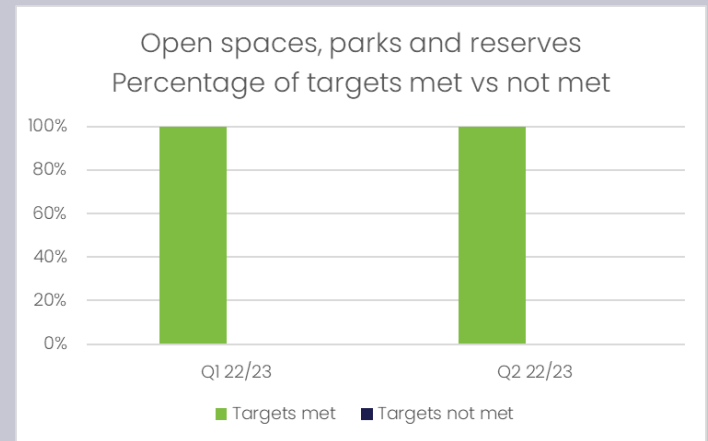
Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Number of hubs that met visitor number targets	0 of 3	1 of 3	0 of 3	3 of 3	-3 of 3	Target not met. Numbers were trending up post COVID-19 restrictions but fell in Q2 due to a COVID-19 wave and the holiday period

Open spaces, parks and reserves

Open spaces, parks and reserves
Targets met vs not met - Year to Date (Q1 & Q2)



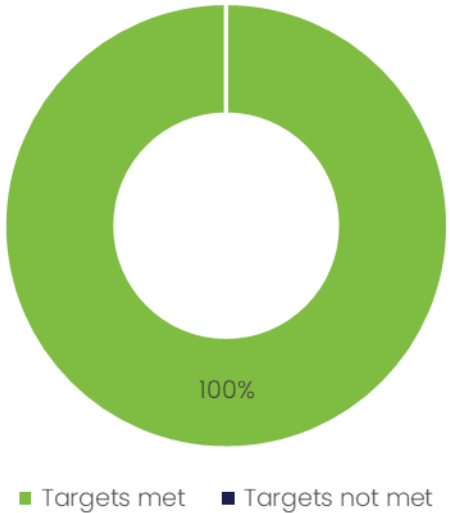
Trends



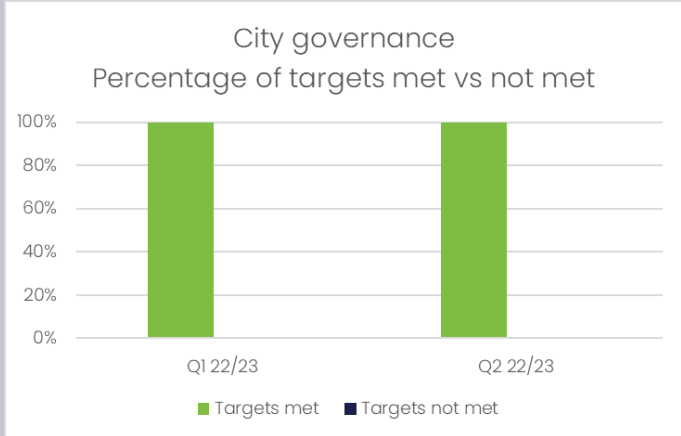
Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Number of days council grass sport fields are closed (due to maintenance or drainage issues)	15 days	1 Day	2 days	≤20 days (≤5 days/quarter)	-3 days	Target met. Fields were closed for two days in October only, due to heavy rain
Number of days council owned/maintained artificial turf sports fields are closed (due to maintenance or drainage issues)	0 days	0 days	0 days	≤10 days (≤2.5 days/quarter)	-2.5 days	Results exceeded target

City governance

City governance
Targets met vs not met - Year to Date (Q1 & Q2)



Trends



Indicator	21/22 Year End Actual	Q1 22/23 Actual	Q2 22/23 Actual	22/23 Target	Variance on target for Q2	Commentary
Meeting and committee agendas made available to the public within statutory time frames	100%	100%	100%	100%	0%	Target met

Section six

Financial summary

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

Financial performance

Operating performance results

The year-end net operating result is forecast to be \$3.2M (8.2%) unfavourable compared to revised budget. This is mainly due to:

- \$2.7M increased Regulatory Services costs, \$0.6M increased Three Waters costs, and \$0.5M increased City Development costs (mainly subdivision engineering costs).

Offset by:

- \$0.6M increased Solid Waste income.

Further detail provided on pages 46-47

Capital investment performance results

Year to date capital spend is \$61.8M. This is 32% of the full year forecast of \$194M (\$177.5M was the Annual Plan budget).

Capital is forecast to be \$14.2M over budget mainly due to capital work being brought forward in Three Waters \$17.5M, offset by delays to Urban Growth Strategy Improvements (Wise Street development) \$1.5M and the Silverstream Landfill transfer station \$2.2M.

Further detail provided on pages 48-49

Financial performance to 31 December 2022

\$Million	YTD	YTD	Variance	%		Year-End	Revised	Variance	%		Annual
	Actual	Budget				Forecast	Budget				
Operating Revenue	37.8	33.1	4.7	14.2%	●	69.2	66.2	3.0	4.5%	●	62.6
Operating Expenditure	(116.5)	(121.0)	4.5	3.7%	●	(251.3)	(244.7)	(6.6)	-2.7%	●	(237.5)
Net Operating Before Rates Income	(78.7)	(87.9)	9.2	10.5%	●	(182.1)	(178.5)	(3.6)	-2.0%	●	(174.9)
Rates Income	140.5	139.6	0.9	0.6%	●	140.0	139.6	0.4	0.3%	●	139.6
Net Operating	61.8	51.7	10.1	19.5%	●	(42.1)	(38.9)	(3.2)	-8.2%	●	(35.3)
Capital Contributions	12.4	22.6	(10.2)		●	50.7	47.4	3.3		●	51.2
Net Surplus/(Deficit)	74.2	74.3	(0.1)		●	8.6	8.5	0.1		●	15.9
Other Adjustments*	5.0	-	5.0		●	-	-	-		●	-
Net Surplus/(Deficit) After Gains/(Losses)	79.2	74.3	4.9		●	8.6	8.5	0.1		●	15.9

Net operating results

Net operating result, before rates income

Year-end actual compared to revised budget is unfavourable by \$3.6M (-8.2%).

Favourable variance explanations:

- Solid Waste is forecast to be \$0.6M favourable to budget at year-end, mainly due to additional revenue from increased commercial volume expected at Silverstream Landfill \$2.6M offset by an increase in related processing costs \$0.6M and an increase in the waste levy charge \$1.4M.
- Community Partnering & Support is forecast to be \$0.5M favourable to budget at year-end, mainly due to difficulties in filling vacancies in the Healthy Families Hutt Valley programme as the team is being rebuilt to support the programme's execution.

Unfavourable variance explanations:

- Three Waters are forecast to be \$0.6M unfavourable to budget at year-end, mainly due to increased leak detection and increased cost of contractors providing leak repair service, as a result of the ageing infrastructure.
- Regulatory Services is forecast to be \$2.7M unfavourable to budget at year-end, mainly due to higher costs \$2.2M including the costs of contractors to aid in processing the backlog of consent applications received, some of which is recoverable. There has also been a reduction in revenue \$0.5M due to an expected downturn in consent applications received in the second half of the 2022/23 financial year.
- City Development is forecast to be \$0.5M unfavourable to budget at year-end, mainly due to higher subdivision engineering contractor costs to assist with processing the backlog of resource consents.
- Open Spaces, Parks & Reserves is forecast to be \$0.2M unfavourable to budget at year-end, mainly due to higher costs of maintenance.
- Connectivity, Creativity, Learning and Recreation is forecast to be \$0.2M unfavourable to budget at year-end, mainly due to increased employee costs at Pools, Libraries and Museums.
- Corporate Services is forecast to be \$0.3M unfavourable to budget at year-end, mainly due to higher employee costs across a number of areas.

Net operating results

Net operating results by activity (excludes rates income, internal rates, support costs and capital contributions)

\$Million	YTD Actual	YTD Budget	Variance	%		Year-End Forecast	Revised Budget	Variance	%		Annual Plan Budget
Environmental Wellbeing											
Water Supply	(11.4)	(10.9)	(0.5)	-4.6%	●	(21.9)	(21.1)	(0.8)	-3.8%	●	(21.1)
Wastewater	(11.4)	(13.3)	1.9	14.3%	●	(24.5)	(24.7)	0.2	0.8%	●	(24.7)
Stormwater	(6.1)	(5.9)	(0.2)	-3.4%	●	(10.3)	(10.3)	-		●	(10.3)
Subtotal Three Waters	(28.9)	(30.1)	1.2	4.0%	●	(56.7)	(56.1)	(0.6)	-1.1%	●	(56.1)
Solid Waste	1.8	(0.8)	2.6	325.0%	●	(0.9)	(1.5)	0.6	40.0%	●	(1.5)
Sustainability & Resilience	(0.9)	(0.7)	(0.2)	-28.6%	●	(1.5)	(1.4)	(0.1)	-7.1%	●	(1.4)
Regulatory Services	(1.1)	(0.6)	(0.5)	-83.3%	●	(4.0)	(1.3)	(2.7)	-207.7%	●	(0.9)
Environmental Wellbeing	(29.1)	(32.2)	3.1	9.6%	●	(63.1)	(60.3)	(2.8)	-4.6%	●	(59.9)
Economic Wellbeing											
Transport	(12.5)	(13.9)	1.4	10.1%	●	(27.6)	(27.6)	-		●	(24.9)
City Development	(4.8)	(7.1)	2.3	32.4%	●	(17.6)	(17.1)	(0.5)	-2.9%	●	(16.6)
Economic Wellbeing	(17.3)	(21.0)	3.7	17.6%	●	(45.2)	(44.7)	(0.5)	-1.1%	●	(41.5)
Social & Cultural Wellbeing											
Community Partnering & Support	(3.7)	(4.7)	1.0	21.3%	●	(8.7)	(9.2)	0.5	5.4%	●	(8.7)
Open Spaces, Parks & Reserves	(7.5)	(8.3)	0.8	9.6%	●	(17.5)	(17.3)	(0.2)	-1.2%	●	(17.6)
Connectivity, Creativity, Learning & Recreation	(8.3)	(9.0)	0.7	7.8%	●	(17.7)	(17.5)	(0.2)	-1.1%	●	(17.5)
Governance Strategy & Partnerships	(1.9)	(1.6)	(0.3)	-18.8%	●	(3.4)	(3.3)	(0.1)	-3.0%	●	(3.3)
Corporate Services	(10.9)	(11.1)	0.2	1.8%	●	(26.5)	(26.2)	(0.3)	-1.1%	●	(26.4)
Social & Cultural Wellbeing	(32.3)	(34.7)	2.4	6.9%	●	(73.8)	(73.5)	(0.3)	-0.4%	●	(73.5)
TOTALS	(78.7)	(87.9)	9.2	10.5%	●	(182.1)	(178.5)	(3.6)	-2.0%	●	(174.9)

Capital results

Capital results

Year-end capital spend is forecast to be over budget by \$14.2M (-7.9%).

Underspend

- Solid Waste is forecast to be underspent by \$2.2M at year-end, mainly due to delays to the Silverstream Landfill transfer station.
- City Development is forecast to be underspent by \$1.5M at year-end, mainly due to the delay of the Urban Growth Strategy Improvements (wise Street Development) to next financial year.

Overspend

- Three Waters is forecast to be overspent by \$17.5M at year-end, mainly due to a number of projects that are planned to be delivered ahead of schedule. This is the upper limit of Wellington Water's forecast project delivery for the financial year and is expected to be funded from future years' budgets.
- Transport have a number of significant projects with an expected forecast total capital spend of \$47.8M but only a year to date spend of \$5.5M. There is a risk that with the high level of spend expected for the remainder of this financial year, due to availability of materials and contractors, this forecast spend will not be achieved.

Capital result

Capital results by activity

\$Million	YTD Actual	YTD Budget	Variance	%	Year-End Forecast	Revised Budget	Variance	%	Annual Plan Budget
Environmental Wellbeing									
Water Supply	7.1	4.6	(2.5)	-54.3%	12.1	9.2	(2.9)	-31.5%	9.2
Wastewater	23.1	14.1	(9.0)	-63.8%	45.6	28.5	(17.1)	-60.0%	29.2
Stormwater	1.1	2.4	1.3	54.2%	2.4	4.9	2.5	51.0%	3.4
Subtotal Three Waters	31.3	21.1	(10.2)	-48.3%	60.1	42.6	(17.5)	-41.1%	41.8
Solid Waste	0.9	3.9	3.0	76.9%	5.5	7.7	2.2	28.6%	7.7
Sustainability & Resilience	0.2	0.4	0.2	50.0%	1.0	0.9	(0.1)	-11.1%	0.6
Regulatory Services	-	-	-		-	-	-		-
Environmental Wellbeing	32.4	25.4	(7.0)	-27.6%	66.6	51.2	(15.4)	-30.1%	50.1
Economic Wellbeing									
Transport	5.5	24.1	18.6	77.2%	47.8	47.5	(0.3)	-0.6%	52.3
City Development	8.0	10.5	2.5	23.8%	19.5	21.0	1.5	7.1%	25.7
Economic Wellbeing	13.5	34.6	21.1	61.0%	67.3	68.5	1.2	1.8%	78.0
Social & Cultural Wellbeing									
Community Partnering & Support	0.2	1.1	0.9	81.8%	2.0	2.2	0.2	9.1%	1.5
Open Spaces, Parks & Reserves	1.2	4.2	3.0	71.4%	8.2	8.2	-		8.2
Connectivity, Creativity, Learning & Recreation	13.8	23.4	9.6	41.0%	47.0	46.9	(0.1)	-0.2%	35.5
Governance Strategy & Partnerships	-	-	-		-	-	-		-
Corporate Services	0.7	1.3	0.6	46.2%	2.7	2.6	(0.1)	-3.8%	4.2
Social & Cultural Wellbeing	15.9	30.0	14.1	47.0%	59.9	59.9	-		49.4
TOTALS	61.8	90.0	28.2	31.3%	193.8	179.6	(14.2)	-7.9%	177.5

Section seven

Treasury management summary

This summary from Treasury provides an overview of how Hutt City Council is complying with Treasury Risk Management Policy limits and the performance of treasury activities against plans.

Treasury management summary

Treasury management activity focus

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

Key highlights to 31 December 2022

- An average cost of funds of 3.27% has been achieved year-to-date, which is 0.12% lower than budget. However, this average has risen from 2.93% in June 2022 as a result of market conditions. Whilst currently below the budgeted rate of 3.39%, we are closely monitoring the projected cost of funds in conjunction with our external Treasury advisors.
- Interest costs are lower to date than budget by \$0.57M, mainly due to slightly lower than anticipated debt levels during the period.
- Interest earned on cash holdings is favourable to budget by \$0.27M, primarily due to higher cash holdings from pre-funding activities and higher than anticipated market interest rates.

Debt portfolio performance

- Net debt (which includes cash holdings and CCO investment) increased from \$211.3M (30 June 2022) to \$247.8M as at 31 December 2022, whilst gross debt increased from \$255.7M to \$301.4M over the same period.
- We completed \$45.7M of debt issuance in the 6 months to 31 December 2022 (comprising \$15.7M to prefund CCO debt maturing in 2023 and \$30M of Council debt to fund the capital investment programme).
- No debt matured during the period to 31 December 2022.
- The revolving credit facility with the Local Government Funding Agency (LGFA) was increased from \$20M to \$35M in November 2022. The purpose of the increase was to assist Council in managing its increasing debt levels and liquidity requirements going forward.
- The revolving credit facility with Westpac remained at \$15M but will reduce to \$10M from 1 January 2023. The purpose of the decrease was to transfer \$5M into the LGFA facility at better pricing, but maintain the short-term liquidity options that the Westpac facility provides (call cash borrowing).
- Both revolving credit facilities, LGFA (\$35M) and Westpac (\$15M), remained undrawn as at 31 December 2022.

Debt portfolio performance

	Actual YTD	YTD Budget	Variance
Average cost of funds	3.27%	3.39%	(0.12%)
Interest expense – borrowings	(\$4.59M)	(\$5.16M)	\$0.57M
Interest earned	\$0.38M	\$0.11M	(\$0.27M)
Fair value <i>gain</i> on derivatives	\$4.96M	-	-

We have a range of interest rate swap agreements 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 value of these agreements is constantly changing.

The fair value gain of the interest rate swap portfolio as at 31 December 2022 was \$4.96M. This is an accounting adjustment required to be recorded and there are no cash flow implications.

Policy compliance

Measures	Policy	Actual 31 December 2022	Compliant
Net external debt/total revenue	Maximum 250%	109.48%	Yes
Net interest on external debt/total revenue	Maximum 10%	2.45%	Yes
Net interest to annual rates income	Maximum 20%	2.95%	Yes
Liquidity ratio	Minimum 110%	124.67%	Yes

Funding risk control limits

Period	Minimum %	Maximum %	Actual gross debt Not including Revolving Credit Facility (\$50M)	Actual % 31 December 2022	Compliant
0 to 3 years	15%	60%	\$145.7M	48%	Yes
3 to 7 years	15%	60%	\$90M	30%	Yes
7 years plus	0%	60%	\$65.7M	22%	Yes
		Total	\$301.4M	100%	

Funding maturity profile

Month
 December 2022

Currency
 All

Liquidity summary

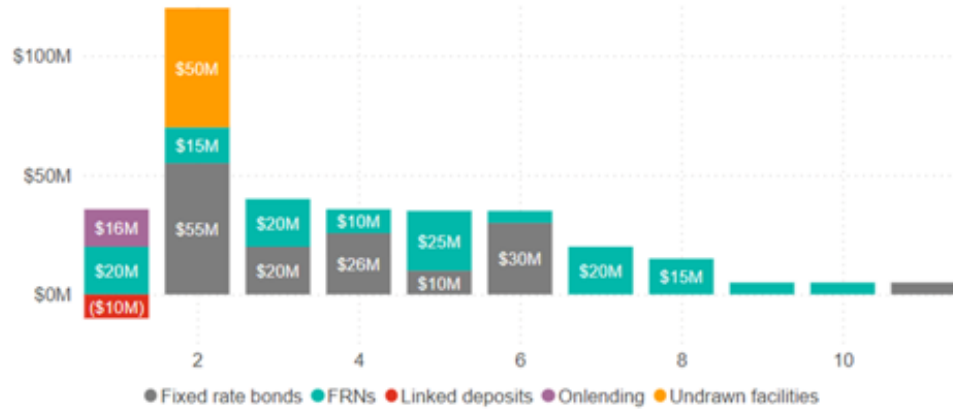
124.67%

Liquidity ratio (liquid deposits)

110%

Liquidity ratio policy

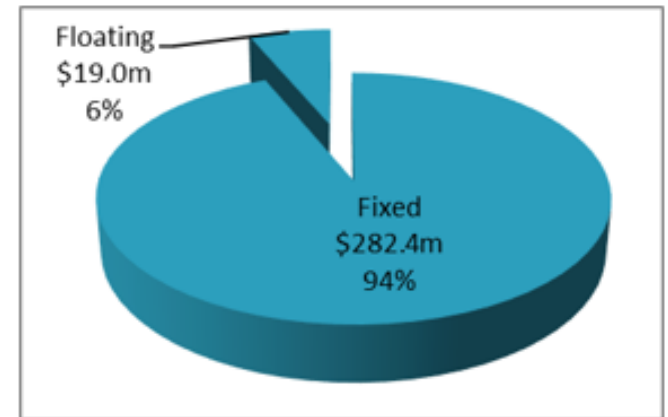
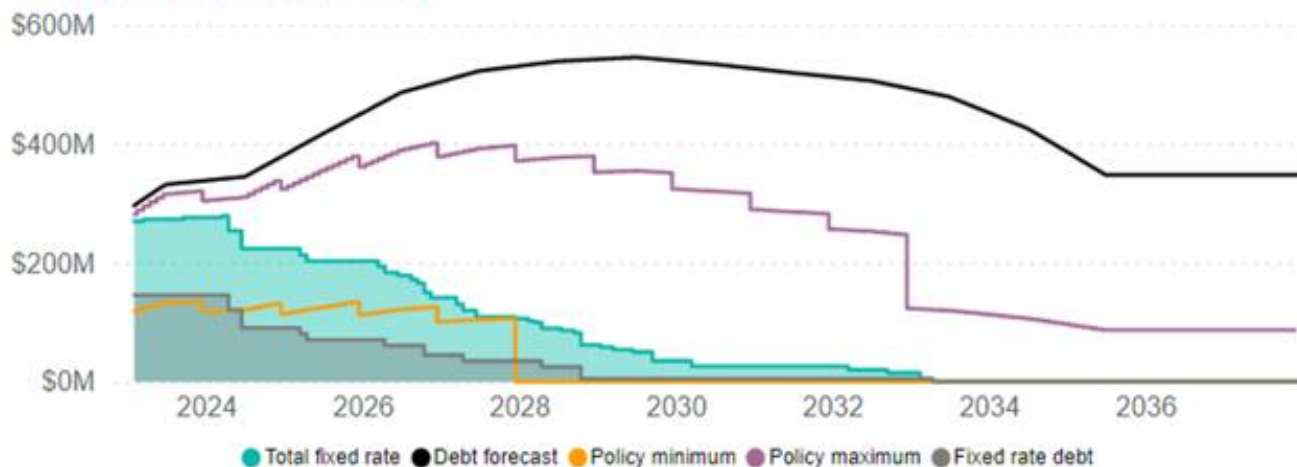
Funding and liquidity risk timeline



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.

Interest rate risk profile



After overlaying interest rate swaps, the split between fixed and floating debt is shown above