

Hutt City Council

Quarterly Performance Report

Quarter 3 – 2024/25



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Introduction

This quarterly performance report summarises Hutt City Council's progress on the Long Term Plan, Annual Plan, and the Chief Executive's KPIs/strategic focus areas for Quarter 3, 2024/2025.

The report aims to provide the Chief Executive, the Corporate Leadership Team, and staff with the necessary information to align their efforts across various groups and teams, ensuring the achievement of Council's strategic outcomes and maintaining a focus on performance and accountability.



1

Highlights & Challenges

What's this section about?

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



Highlights

Operational savings achieved

We have achieved our operating savings target for the year, largely through procurement supplier reviews and a strong focus on cost-efficiency. This reflects our ongoing commitment to continuous improvement and delivering value across all areas of Council's business

Moerā Neighbourhood Hub

The Moerā Neighbourhood Hub opened on 1 March, attracting 6,207 visitors in March, including 1,322 on opening day—the highest on record. With 60 days of programming halfway through, the daily average visitor count is 244, compared to 116 last March.

Local Water Done Well

Successful regional collaboration involving five councils to develop and align the public consultation process for the future operating model for water services. The community consultation runs until 20 April. There is a significant focus on planning for a joint Water Services Delivery Plan.

District Planning

The Proposed District Plan was publicly notified on 6 February 2025 and is open for consultation until 2 May 2025. It is intended to replace the current District Plan, which has been in place since 2003/04, marking a significant step toward shaping the city's future growth and development.

Draft Annual Plan 2025/26

Progress has been made on the draft Annual Plan for 2025/26, which will set out the rates rise for ratepayers from 1 July. This followed strategic budget adjustments that achieved a modest reduction in the proposed rates increase. Managing cost pressures is challenging due to ongoing financial struggles and drops in government revenue. Council has approved the draft plan and engagement is taking place until 26 April.

Food International Accreditation New Zealand (IANZ) audit

The Food (IANZ) audit, which ensures food safety and compliance with international standards, successfully achieved 100% compliance with no non-conformances.

Highlights

Mobile License Plate Recognition (LPR)

Mobile LPR enforcement went live in February 2025. The enforcement has resulted in approximately 3,000 additional violations. Data shows behavioral changes, with fewer infringements and increased compliance in parking fee payment. The new LPR system has been successfully tested, with 699 infringements processed and enforced since its launch.

Te Wai Takamori o Te Awa Kairangi | RiverLink

The Relationship and Commercial Agreements for Te Wai Takamori o Te Awa Kairangi were completed and are ready for signing early in Q4. A coordinated delivery programme for the next 5–7 years has been agreed upon. Events included Minister Bishop announcing funding for the new Melling railway station and City Link bridge, key parts of RiverLink.

Building Consent Authority (BCA) Accreditation

The BCA reassessment took place in February. Accreditation has been maintained, and the BCA is considered low risk.

Tō Tātou Tāone 2055 | Our City 2055

The City Leadership Group for Tō Tātou Tāone 2055 | Our City 2055 (the City Strategy) has been established. Meetings held in February and March have helped advance the development of the strategy, setting a strong foundation for the city's long-term vision.

Residents' Satisfaction Survey

Over 1,450 people completed the 2025 Residents' Satisfaction Survey in March, representing a more diverse cross-section of the community than in previous surveys. Results will be published in May 2025.

Representation Review determination

In January, the Local Government Commission delivered its determination on the final representation arrangements for Hutt City for the 2025 Local Government elections. Work has begun on incorporating the new arrangements into election planning.

Highlights

Celebrating Pride

We celebrated Pride Week with our Rainbow community from 8 to 17 March. The Pride flag flew on the Admin Building, and various activities were hosted across our hubs and city. Internal events were also held to celebrate, educate, and foster meaningful conversations within our organisation.

AI technology in use at Tupua Horo Nuku

Tupua Horo Nuku is piloting a new AI traffic management tool to improve health and safety at worksites in the Eastern Bays.

This builds on a trial in Auckland providing awareness of vehicle speeds through construction sites. Mobile AI Camera Units, developed with Downer Zero Harm and RUSH Digital, monitor live traffic and identify potential risks in real-time.

When risks are detected, the on-site team is notified to address them immediately.

Aquatics

The new Te Ngaengae Pool recorded over 100,000 visitors in its first 12 weeks of operation. For the same period Aquatics had 200,937 visitors and of those there were 1,137 children under 10 years of age eligible for free entry with Community Services Cards.

Tupua Horo Nuku celebration

On February 23, a crowd gathered at Whiorau Reserve in Eastbourne to celebrate the halfway mark for Tupua Horo Nuku. The event featured a blessing from mana whenua, speeches from Hutt City Council and the Eastbourne Community Board, and waiata from Muritai School tamariki. Attendees explored the completed sections of York Bay, Sunshine Bay, and Mā Koromiko on foot and e-bikes.

Avalon Skatepark

The new skatepark at Motutawa Avalon Park, funded by NZ Transport Agency Waka Kotahi as part of Te Wai Takamori o Te Awa Kairangi, opened with a celebration on 8 February. Designed with input from the local skate community, it features six different skate zones. The event included pro skate demos, new tricks, and prizes, creating a vibrant atmosphere.

Fraser Park

Wellington Phoenix has taken over as operators of the sports facility at Fraser Park following a competitive public tendering process. This move is a major step towards revitalising the venue and ensuring its long-term sustainability for both sporting and community use.

Challenges

Wellington Water Limited (WWL)

Wellington Water Limited (WWL) released Value for Money reports in early March, prompting media coverage. Councils, including Hutt City Council, have been working with WWL to review costs and efficiencies.

Recent investments in water services have led to successful projects, despite scrutiny over procurement processes. The reports highlight high pipe renewal costs compared to peer councils. While immediate changes aren't expected, ensuring appropriate funding and value for money remains a priority. WWL is updating its information to clarify media reports.

Silverstream Landfill

The tonnage of commercial landfill disposal has decreased, likely caused by the economic downturn, which in turn has negatively impacted revenue. Despite being in deficit compared to the budget, the landfill still generates over \$10M per year in net profit for the Council.

Consents and revenue

Due to the economic downturn, building and resource consenting numbers are down against forecasts and this has resulted in a reduction on revenue.

Standard & Poor's credit rating

HCC's Standard & Poor's credit rating was adjusted from AA- with a negative outlook to A+ with a stable outlook. This change will increase borrowing costs by around \$300k per annum on current debt levels. Advice will be provided to support Council decisions on the Annual Plan 2025/26 impacts and funding options.

Aquatics

Some early teething problems have been worked through, and the new Te Ngaengae pool is proving popular with the community. Additionally it has also hosted the national elite swim squad in partnership with NZCIS. Unfortunately, a cryptosporidium outbreak in the Wellington region in March has impacted operations and required additional treatment and on two occasions draining and decontamination of affected pools. We have worked closely with public health officials who are pleased with our response, which has erred on the side of keeping community safe. Due to this we have incurred significant additional costs in water, chemicals, and re-heating, and revenue from swim school is reduced, as reflected in the financial performance reporting.

Aquatics also faced lower numbers over summer due to a very cold start for the season. Numbers were down by approximately a third.

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 one of the LTP 2024 – 2034

Climate change and environmental sustainability

- Approximately 70% of current contracts (valued at \$1M or more per year) are reporting their emissions against a target of 80%. There is no improvement from Q2 as no additional contractors have reported in Q3.
- In Q3, we continued implementing changes to reduce kerbside contamination, including removing bins for severe contamination and distributing targeted educational flyers. Contamination levels remain above the 10% target, with a reasonable likelihood of achieving the target at year end.
- By the end of Q3, following the replacement of five of our council utes in February, electric vehicles comprise 78% of our fleet.

Strategic planning and city development

- Community engagement on the Sustainable Growth Strategy 2025–2055 ran from 5 February to 4 April. Early feedback from government agencies and other organisations has been supportive, with no substantial changes needed.
- Stakeholder engagement is progressing well and informing the draft City Strategy, which is on track for public engagement in Q4. The City Leadership Group has proposed a draft vision and purpose, aiming for adoption by the incoming Council after the 2025 elections.

Pou Tāhū

Building a stronger city and thriving community

Delivery of year one of the LTP 2024 – 2034

Emergency preparedness and public safety

- We continue to work regionally with Chief Executives on emergency management, extending our agreement with WREMO into 2025. A strategy workshop on 18 March progressed the region-wide Civil Defence Emergency Management (CDEM) Group Plan, aiming to strengthen disaster resilience and guide future investment and collaboration.
- A draft local emergency management strategy, framework, and priorities were produced in early February. Wellington Region Emergency Management Office (WREMO) is now facilitating the development of a 10-year regional emergency management strategy to be approved by 30 June 2025 by the region's Mayors. Work on the Council's Emergency Management Strategy has been paused to focus on this regional effort.
- Emergency Operations Centre (EOC) staff resourcing faces challenges due to staff turnover, manual training records, and reduced engagement. As of 31 March, compliance levels are below targets, but efforts are underway to integrate training into a Learning Management System, with a planned exercise in May expected to improve numbers.

Te Wai Takamori o Te Awa Kairangi | RiverLink

- The Infrastructure Acceleration Fund (IAF) procurement phase for the stormwater and wastewater infrastructure project is complete with a preferred supplier identified for Stage 2. The programme is on track, and property engagement conversations are ongoing.

Developments on associated Water Services

- Council is collaborating with regional partners to develop a joint Water Services Delivery Plan (WSDP), aiming for final sign-off by Council in August 2025. Consultation on the preferred water services delivery model is ongoing and closes on 20 April. The Advisory Oversight Group continues to meet regularly with regional councils.

Pou Tāhū

Building a stronger city and thriving community

Delivery of year one of the LTP 2024 – 2034

Policy and legislation

- During Q3, we advanced the reviews of the Dog Control and Appearance Industries bylaws, ensuring alignment with the latest legislative updates. We also received the Local Government Commission's (LGC) determination on representation arrangements and integrated it into our election planning.
- Hutt City Council (HCC) made a submission on the Resource Management Amendment Bill and provided a statement of evidence for Plan Change 1 hearings to the Natural Resources Plan, while also appealing to the Environment Court on Change 1 to the Wellington Regional Policy Statement.

Customer Relationship Management (CRM)

- The CRM project, part of Te Kōhao o te Ngira Go Digital work programme, has reached a significant milestone by entering the first delivery phase. The phase will go live for the Waste Management Team by May 2025, with all other teams following in August 2025. This project will transform our customer-facing technology, improving efficiency and customer experience.

CCTV

- Work on the 2024/2025 CCTV programme continues, including migrating Stokes Valley, Wainuiomata, and McKenzie pools to central monitoring and planning maintenance for key city safety cameras.

Pou Tuarongo

Doing the basics brilliantly

Building compliance

Building Consent Authority (BCA) Accreditation

- The BCA reassessment took place in February and accreditation has been maintained.

Building Control and resource consenting

- The economic downturn has led to a reduction in building and resource consent numbers, impacting revenue generation. Despite cost-cutting measures in Building Control and a year-to-date revenue increase compared to last year, we are still unable to meet our financial targets.
- Customer Advisory Group meeting was held on 11 February. The sector reported that they are experiencing tough economic conditions, resulting in lower activity, particularly for new housing.

Compliance

- The Building and Resource Consenting performance continues to improve:
 - 86% of building consents were processed within timeframes in Q3 (80% YTD). This is a 35% improvement on the same time last year.
 - 93% of code of compliance certificates were processed within timeframes in Q3 (96% YTD). This is a 35% improvement on Q3 last year.
 - 98% of resource consents were processed within timeframes in Q3 (96% YTD). This is a 21% improvement on the same time last year.

Planning

- The Proposed District Plan was publicly notified in February, with the submission deadline extended to 2 May.

Pou Tuarongo

Doing the basics brilliantly

Positive benefits for Lower Hutt and our partners

- In Q3, Council joined the Hutt Valley Chamber of Commerce to engage with MBIE and local industry on exploring opportunities for maintaining investment in the Gracefield innovation campus.

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

- This quarter, we held hui with Mana Whenua to strengthen relationships and gather input on key projects and policy areas, including the Pito One Landings Design Project, District Plan updates, and the Sustainable Growth Strategy.
- We also discussed the Draft Annual Plan 2025–2026 and Tō Tātou Tāone – Our City Strategy, including the announcement of Mana Whenua members joining the City Leadership Group.
- Additionally, we engaged with Mana Whenua on emerging government reforms and legislative changes, focusing on the proposed Water Services Entity and broader government reform updates.

Pou Tokomanawa

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

Improving systems and processes

Implementation of HRIS and payroll

- Preferred providers for the HRIS and payroll systems have been chosen, and contract negotiations are ongoing. We expect the business case to be approved, with implementation starting in Q4.

Our people

Mana Kōrero framework

- As part of embedding the Mana Kōrero framework, templates and guidance were introduced to support mid-year performance check-ins. Two 30-minute drop-in sessions for people leaders provided a walk-through of the platform used to manage performance development (Culture Amp), and two 2-hour sessions by KV Consulting helped leaders manage difficult situations. The high uptake and positive feedback indicate the sessions were useful.

Leadership at council

- As part of developing the Kahikatea Leadership Framework, we shared a high-level view with senior leaders, completed filming for the Te Ao Māori narrative, and started creating an eLearning module. The framework will be introduced at the People Leaders Forum in mid-June.
- As part of the Te Ara Whakatupu programme, four leaders were selected for the Functional Leader Programme through Taituarā, and ten leaders joined our Leadership Coaching pilot, with 360-degree assessments underway and coaching sessions to follow. The 2025 Local Government Management Team has been selected and team building completed.

Understanding our people's differences

- The learning framework designed to help people understand and appreciate their differences (TetraMap) is now part of our onboarding process through an eLearning module and induction segment. Our Learning & Development Advisor is accredited in TetraMap, providing a sustainable solution moving forward. Ad-hoc workshops continue for those who haven't yet participated, fostering collaboration across HCC.

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.



PROJECT/PROGRAMME	PROGRAMME/ PROJECT MANAGER	FINANCIALS		PROJECT HEALTH								Q3 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)	\$3.68m (Capex)	G	A	G	G	A	G	G	G	The project continues to report GREEN at the end of Q3. Stage 2 includes procurement of a supplier (Early Contractor Involvement), design, consenting, property acquisition and construction planning works. The Stage 2 Delivery plan has now been signed by both Hutt City Council and Kāinga Ora. This plan confirms key stage 2 milestones and cost estimates. Tender evaluations were completed in January 2025, and a recommendation on the preferred contractor is progressing through internal approvals.
Tupua Horo Nuku Business Owner: Jon Kingsbury	Rona Lemalu	\$81.9m (Capex)	\$58.15m (Capex)	A	G	A	A	A	G	G	G	The project remains AMBER at the end of Q3. Tupua Horo Nuku continues to closely monitor the timeline and overall completion risks associated with the project's dependency on Te Ara Tupua and its interdependencies with THN. Active mitigation measures are in place to effectively manage these. The project has achieved 61% completion in terms of cost, an increase from 52% in December 2024 and this quarter saw the completion of York and Sunshine Bays.
Whakatupu Ngaengae Business Owner: Andrea Blackshaw	Andrew Quinn	P&F: \$68m (Capex) Comm: \$9m (Capex)	P&F: \$66.7m (Capex) Comm: \$6.9m (Capex)	A	G	A	G	G	G	G	G	The project team is currently in the process of closing out the Te Ngaengae Pool and Fitness project. At the time of reporting, we were awaiting Apollo's final account and at that stage it looked like there will be approximately \$0.8M in surplus funding. The defects liability period for the Naenae Community Centre project is nearing completion, and retentions are expected to be released to the contractor. Overall, the total investment in the Naenae Spatial Plan remains aligned with the \$9.0M allocation set out in the 2024-2034 Long-Term Plan. Walter Mildenhall Park is currently progressing to plan and we are on track to complete this project on time and on budget. As at the end of Q2, the overall programme RAG status is AMBER, due to weather and desired enhancement risks that may impact progress on the Walter Mildenhall Park project.
Moerā Neighbourhood Hub Business Owner: Andrea Blackshaw	Joann Ransom	Hub: \$1.2m (Capex) Reserve phase 1: \$0.3m (Capex)	Hub: \$0.9m (Capex) Reserve phase 1: \$0.02m (Capex)	G	G	G	G	G	G	G	G	As at the end of Q3, the project continues to report GREEN while closeout activities take place. The Moerā Neighbourhood Hub held a blessing in February, followed by a successful official opening ceremony on 1 March with over 1300 visitors. While final payment claims are still being processed, the project team remains confident that both the reserve and the building will be completed within budget.
Eastern Hutt Road Resilience Project Business Owner: Jon Kingsbury	Casey Truman	*\$39.82m (Capex)	\$7.37m (Capex)	A	G	A	A	A	A		G	The project continues to report AMBER at the end of Q3. Council Officers are working with NZTA to progress a funding decision and are meeting mid-April 2025. Design has been paused while we await this decision. <i>*The HCC 2024-2034 Long-Term Plan (LTP) allocates \$39.82M (inflated) for the Eastern Hutt Road Resilience project. The preferred option includes Better Off Funding (BOF) and Funding Assistance Rate (FAR) from NZTA.</i>

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

PROJECT/PROGRAMME	PROGRAMME/ PROJECT MANAGER	FINANCIALS		PROJECT HEALTH								Q3 SUMMARY
		Total overall cost (CAPEX & OPEX)	ACTUAL SPEND (to date)	OVERALL	Scope	Schedule	Budget	Risk	Issues	Benefits	H&S	
Te Wai Takamori Te Awa Kairangi (RiverLink) Business Owner: Jon Kingsbury	Orla Harking	\$179.68m (Capex)	\$29.25m (Capex)	A	G	R	R	A	G		G	The Programme Team presented the Relationship Agreement with partners and the Commercial Agreement with NZTA to Council on 11 March 2025. Council's approval to proceed with signing these documents has shifted the programme status from Red to AMBER. The partnership and commercial arrangements include a revised coordinated delivery plan, property access agreement, ongoing maintenance schedules, cost allocation splits and a draft interface management plan. Final endorsement of the coordinated delivery plan by the Partnership Governance Group (PGG) will set a programme baseline which will then follow the agreed change management process (at PGG level).
Te Kōhao o te Ngira / Go Digital Programme Business Owner: Lyndon Allott	Megan Connew-Simmons	\$17.73m (Opex)	\$11.29m (Opex)	A	G	G	G	G	A	G	G	The programme has reduced to AMBER at the end of Q3 to reflect the current programme level issues relating to agreement on finance processes and integration with single sign on for 2 projects. To date, 26 projects have been completed and the Programme Board has agreed to the prioritisation and scoping of 2 projects within the programme.
Parks and Reserves Programme Business Owner: Andrea Blackshaw	Arthur Nelson	\$15.4m (Capex)	\$5.5m (Capex)	G	R	G	G	G	G	G	G	As at the end of Q3, the programme continues to report a GREEN status overall. However, the scope indicator has shifted to RED this quarter due to scope changes across several projects. Despite this, the majority of projects within the programme remain on track. An underspend of approximately \$2.5 million is anticipated, largely due to the deferral of several sub-projects, including Mitchell Park, Naenae Park biodiversity enhancements, the rescoping of the Black Creek development, and the James Grove Track works. An additional underspend of around \$1.9 million is expected from the deferral of the Riddiford Gardens upgrade, Fraser Park demolition, and the hard surface renewal project. Meanwhile, the development of the Hugh Sinclair Reserve has been brought forward and added to the 2024/2025 project development list.
Transport Delivery Programme Business Owner: Jon Kingsbury	Rona Lemalu	\$15.m (Capex)	\$5.2m (Capex)	G	A	A	G	G	G	G	G	As at the end of Q3, the programme is progressing well, with most projects on track. Key design, planning and stakeholder engagement activities are underway, with several projects nearing completion or in close-out. Two projects are delayed or at risk due to pending inspections and design approvals. A high-rated risk has been identified for the Micromobility – Connected Communities project, relating to scope adjustments and requiring Council approval. Mitigation is underway to secure indicative approval and maintain momentum on pre-construction activities.

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



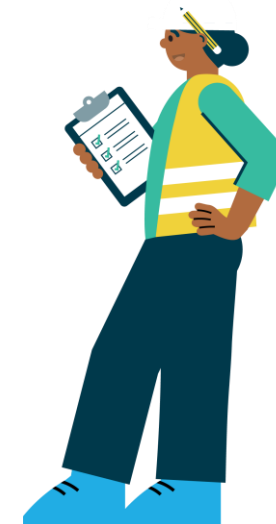
Hutt City Council

Targets met to date



Summary

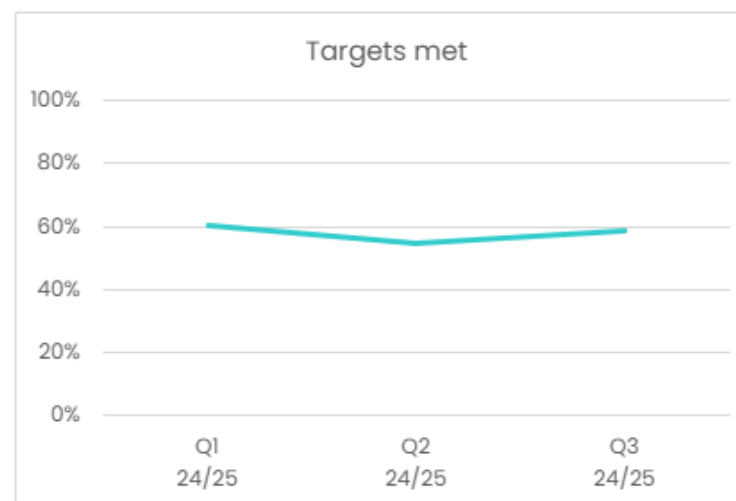
- There are 77 indicators in the Annual Plan/Long Term Plan.
- 53 of these are reported quarterly.
- 24 are reported annually and will be included in Year End (YE) figures in the Q4 and Annual Reports.
- 58% of targets were met as of Q3. This compares to 59% for the same period last year.



Highlights

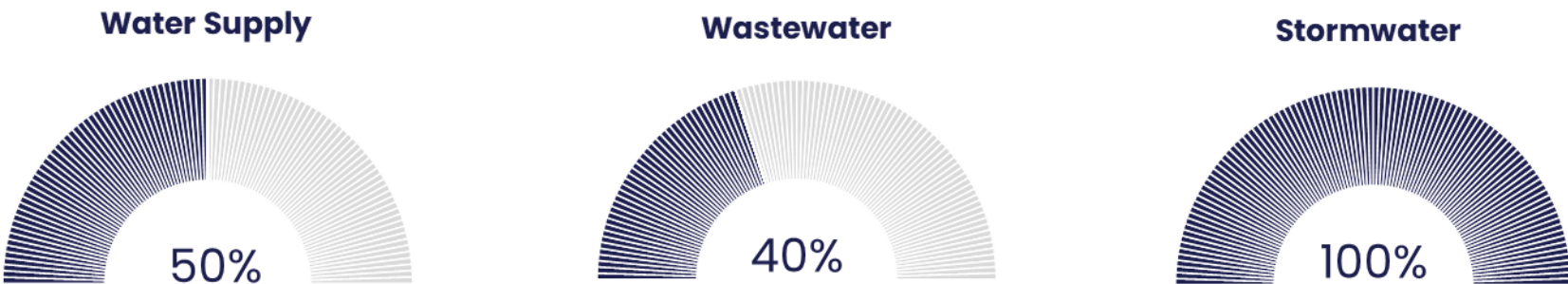
- 51 households were assisted by the homeless prevention programme in Q3, exceeding target by 155%. Likely due to the economic downturn and level of hardship people are facing.
- Attendance for urgent callouts (Water Supply) was within the target, with an average response time of 47 minutes against a target of ≤90 minutes.
- For consents, while the targets for 100% compliance were not met, there have been significant improvements in processing times compared to the previous year. The consistent achievement of targets for new consents indicates a positive trend in performance.

Quarterly trends

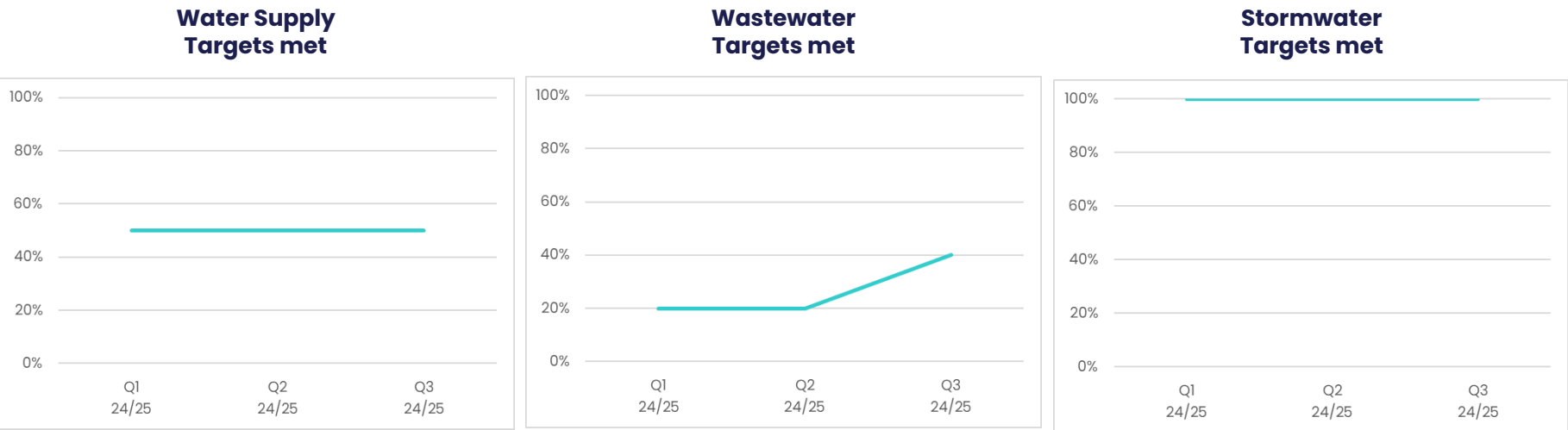


3 Waters

Targets met YTD



Quarterly trends



Water Supply

Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
WS1	The extent to which the water supply will comply with part 4 of the New Zealand drinking water standards and the drinking water quality assurance rules (bacteria and protozoal compliance criteria)	100%	0%	✗	100%	0%	✗	
WS2	Number of complaints received about water clarity, taste, odour, pressure, flow and continuity of supply per 1,000 connections	≤5	7.2	✗	≤15	20.7	✗	The volume of complaints is generally tied to both network condition and long term investment. With many water assets near, or at the end of their operational lives, we can expect to see complaints continue to exceed target.
WS3	Attendance for urgent callouts: from the time the local authority received notification to the time service personnel reach the site	≤90 mins	47 mins	✓	≤90 mins	50 mins	✓	
WS4	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	2.8 hours	✓	≤8 hours	3.0 hours	✓	
WS5	Attendance for non-urgent callouts: from the time the local authority received notification to the time service personnel reach the site	≤72 hours	48 hours	✓	≤72 hours	62 hours	✓	

✓ Target met ✗ Target not met

Water Supply

Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
WS6	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	5 working days	✓	≤20 working days	5.7 working days	✓	
WS7	Average drinking water consumption per resident per day	≤385 litres	389 litres	✗	≤385 litres	401 litres	✗	Demand for drinking water has reduced significantly in the past 6 months due to increased investment in leak repairs. However, the amount of pipe renewals being completed is insufficient to arrest ongoing network deterioration. This will inevitably result in increasing water loss in the future and will require increasing expenditure on reactive repairs and replacements as a result
WS8	Kilometers of renewals for 3 Water infrastructure	Baseline year*	2.4 km	Baseline year*	Baseline year*	6.3 km	Baseline year*	

✓ Target met ✗ Target not met

* Targets will be set for 25-26

Wastewater

Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
W1	Dry weather wastewater overflows per 1,000 connections	≤5	0.6	✓	≤15	1.1	✓	
W2	Number of complaints per 1,000 connections	≤7.5	5.4	✓	≤22.5	21.4	✓	
W3	Attendance time: from the time the territorial authority receives notification to the time service personnel reach the site	≤90 mins	90 mins	✓	≤90 mins	121 mins	✗	
W4	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	6.5 hours	✓	≤8 hours	16 hours	✗	
W5	Compliance with resource consents measured by the number of abatement notices, infringement notices, enforcement orders, and convictions from wastewater system	0	0	✓	0	3	✗	

✓ Target met ✗ Target not met

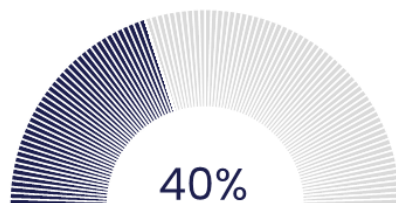
Stormwater

Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
S1	Number of flooding events (where stormwater enters a habitable floor)	≤0.5	0	✓	≤1.5	0	✓	
S2	Number of habitable floors affected by flooding events (per 1,000 connections)	≤0.06	0	✓	≤0.18	0	✓	
S3	Number of complaints about stormwater system performance (per 1,000 connections)	≤5	3.5	✓	≤15	9.7	✓	
S4	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	0 hours	✓	≤8 hours	0 hours	✓	
S5	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	0 notices	✓	

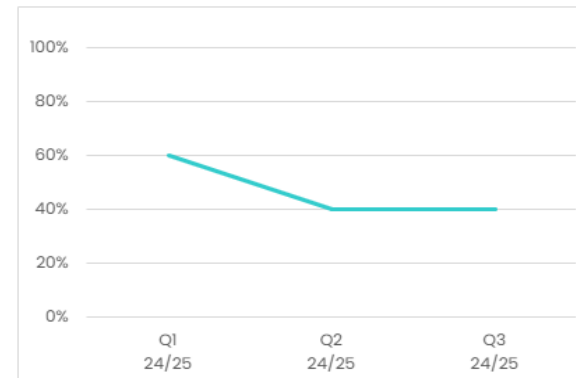
✓ Target met ✗ Target not met

Solid Waste

Targets met to date



Quarterly Trends

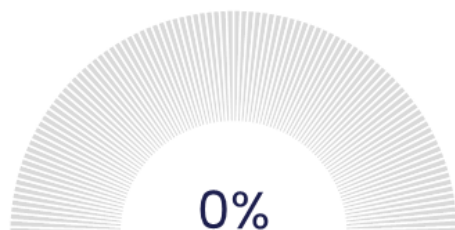


Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
SW1	Number of resource consent-related infringement notices received from Greater Wellington Regional Council	0 notices	0 notices	✓	0 notices	0 notices	✓	
SW2	Number of illegal dumping complaints	≤74	73	✓	≤222	180	✓	
SW3	Tonnes of kerbside waste to landfill (tonnes per person)	≤5,636 / 114,000 = 0.05	5,851 / 114,000 = 0.05	✗	≤16,908 / 114,000 = 0.15	17,480 / 114,000 = 0.15	✗	There are a range of factors that may impact the result, including population growth, and seasonal variations. The quarterly result is within 5% of the target, and not significant.
SW4	Percentage of kerbside recycling that is contaminated and diverted to landfill	≤10%	13%	✗	≤10%	14%	✗	Levels of contamination continue to vary month by month, but it remains challenging, despite Council's behaviour change programme to reduce it. In February 2025, we achieve a low of 11.1%.
SW5	Tonnes of kerbside recycling collected	≥1,309	1,282	✗	≥3,927	3,787	✗	Reasons for the reduction in kerbside volumes are not clear but could be associated with a slow-down in economic activity. The removal of bins due to contamination is unlikely to have a significant effect on the total amount of material collected.

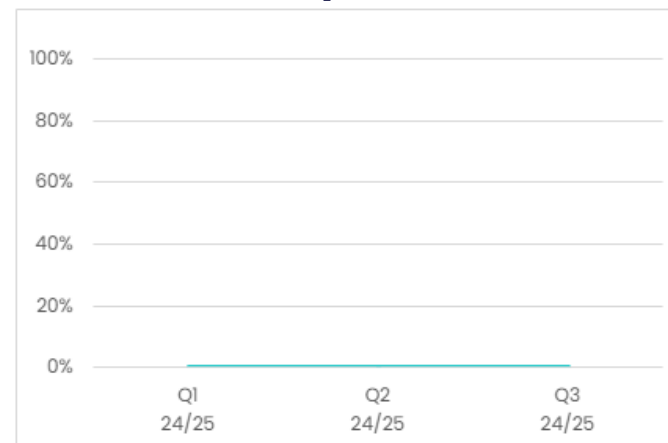
✓ Target met ✗ Target not met

Sustainability & resilience

Targets met to date



Quarterly Trends

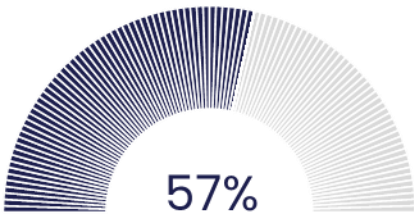


Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
SR1	Emissions from Council owned facilities (tCO2-e)	≤496.75	193.6	✓	≤1,490	1,697.6	✗	The drop in emissions compared to Q1 and Q2 reflects invoicing errors caused by the energy provider (previous overcharging corrected in Q3) and does not clearly measure the amount of actual carbon reduced.
SR2	Emissions from Council owned fossil fuel vehicles (tCO2-e)	≤15.25	16.3	✗	≤30	54.9	✗	While council has phased out all of its smaller vehicles to electric, the figure resembles emissions solely from the use of Utes. HCC recently introduced 5 new electric BYD Utes into its fleet and is still on track to reducing its fossil fuel vehicles.

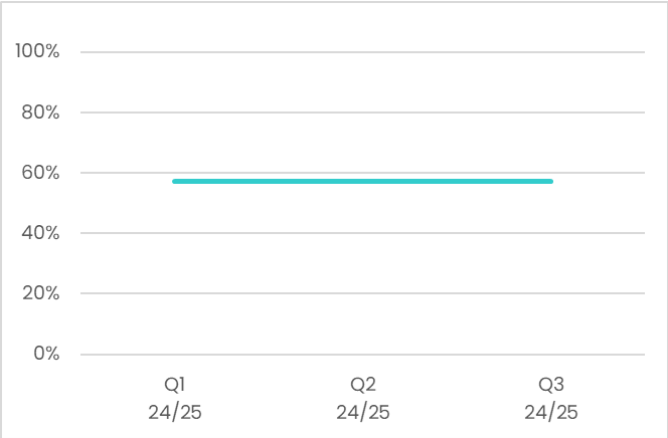
✓ Target met ✗ Target not met

Regulatory Services

Targets met YTD

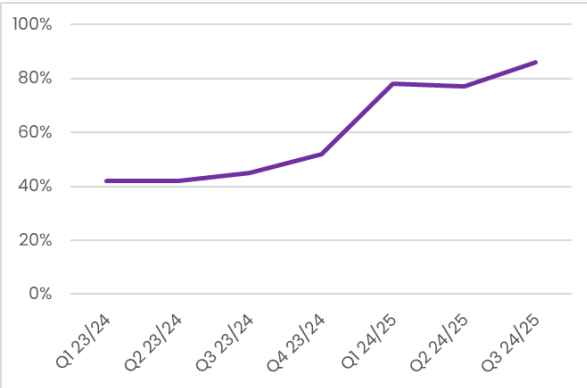


Quarterly Trends



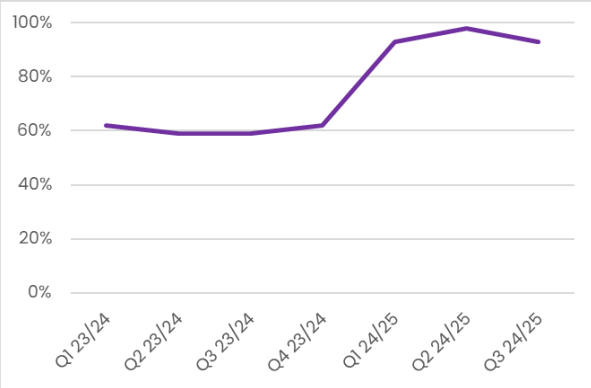
Consents

Building consents processed within timeframes



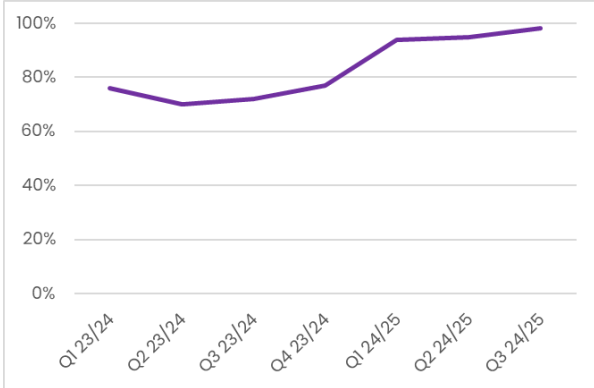
35% improvement on the same time last year.

Code of compliance certificates processed within timeframes



35% improvement on the same time last year.

Resource consents processed within timeframes



21% improvement on the same time last year.

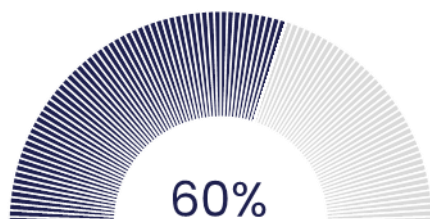
Regulatory Services

Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
R1	Percentage of building consents processed within statutory timeframe	100% within 20 days	86%	✗	100% within 20 days	80%	✗	Target not met, however, performance continues to improve over the year with March recording our highest month to date at over 90% statutory compliance.
R2	Code of compliance certificates issued within the statutory timeframe	100% within 20 days	93%	✗	100% within 20 days	96%	✗	Target not met, however, consistent achievement of targets for new consents.
R3	Percentage of non-notified resource consents processed within statutory timeframes	100% within 20 days	98%	✗	100% within 20 days	96%	✗	Target not met, however, consistent achievement of targets for new consents. Occasional historical consents that come off long-term hold are the cause of the consenting timeframes being exceeded.
R4	Existing food premises verified within time frames (one month of due date)	85% by due date	100%	✓	85% by due date	100%	✓	
R5	Sale and supply of liquor (high risk premises) inspected	95% checked	81%	✗	95% checked	97%	✓	Target not met in Q3 due to no checks being undertaken in January. On track to meet year end KPI.
R6	Noise control (excessive noise) complaints (%) investigated within 45 minutes	≥85%	90%	✓	≥85%	93%	✓	
R7	Number of animal management community education programmes carried out yearly	≥5	64	✓	≥15	127	✓	

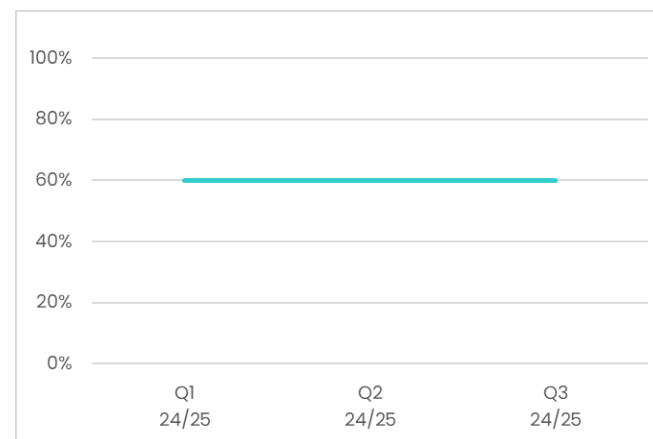
✓ Target met ✗ Target not met

Transport

Targets met YTD



Quarterly Trends



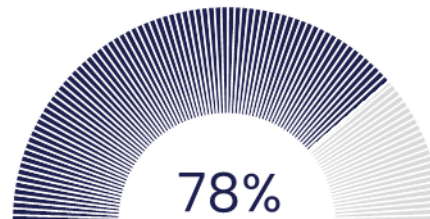
Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
T1	Kilometers of shared pathways and cycle lanes added annually	Baseline year*	0 km	Baseline year*	Baseline year*	0 km	Baseline year*	
T2	Kilometers of renewals for footpaths	Baseline year*	1 km	Baseline year*	Baseline year*	1.9 km	Baseline year*	
T3	Audit of contracts – number of contracts audited	3 of 12	12 of 12	✓	9 of 12	12 of 12	✓	
T4	Audit of contracts – percentage of audited contract specifications that met contractual obligations	≥90%	90%	✓	≥90%	90%	✓	
T5	The number of fatalities and serious injury crashes on the local road network	≤8.7	6	✓	≤26	18	✓	

* Targets will be set for 25-26

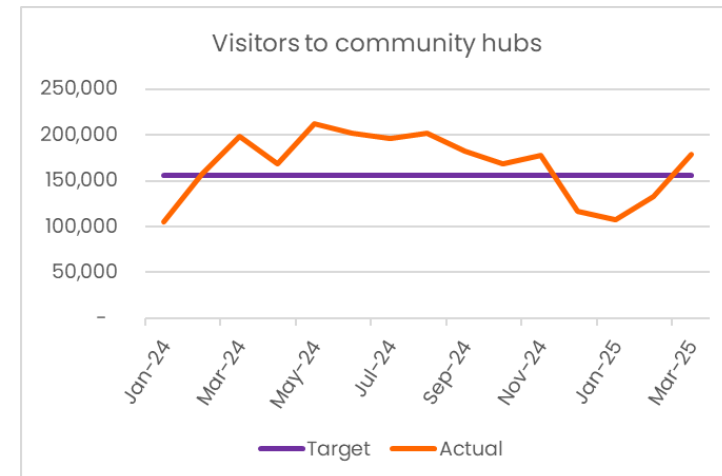
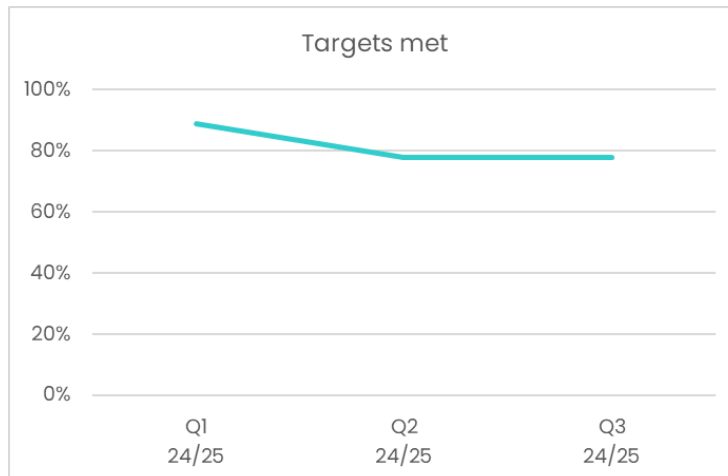
✓ Target met ✗ Target not met

Community partnering & support

Targets met YTD



Quarterly and annual trends



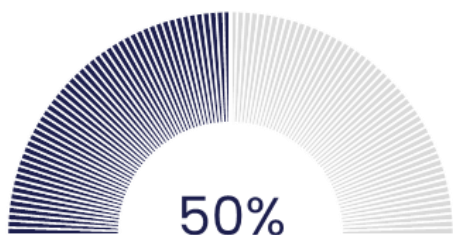
Community partnering & support

✓ Target met ✗ Target not met

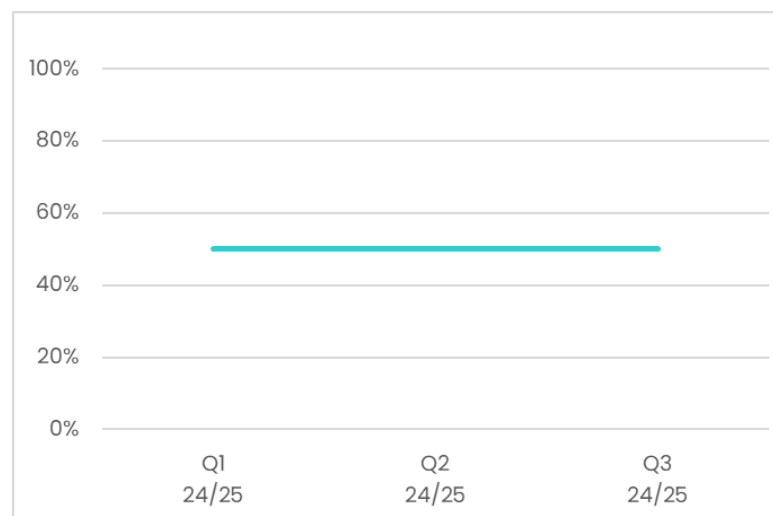
Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
CP1	Number of Te Awa Kairangi ki Tai Lower Hutt households assisted into more settled accommodation	≥12.5	11	✗	≥37.5	37	✗	The number of households assisted each quarter fluctuates due to external factors such as available housing and changes in Government services. Tuatahi centre is on track to reach its full year target.
CP2	Number of households provided with legal housing advice and advocacy	≥20	51	✓	≥60	140	✓	
CP3	Number of households assisted by the homeless prevention programme	≥20	51	✓	≥60	85	✓	
CP4	Number of neighbourhood hubs that met visitor number targets	9 of 9	6 of 9	✗	9 of 9	8 of 9	✗	The uniform monthly targets for individual hubs don't account for summer holidays, affecting Maungaraki with reduced hours and Walter Nash due to breaks for sports codes. The Christmas close down also impacts all sites, with only 3 hubs open between Christmas and New Year.
CP5	Number of community wellbeing activities delivered by, or in partnership with, Council	≥750	1,387	✓	≥2,250	5,353	✓	
CP6	Number of overall loans from hubs/libraries	≥197,500	229,804	✓	≥592,500	720,815	✓	
CP7	Number of digital literacy programmes/activities delivered/enabled	≥25	47	✓	≥75	195	✓	
CP8	Number of early years literacy programmes/activities delivered/enabled	≥200	273	✓	≥600	1,061	✓	
CP9	Number of Neighbourhood Support member households	≥24	29	✓	≥72	309	✓	

Open spaces, parks and reserves

Targets met YTD



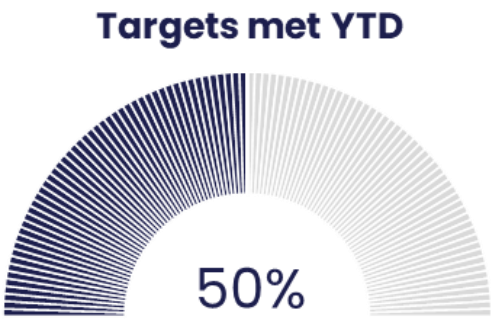
Quarterly Trends



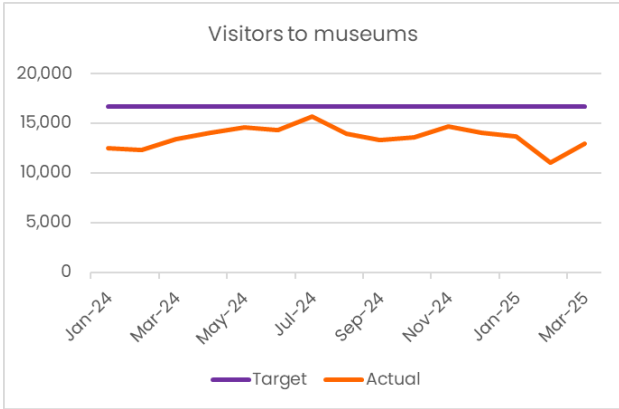
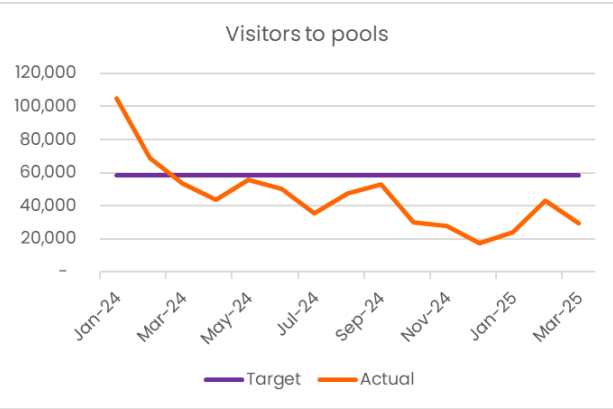
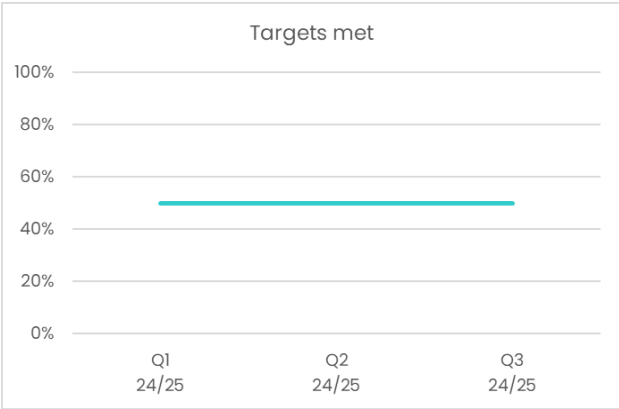
Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
PR1	Number of days Council owned/maintained artificial turf sports fields are closed (due to maintenance issues)	≤5 days	0 days	✓	≤15 days	0 days	✓	
PR2	Number of days Council owned/maintained grass sports fields are closed (due to maintenance or drainage issues)	≤2.5 days	0 days	✓	≤7.5 days	9 days	✗	YTD target not met due to drainage issues in Q1.

✓ Target met ✗ Target not met

Connectivity, creativity, learning & recreation



Quarterly and annual trends



Connectivity, creativity, learning & recreation

Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
C1	Number of pools that met visitor number targets	5 of 5	1 of 5	✗	5 of 5	2 of 5	✗	Target not met due to weather conditions and issues with the new visitor counting system.
C2	Number of fitness suite members	≥1,400	3,049	✓	≥1,400	2,346	✓	
C3	Number of museums that met visitor number targets	2 of 2	1 of 2	✗	2 of 2	1 of 2	✗	Target not met, however, visitor numbers for Q3 were the highest since Q3 2020/21. Reduced marketing activity has had an impact. Three galleries were closed for up to three weeks for exhibition changeovers.
C4	Number of arts and culture programmes delivered at museums	≥50	74	✓	≥150	263	✓	

✓ Target met ✗ Target not met

Governance, strategy & partnerships

Code	Indicator	Q3 Target	Q3 Actual	Q3 Result	YTD Target	YTD Actual	YTD Result	Commentary
G1	Percentage of Council agendas made available to the public within statutory timeframes (four clear working days under Council's standing orders)	100%	100%	✓	100%	99.7%	✗	YTD target not met due to technical issues and one agenda being published late in Q2

✓ 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 31 March 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	67.2	68.6	(1.4)	2.0%		88.8	91.1	(2.3)	2.5%		95.3
Operating Expenditure	(246.1)	(258.7)	12.6	4.9%		(344.0)	(350.1)	6.1	1.7%		(323.6)
Net Operating Before Rates Income	(178.9)	(190.1)	11.2	5.9%		(255.2)	(259.0)	3.8	1.5%		(228.4)
Rates Income	185.4	183.6	1.7	0.9%		185.2	183.6	1.6	0.9%		183.6
Net Operating	6.5	(6.5)	12.9	198.5%		(70.0)	(75.4)	5.4	7.2%		(44.8)
Capital Contributions	40.3	30.5	9.9	32.5%		46.7	41.4	5.4	13.1%		79.2
Net Surplus/(Deficit)	46.8	24.0	22.8	95.0%		(23.3)	(34.0)	10.7	31.5%		34.4

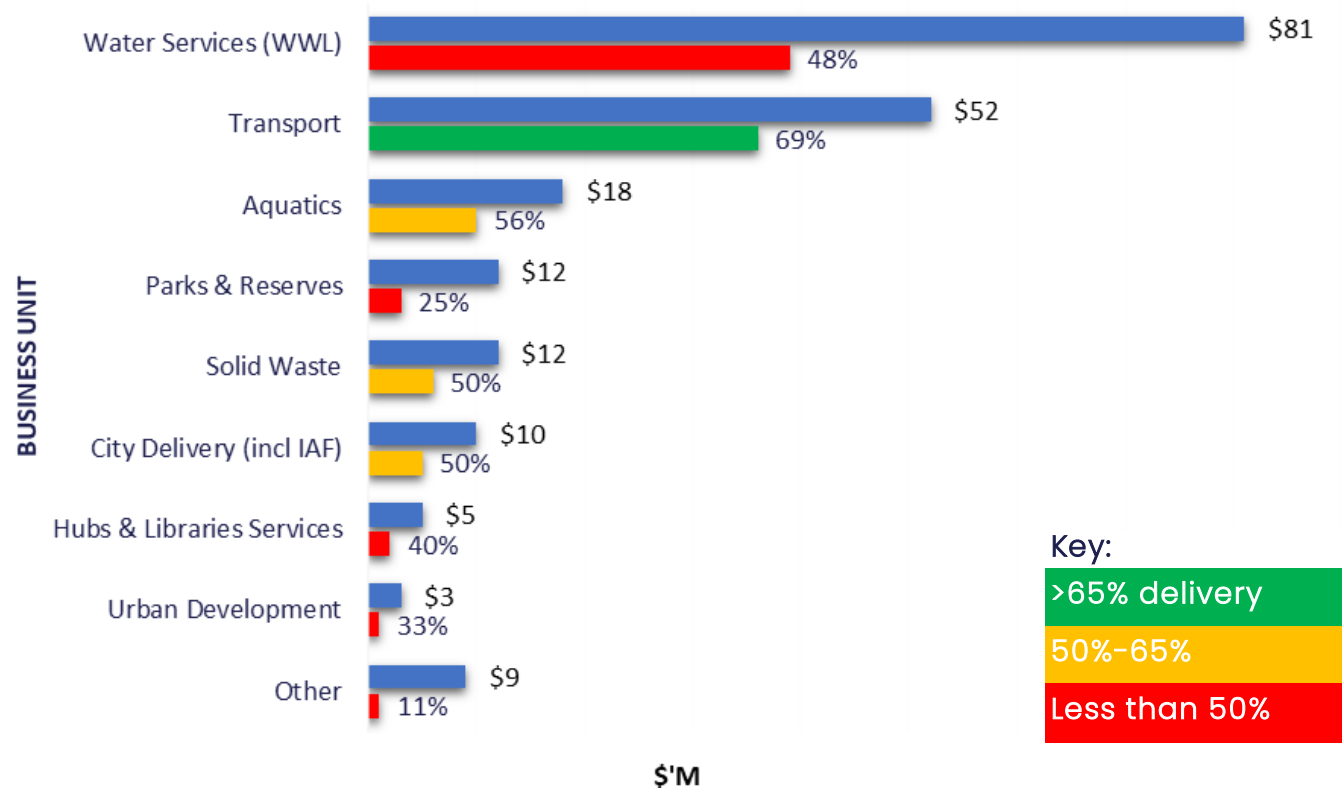
Capital Performance Results

\$millions	YTD Actual	YTD Revised Budget	Variance	%		Annual Forecast	Annual Revised Budget	Variance	%		Annual Plan Budget
Total	103.3	140.1	36.9	26.3%		176.3	201.6	25.3	12.5%		247.9

Capital investment delivery – some risks

As at 31 March 2025

Capex spend YTD vs Annual revised budget



Capital delivery results

YTD capital delivery is 26% below budget. This is partly expected due to timing changes and a range of carryovers being proposed for year end. Overall, the year end forecast is showing delivery of \$176.3M against the revised budget of \$201.6M which reflects around 70% delivery against the original LTP budget of \$248M.

The YTD spend does highlight risks that the forecast spend for the full year may not be achieved.

Financial Performance Results

As at 31 March 2025

Operating Performance Results

The year-end forecast is **\$5.4M or 7.2% favourable** against a revised budget deficit of \$75.4M.

Key year end favourable forecast variances are:

- \$2.8M largely due to timing changes for Go Digital projects which will be requesting a carryover
- \$2.6M in Water Services due to higher revenue and lower costs
- \$1.6M in rates revenue mainly due to higher growth than assumed and higher rates penalty income
- \$1.3M forecast reduction in depreciation costs across Transport linked to the capital programme

Key year end unfavourable forecast variances are:

- \$3.2M in Planning and Building Control mainly due to provisions for legal claims and lower revenue largely driven by market conditions. Officers are working to minimise the impacts
- \$1M mainly due to lower revenue for Solid Waste, largely driven by market conditions. Officers are working to minimise the impacts

Included in the budget is a savings target of \$0.6M which has been achieved.

Capital Investment Performance Results

Deferrals of capex have resulted in LTP budget for 2024/25 of \$248M being reduced to \$202M.

Year-end forecast is \$25M (12.5%) below the revised budget of \$202M with further carryover requirements being identified.

The \$5.4M of additional capital contribution revenue is due to timing changes for Te Ngaengae capex programme.

Key year end forecast variances are:

- \$8.6M underspend in Water Services due to savings and deferral
- \$6.5M underspend in Transport and City Delivery due to various delays and some savings against budget
- \$6.4M underspend across Parks and Reserves, Hubs and Libraries and Aquatics due to a range of delayed work programmes
- \$1.9M underspend in Contingent Facilities Management funding with costs forecast against actual projects (such as Huia Pool, hubs and libraries) that will be utilising this contingency funding.
- \$1.9M Solid Waste mainly due to the delay in the Silverstream Landfill stage 2 development

Net Operating Results

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

Key:

Favourable or minimal variance =>1%:

Moderate variance:

High unfavourable variance >-5%:



\$Million	YTD Actual	YTD Revised Budget	Variance	%		Annual Forecast	Annual Revised Budget	Variance	%		Annual Plan Budget
Environmental Wellbeing											
Water Supply	(34.0)	(35.3)	1.3	3.7%	●	(45.0)	(47.2)	2.2	4.7%	●	(40.0)
Wastewater	(32.9)	(33.7)	0.7	2.1%	●	(45.1)	(45.2)	0.1	0.2%	●	(34.7)
Stormwater	(19.2)	(19.3)	0.1	0.5%	●	(25.2)	(25.6)	0.3	1.2%	●	(13.0)
Solid Waste	(0.5)	0.5	(0.9)	194.1%	●	(0.4)	0.6	(1.0)	172.1%	●	0.6
Sustainability & Resilience	(0.9)	(1.5)	0.6	39.6%	●	(2.1)	(2.0)	-			(2.0)
Regulatory Services	(2.0)	(0.1)	(2.0)	3828.7%	●	(3.6)	(0.4)	(3.2)	789.9%	●	(2.3)
Environmental Wellbeing Total	(89.5)	(89.3)	(0.2)	0.2%		(121.5)	(119.8)	(1.7)	1.4%		(91.5)
Economic Wellbeing											
Transport	(21.7)	(23.0)	1.4	6.1%	●	(29.5)	(31.0)	1.5	4.8%	●	(33.3)
City Development	(6.4)	(9.0)	2.6	29.0%	●	(13.2)	(15.2)	2.1	13.8%	●	(12.3)
Economic Wellbeing Total	(28.1)	(32.0)	3.9	12.2%		(42.7)	(46.3)	3.6	7.8%		(45.6)
Social & Cultural Wellbeing											
Community Partnering & Support	(6.3)	(7.5)	1.2	16.1%	●	(10.0)	(10.4)	0.4	3.8%	●	(9.8)
Open Spaces, Parks & Reserves	(14.6)	(15.9)	1.3	8.2%	●	(21.2)	(21.2)	-			(21.2)
Connectivity, Creativity, Learning & Recreation	(16.4)	(17.4)	1.0	5.7%	●	(24.2)	(23.6)	(0.6)	2.5%	●	(23.7)
Governance Strategy & Partnerships	(2.3)	(2.7)	0.4	14.9%	●	(3.6)	(3.6)	-			(3.6)
Corporate Services	(21.8)	(25.4)	3.6	14.2%	●	(32.1)	(34.1)	2.0	5.9%	●	(33.0)
Social & Cultural Wellbeing Total	(61.4)	(68.9)	7.5	10.9%	●	(91.1)	(92.9)	1.8	1.9%	●	(91.3)
Total Council	(179.0)	(190.2)	11.2	5.9%		(255.3)	(259.0)	3.7	1.4%		(228.4)

Net Operating Results

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

Overview

Year-end operating result is forecast to be in line with revised budget

Key favourable forecast variances are:

- \$2.8M largely due to timing changes for Go Digital projects which will be requesting a carryover.
- \$2.6M in Water services is favourable to budget due to projected lower operating costs from Wellington Water Ltd mainly for investigative works, higher commercial water revenue and lower bulk water costs. These are partly offset by higher depreciation and Local Water Done Well costs.
- \$2.1M in City Development for a number of operational project underspends and operational savings.
- \$1.5M in Transport for depreciation linked to the capital programme and other operational savings.

Key unfavourable forecast variances are:

- \$3.2M in Regulatory Services mainly due to provision for Legal claims and Resource Consents and Building Control revenue being below expectations because of economic climate impacting actual volume of consenting and compliance activity. This is partially offset by a reduction of operating and employee costs aimed to be achieved through focus on improving productivity. Officers are working through ways to reduce this unfavourable position further.
- \$1.0M in Solid Waste due to reduced commercial volumes, partly offset by higher domestic revenue, lower Ministry for Environment levy costs, Emission Trading Unit costs and lower refuse, recycling and green waste costs.
- \$0.6M in Connectivity, Creativity, Learning & Recreation is largely in Aquatics and is driven by lower than planned user volumes and increased unavoidable costs of operating the pool network (i.e. gas and water charges). Museums has had a revenue timing change which will delay revenue to next financial year and a carryover will be requested.

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	19.5	27.9	8.3	29.8%	32.7	37.1	4.4	11.8%	22.6
Wastewater	16.7	30.1	13.4	44.5%	36.9	40.4	3.5	8.7%	55.3
Stormwater	3.4	5.2	1.8	34.4%	6.8	7.5	0.7	9.4%	18.8
Solid Waste	6.2	9.4	3.2	34.2%	10.6	12.5	1.9	15.2%	11.1
Sustainability & Resilience	-	0.2	(0.2)	103.2%	0.3	0.3	-		0.3
Environmental Wellbeing Total	45.9	72.8	26.9	37.0%	87.3	97.8	10.5	10.7%	108.2
Economic Wellbeing									
Transport	36.5	34.4	(2.1)	6.1%	48.5	52.2	3.8	7.3%	69.6
City Development	4.8	5.4	0.6	11.1%	7.4	10.1	2.7	26.6%	32.0
Economic Wellbeing Total	41.3	39.8	(1.5)	3.8%	55.9	62.4	6.5	10.4%	101.7
Social & Cultural Wellbeing									
Community Partnering & Support	0.1	1.0	0.9	89.1%	0.6	1.4	0.9	63.7%	0.5
Open Spaces, Parks & Reserves	3.3	6.7	3.3	49.4%	10.9	12.0	1.1	9.2%	15.0
Connectivity, Creativity, Learning & Recreation	11.6	18.5	6.9	37.4%	19.9	24.3	4.4	18.1%	18.3
Corporate Services	1.0	1.4	0.4	28.0%	1.9	3.8	1.9	50.6%	4.3
Social & Cultural Wellbeing Total	16.1	27.6	11.5	41.7%	33.2	41.5	8.3	20.0%	38.1
Total Council	103.3	140.2	36.9	26.3%	176.4	201.7	25.3	12.5%	248.0

Capital investment results

Key Forecast Variances

Overview

Year-end capital spend is forecast to be less than revised budget by \$25.3M or 12.5%

Year-end capital spend is forecast to be less than revised budget by \$25.3M or 12.5% with key underspends outlined below.

Environmental wellbeing

- \$8.6M in Water Services which includes cost savings for Wainuiomata North Wastewater Upgrade, Rata Street Watermain Renewal and Howard Road Watermain Renewal largely due to contingency funding not being required. It also includes deferrals such as Knights Road Wastewater Renewal works due to the need to retender for the contractor and \$1.6M for Infrastructure Acceleration fund projects on the Valley Floor which are in stage 2.
- \$1.9M underspend in Solid Waste mainly due to delays at the Silverstream landfill.

Economic wellbeing

- \$3.8M in Transport for Network Resilience Eastern Hutt Road delayed due to NZTA business case approval, resilience projects which are delayed in design phase with construction expected to start next year and Slip Remediation work which has been completed under budget.
- \$2.7M in City development for Naenae Town Centre which is slightly delayed with work expected to be completed in August 2025, Urban Growth Strategy Improvements which is delayed due to factors outside of Council control.

Social and cultural wellbeing

- \$4.4M in Connectivity, Creativity, Learning and recreation for Petone and War memorial Library works which are currently in design and scoping phases, the Dowse HVAC upgrade which is now likely to complete in 2025-26 as sharp changes in temperature and exhibition schedule has impacted the upgrade work
- \$1.8M for Contingent Facilities Management Fund which is to be used to cover additional costs on other projects such as Huia Pool with actual costs of projects forecast against the project.
- \$1.1M for Parks and Reserves projects is mainly due to a range of delays related to staffing, procurement, community engagement and consenting activities which is impacting the delivery timeline.
- \$0.9M in community partnering for delays in the community panels project, CCTV replacement and other minor projects

Balanced operating budget result

The Long Term Plan 2024-2034 (LTP) 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 LTP projected that a balanced budget would not be achieved until 2028-29.

With the year end forecast deficit of \$66.6M, the year end balanced operating budget position for 2024-25 is currently forecast to be \$4.9M favourable 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	6.5	(6.5)	13.0	200.0%	(70.0)	(75.4)	5.4	7.2%	(44.8)
Plus Capital Renewal subsidies	3.3	3.0	0.3	9.9%	3.4	3.9	(0.5)	12.8%	7.0
Total	9.8	(3.5)	13.3	380.0%	(66.6)	(71.5)	4.9	6.9%	(37.8)

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, Infrastructure Acceleration Fund grants and central government COVID-19 Response and Recovery co-funding for Naenae Pool and Tupua Horo Nuku.

Annual Plan v Revised Plan

The current Long Term Plan 2024-2034 (LTP) was approved by Council on 27 June 2024. The annual budgets included for 2024-25 were based on the best financial information and estimates available at the time of preparation of the LTP.

A revised budget for 2024-25 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.

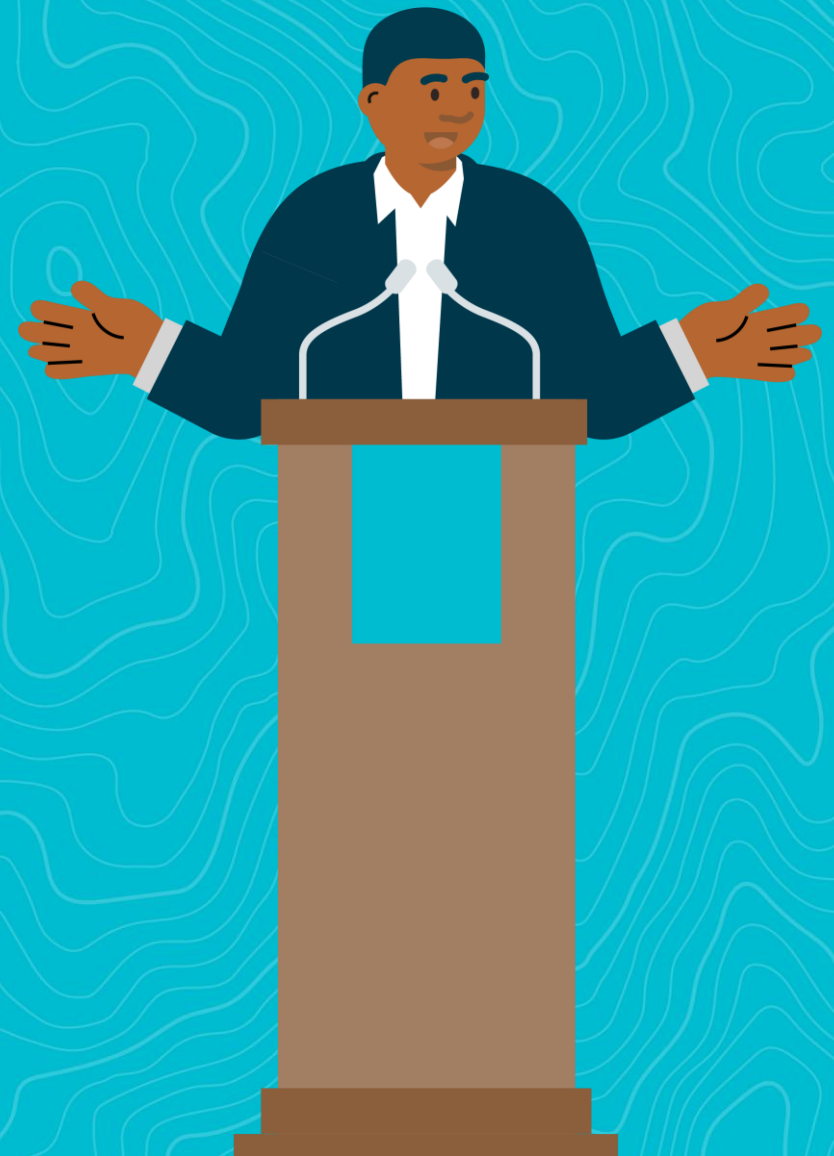
\$Million	Net Surplus/ (Deficit) 2024-25	Capital 2024-25	Change reference
Annual Plan 2024-25	34.4	247.9	
	Surplus		
2023-24 year end carryovers	(3.6)	22.1	Council meeting 26 August 2024
Micromobility budget changes	(4.4)	(2.8)	Council meeting 26 August 2024
Revised budget 2024-25 as at Q1 Reporting Date	26.4	267.2	
	Surplus		
National Land Transport Plan funding change	(6.2)	(8.7)	Council meeting 16 December 2024
Tupua Horo Nuku budget change	-	1.2	
Cross Valley Link subsidy reduction	(1.7)	(2.0)	
Silverstream Landfill	-	2.0	
Depreciation change	(26.3)	-	
Wellington Water capital budget rephasing	-	(2.9)	
Capital budget rephasing	(26.2)	(41.1)	
Revised budget 2024-25 as at Q2 Reporting Date	(34.0)	215.7	
Capital budget rephasing	-	(14.1)	Council meeting 24 February 2025
Revised budget 2024-25 as at 31 March 2025	(34.0)	201.6	
	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 Q3

- An average cost of funds of 4.68% has been achieved year to date, which is slightly below budget by 0.16%. This is mainly due to market conditions.
- Interest costs were slightly higher than budget by \$0.4M for the period.
- Interest earned on cash holdings was favourable to budget by \$1.69M for the period, mainly due pre-funding activities and higher market interest rates. This will assist off-setting the slightly higher interest costs noted above.
- The overall year-end financial outlook is expected to be within budget.

	Actual YTD	YTD Budget	Variance
Average cost of funds	4.68%	4.84%	(0.16%)
Interest expense – borrowings	(\$20.95M)	(\$20.59M)	(\$365k)
Interest earned	\$4.84M	\$3.15M	\$1.69M
Fair value loss on derivatives	(\$4.59M)	–	–

Debt Portfolio Performance

- Net debt* increased from \$450.0M (31 December 2024) to \$453.8M as at 31 March 2025, whilst gross debt remained the same at \$591.7M over the same period.
- We completed \$20M of debt issuance in the three months to 31 March 2025.
- We had \$20M of debt mature during the three-month period to 31 March 2025.
- Both revolving credit facilities, LGFA (\$35M) and Westpac (\$25M), remained undrawn as at 31 March 2025.

Interest Rate Swaps:

Council has a range of interest rate swap agreements (\$167.0M) 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.

At 31 March 2025 a fair value loss of \$4.59M 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

<u>Measures</u>	<u>Policy</u>	<u>Actual</u> <u>31 March 2025</u>	<u>Compliant</u>
Net external debt/total revenue	Maximum 250%	142.62%	Yes
Net interest on external debt/total revenue	Maximum 15%	5.65%	Yes
Net interest to annual rates income	Maximum 25%	8.70%	Yes
Liquidity ratio	Minimum 110%	120.25%	Yes

Funding risk control limits

<u>Period</u>	<u>Minimum %</u>	<u>Maximum %</u>	<u>Actual gross debt</u> <u>Not including</u> <u>Revolving Credit</u> <u>Facility (\$60M)</u>	<u>Actual %</u> <u>31 March 2025</u>	<u>Compliant</u>
0 to 3 years	15%	60%	\$215.7M	36%	Yes
3 to 7 years	25%	85%	\$366.0M	62%	Yes
7 years plus	0%	60%	\$10.0M	2%	Yes
<u>Total</u>			<u>\$591.7M</u>	<u>100%</u>	

Funding maturity and interest rate risk

Month

March 2025

Currency

NZD

Liquidity summary

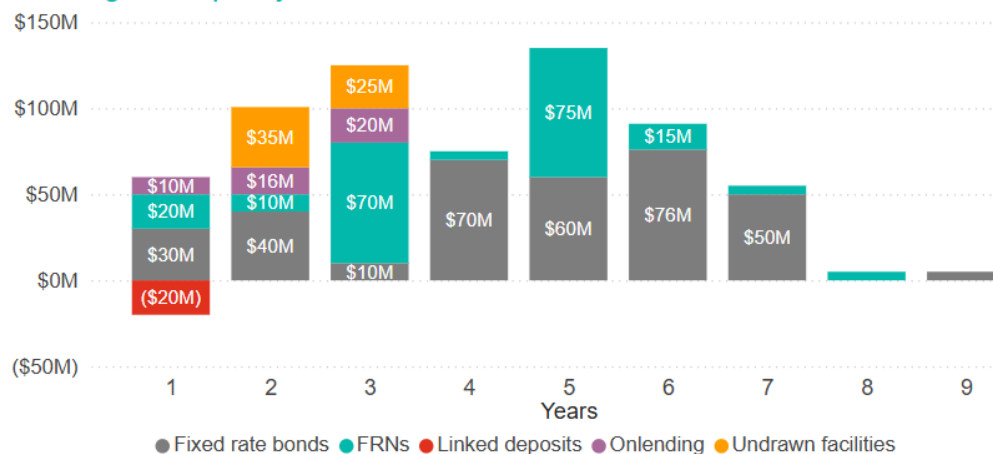
120.25%

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 timeline

