

# Quarterly Performance Report

Quarter 2

1 October to 31 December 2023



# Contents

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This quarterly 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 Quarter 2, 2023/24.


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# Section one

## Highlights and challenges

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

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# Highlights

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## Progressing the 2024–34 Long term plan

During the quarter, Council progressed a number of financial decisions for the Draft Long term plan (DLTP), including capital and operational budgets, targeted rates, fees & charges, rates revenue increases (after growth), operational savings and significant forecasting assumptions. Council also approved draft strategies and policies for inclusion in the LTP that impact financial decision making. Quality Assurance reviews commenced for the Consultation Document. These reviews are required for all necessary approvals and authorisation of content.

Due to strategic uncertainty at the Central Government level, uncertainties around LTP content for Water and Transport were identified and action plans put in place. Third-party designers, printers, and distribution hubs were engaged to prepare for the finishing, publication, and distribution of both documents.

## Progressing the Annual Plan 23–24

- **Tupua Horo Nuku:** The first completed section of the pathway was open to the public in late November between Oruamotora (Days Bay) and Eastborne.
- **Te Wai Takamori o Te Awa Kairangi (RiverLink):** The construction team for the Mills Street Stopbank development, led and managed by Greater Wellington Regional Council (GWRC), is expected to be on site for set up from February 2024, and the stopbank design will be finalised in late March.
- **Whakatupu Ngaengae:** Construction of the new Naenae Pool complex continued through Q2. The foundations and structure was completed which enabled us to drawdown \$8.1M from Crown Infrastructure.
- **3 Waters:** Capital works programme is tracking well with two physical works projects being completed this quarter (Knights road and GI Ridermain renewals).

## Improving customer experience and outcomes

Work continued this quarter to deliver ongoing customer experience improvements. A Contact Centre Review was undertaken along with the creation of a Customer Access Strategy. We will continue to make improvements to business processes and this work will support the implementation of new technical systems in 2024.

## All of Local Government Information Management (ALGIM) Awards 2023

We received the Supreme Website Award at the ceremony in November. This award is based on an annual audit of websites from more than 78 councils across the country and two council-controlled organisations (CCOs).

## Neighbourhoods and communities

Visits to Neighbourhood Hubs for the first half of 2023/2024 are 19% higher than last year and 92% of pre-COVID levels. Eight of nine sites exceeded their individual targets. Loans of physical items at half YTD are 30% above target and 3% more than the same time last year. Digital loans continue to increase, up 24% on last year. For the half year ending Dec 2023, 238 bookings have been made for community halls. This compares to 155 bookings last year for the same 6 months, an increase of 54%.

# Highlights

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## **Additional Government Funding for Tupua Horo Nuku (Eastern Bays Shared Path)**

Additional Government funding of \$15M has been confirmed for Tupua Horo Nuku, the new seawall and shared pathway covering a 4.4km stretch of Marine Drive between Ngau Matau (Point Howard) and Eastbourne.

## **Positive benefits through partnerships**

WellingtonNZ and HCC co-funded an economic impact analysis to inform a business case for a Hutt Valley product development innovation facility / makerspace (included in the Wellington Regional Economic Development Plan).

Love Wainuiomata installed and launched their suburb's welcome sign, delivering a longstanding project designed, carved and produced by the community to increase pride.

Alongside the Hutt Valley Chamber of Commerce and UHCC, HCC co-funded the research and engagement phase of the Future of Business in Hutt Valley project to define a collective business sector vision and 10 year action plan.

## **Our people**

Voluntary turnover has continued to decrease this quarter, following a downward trend over the last 12 months. The decrease of 7.8% over this period is positive to see at a time where other organisations (including some councils), have continued to see attrition rates increase.

Our Waiora pulse survey was conducted in October, with an 83% participation rate and engagement remaining steady at 51%.

Our annual He Tangata Awards were held in December for all staff at the Events Centre and were a success. There were a record 136 nominations received across the six award categories. Over 300 staff attended the celebration evening where they could connect and reflect on all that was achieved in 2023.

## **Non-financial KPIs**

- Attendance time for urgent callouts (Water Supply) exceeded target by 4 minutes this quarter.
- 15 animal management community education programmes were carried out this quarter.
- The Council vehicle fleet is 69% electric, an increase of 4% on Q1 23/24.
- Total visitors to swimming pools exceeded target by 5,136.

# Challenges

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## Water Restrictions

We are working with Wellington Water and Taumata Arowai to continue resolving the immediate water shortages and the challenges we are facing as a community due to our ageing water network, population growth and high water usage. We're focussed on renewing ageing pipes as quickly as practically possible, bringing forward work where we can. In the year to date, 1,280 leaks have been fixed in Lower Hutt.

## Water Reform

With the new Government's decision to repeal the Water Services Entities Act 2022, there is some uncertainty over the replaced delivery model being proposed under the National Party "local water done well" policy. The Government has indicated new delivery models and financing tools to address widespread 3 waters industry issues.

## Project challenges

**Te Wai Takamori o Te Awa Kairangi (RiverLink)** - Following the completion of the procurement process, we are now working with our Alliance Designers and Contractors to refine the scope and set budgets and programmes for delivery. The complexity of the project, and the need for detailed, robust design and scoping means the current phase (Interim project alliance agreement) will take longer than anticipated.

**Te Kōhao o te Ngira / Go Digital Programme** - An additional \$3.16M is required to complete the current programme of work. This is being sought via the LTP process.

## Non-financial KPIs

- Average drinking water consumption missed target by 38 litres per resident per day, an increase of 10 litres per day over the last four quarters. This is due to leakage and high residential use relative to other cities in NZ. We continue to invest in water loss activities, network renewals, universal smart metering, and additional capacity.
- Attendance time for non-urgent callouts (Water Supply) missed target by 94 hours. Leaks are assessed based on risk to the public and the quantum of leakage, as opposed to age. The number of leaks continues to exceed available funding and resources. We anticipate that we will reach a record number of open leaks this summer.
- 69% of Community Resilience Plans were more than 24 months old in Q2 (target = 0%).
- Building consents processed within timeframes dropped from 91% in Q3 22/23 to 42% in Q1 and Q2 23/24. This is due to rapid increase in consents in April (before the change in the Building Code requiring a higher standard of insulation) an increase in the size and complexity of consents, as well as implementation of the digital consenting system.
- While recycling contamination rates missed target by 4%, there was a 1% improvement on Q1 23/24.

# Section two

## 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.

Focus area	Quarter 2 update (1 October – 31 December 2023)
<p><b>Our delivery of key LTP 2024–34 initiatives</b></p>	<p><b>Progress on the LTP</b></p> <ul style="list-style-type: none"> <li>• During the quarter, Council progressed a number of financial decisions for the draft Long term plan (LTP), including capital and operational budgets, targeted rates, fees &amp; charges, rates revenue increases (after growth), operational savings and significant forecasting assumptions.</li> <li>• Draft strategies and policies for inclusion in the LTP that impact financial decision making were approved.</li> <li>• Quality Assurance reviews on the Consultation Document commenced for all necessary approvals and authorisation of content.</li> <li>• Due to strategic uncertainty at the Central Government level, uncertainties around LTP content for Water and Transport were identified and action plans put in place.</li> <li>• Third-party designers, printers, and distribution hubs were engaged to prepare for the finishing, publication, and distribution of both documents.</li> </ul> <p><b>Climate action and waste reduction</b></p> <ul style="list-style-type: none"> <li>• HCC provided a detailed report-back on the status of all actions in Council's Carbon Reduction Plan 2021–31 &amp; the Lower Hutt Climate Action Pathway to the Climate Change and Sustainability Committee on 5 Sep 2023. While a significant share of actions are on track regarding implementation, there are a number that are delayed, have had no progress, or where their status is unclear.</li> <li>• The draft business case for Food Waste Collection and Processing was completed in August 2023 and Council received the finalised report in November 2023 (via the Council's Climate and Sustainability Committee).</li> <li>• Council approved the inclusion of a new Food Organics and Garden Organics (FOGO) service in its draft LTP for 2024–34. HCC is collaborating with Porirua City Council and Wellington City Council to undertake a market engagement and procurement process for a potential FOGO processing facility.</li> <li>• In October 2023 we were advised that our joint application for funding from the Climate Emergency Response Fund (CERF administered by the Waste Minimalisation Fund) was successful.</li> </ul> <p><b>Progressing our Māori Strategy</b></p> <ul style="list-style-type: none"> <li>• CLT were updated on the Rautaki Māori development in October 2023 and agreed content to put forward for Mana Whenua partnership consultation in October.</li> <li>• Feedback was received from Mana Whenua at Quarterly Hui and from our operational partners in October and November regarding proposed framing of future Rautaki Māori.</li> <li>• Rautaki current status and future development was socialised through Council channels &amp; Briefing in October, Communities, Culture &amp; Partnerships Committee in November and Full Council on 12 December 2023.</li> </ul>



# Pou Tāhū

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

Focus area	Quarter 2 update (1 October – 31 December 2023)
<p><b>Our delivery of key LTP 2024–34 initiatives</b></p>	<p><b>Reducing kerbside contamination</b></p> <ul style="list-style-type: none"> <li>• While contamination is still above our target of 10% or less (14% at the end of Q2), a comprehensive work programme is underway, involving bin inspections, removals in response to repeated contamination and education activities.</li> <li>• As part of the 23/24 education campaign, all households were sent updated service and "recycle right" information, alongside the new 2024 collection calendar, prior to Christmas 2023.</li> <li>• A new campaign commenced in December 2023 and further marketing is scheduled from January to June 2024.</li> </ul> <p><b>Infrastructure Acceleration Fund (IAF)</b></p> <ul style="list-style-type: none"> <li>• One condition of our IAF funding was the establishment of a multi-agency Hutt Central Regeneration Steering Group. This has been established and split between an Officer's Working group and a Leaders' Steering Group.</li> <li>• We are reviewing the resource requirements for the delivery of housing outcomes and related initiatives.</li> </ul> <p><b>Establishment of a Hutt City Urban Renewal Programme</b></p> <ul style="list-style-type: none"> <li>• The Urban Renewal Programme has been established and</li> <li>• The city-wide Spatial Plan is under development (although still in early stages) and we are currently advertising for the Housing &amp; Development Lead role.</li> </ul>
<p><b>Our collaboration on key regional priorities</b></p>	<p><b>Emergency Management response</b></p> <ul style="list-style-type: none"> <li>• Quarterly regional engagement continues at Chief Executive and working group level, including Chief Executive Group (CEG) meetings, Regional Inter-Agency Planning meetings and Hutt Valley Emergency Services Coordination Committee (HVESCC) meetings.</li> <li>• Council is contributing to regional and local contingency response and recovery planning for Wellington metropolitan area acute water shortages expected over summer 23/24.</li> <li>• The Hutt City Emergency Response Team (NZ-RT18) has commenced a national accreditation process with documentation checks, site visits, and field assessments in November. It is expected to be completed in Q3.</li> </ul> <p><b>Establishing emergency activation centres (EACs) and marae emergency hub</b></p> <ul style="list-style-type: none"> <li>• Ongoing engagement with HCC and WREMO to support marae develop emergency equipment caches, preparedness, and models that will enable marae to support the community in emergencies.</li> </ul> <p><b>Mana Whenua engagement in reforms</b></p> <ul style="list-style-type: none"> <li>• Engagement with Mana Whenua representatives continues as part of reforms through the Quarterly hui and the tri-weekly Kāhui Mana Whenua hui.</li> <li>• Mana Whenua representatives attended the Council meeting in November on Māori wards and the future of Local Government reforms, where they provided strategic advice on Mana Whenua aspirations.</li> </ul>

# Pou Tuarongo

Our communities and their voices are at the heart of our work

Focus area	Quarter 2 update (1 October – 31 December 2023)
<p><b>Our customer &amp; regulatory services</b></p>	<p><b>Compliance with statutory timeframes</b></p> <ul style="list-style-type: none"> <li>Improvements have been made to business processes and systems in both Resource Consents and Building Control.</li> <li>Resource Consents were tracking at 73% approved within the statutory timeframe year to date.</li> <li>In Building Control, we were tracking at an average of approximately 42% for Q1/2. This is due to a peak in volume earlier in the year, as well as resourcing issues.</li> </ul> <p><b>BCA Accreditation</b></p> <ul style="list-style-type: none"> <li>IANZ accreditation visit is scheduled for 12-16 February 2024.</li> <li>Work is underway to implement the improvement plan and planning to support successful delivery of the audit in February</li> </ul> <p><b>District planning</b></p> <ul style="list-style-type: none"> <li>Draft District Plan consultation completed in November-December 2023. In October 2024, approval from Council will be sought to notify the Proposed District Plan, followed by a submissions and hearings process in 2025. It is anticipated the new District Plan will come into effect 2026.</li> </ul> <p><b>Group Procurement Strategy</b></p> <ul style="list-style-type: none"> <li>Work commenced in Q2 to develop a Group Procurement strategy. The draft Strategy will be presented to Audit and Risk Subcommittee in Q3.</li> </ul>
<p><b>Our improvements to Customer experience</b></p>	<p><b>Customer Service systems</b></p> <ul style="list-style-type: none"> <li>Procurement is now complete to purchase CRM, booking &amp; facilities and request for service systems.</li> <li>Three preferred suppliers were selected to deliver systems for CRM/Request for Service, Bookings and Facilities management, and Pools and Leisure. All unsuccessful supplier briefings have been completed.</li> </ul> <p><b>Customer Service knowledgebase system</b></p> <ul style="list-style-type: none"> <li>A new knowledgebase system has been developed and technical and content support is being managed via the Customer Experience and Customer Services teams.</li> <li>The solution is intended to drive continuous improvement and will be deployed to the business in support of further CCX Project solutions.</li> </ul>

# 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.

Focus area	Quarter 2 update (1 October – 31 December 2023)
<p><b>Our relationship with Mana Whenua</b></p>	<p><b>Mana whenua engagement for council projects</b></p> <ul style="list-style-type: none"> <li>• Mana Whenua continue to be engaged on Council work plans relevant to their strategic goals and aspirations.</li> <li>• Te Tira Māori has worked with Council departments to ensure Mana Whenua engagement is considered during the early stages of Council projects and programmes of work.</li> </ul>
<p><b>Our relationships with stakeholders</b></p>	<p><b>Partnerships and engagement</b></p> <ul style="list-style-type: none"> <li>• WellingtonNZ and HCC co-funded an economic impact analysis to inform a business case for a Hutt Valley product development innovation facility / makerspace (included in the Wellington Regional Economic Development Plan).</li> <li>• Love Wainuiomata installed and launched their suburb's welcome sign, delivering a longstanding project designed, carved and produced by the community.</li> <li>• Alongside the Hutt Valley Chamber of Commerce and UHCC, HCC co-funded the research and engagement phase of the Future of Business in Hutt Valley project to define a collective business sector vision and 10-year action plan.</li> </ul> <p><b>Local and Central Government engagement</b></p> <ul style="list-style-type: none"> <li>• Through the Wellington Regional Skills Leadership Group, HCC led a workforce development hui for construction and infrastructure on behalf of the Wellington Regional Skills Leadership Group on 10 October. 65 employers, educators, industry attended.</li> <li>• A Jobs and Skills Hub opened to the public in Lower Hutt on 11 October 2023. The Hub is run by Ministry of Social Development alongside Hutt City Council, other agencies and community organisations. It will be a key recruitment source for several projects, including Te Wai Takamori o Te Awa Kairangi (RiverLink) project and other Hutt Valley transport projects such as Te Ara Tupua.</li> </ul>

# Pou Tokomanawa

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

Focus area	Quarter 2 update (1 October – 31 December 2023)
<p><b>Our culture and leadership</b></p>	<p><b>Waiora pulse survey</b></p> <ul style="list-style-type: none"> <li>• Our Waiora pulse survey was conducted in October with an 83% participation rate and engagement remaining steady at 51%.</li> </ul> <p><b>Enhancing our Māori capability</b></p> <ul style="list-style-type: none"> <li>• 24 Staff attended and completed the Te Ao Māori course this quarter held at various Council buildings and hubs. Te Tira Māori continue to have regular hui with the People &amp; Capability team to discuss further opportunities to increase Te Ao Māori capability</li> </ul> <p><b>Staff</b></p> <p>Voluntary turnover has continued to decrease this quarter, following a downward trend over the last 12 months. The decrease of 7.8% over this period is positive to see at a time where other organisations (including some councils), have continued to see attrition rates increase.</p>
<p><b>Our enhanced employee experience</b></p>	<p><b>He Tangata awards</b></p> <ul style="list-style-type: none"> <li>• Our annual He Tangata Awards were held in December and were a great success, with a record 136 nominations received across the categories.</li> <li>• Over 300 staff attended the celebration evening where they could connect and reflect on all that was achieved in 2023.</li> </ul>
<p><b>Our systems &amp; processes</b></p>	<p><b>HRIS and Payroll</b></p> <ul style="list-style-type: none"> <li>• The HRIS/Payroll Project remains on pause. Discussion are ongoing with the vendor on next steps.</li> </ul> <p><b>Business Process Optimisation</b></p> <ul style="list-style-type: none"> <li>• Two initiatives were completed in Q2 <ul style="list-style-type: none"> <li>• <b>Contractor hiring process</b> - Developed a improved contractor hiring process, including a centralised repository for essential contractor information which is secure and enables better access to the information.</li> <li>• <b>Resource Consents Customer Queries</b> - Obtained an 83% reduction in the number of customer queries received by the building administration team through redesigning and improving the current process.</li> </ul> </li> </ul>

# Section three

## Programme and project summary

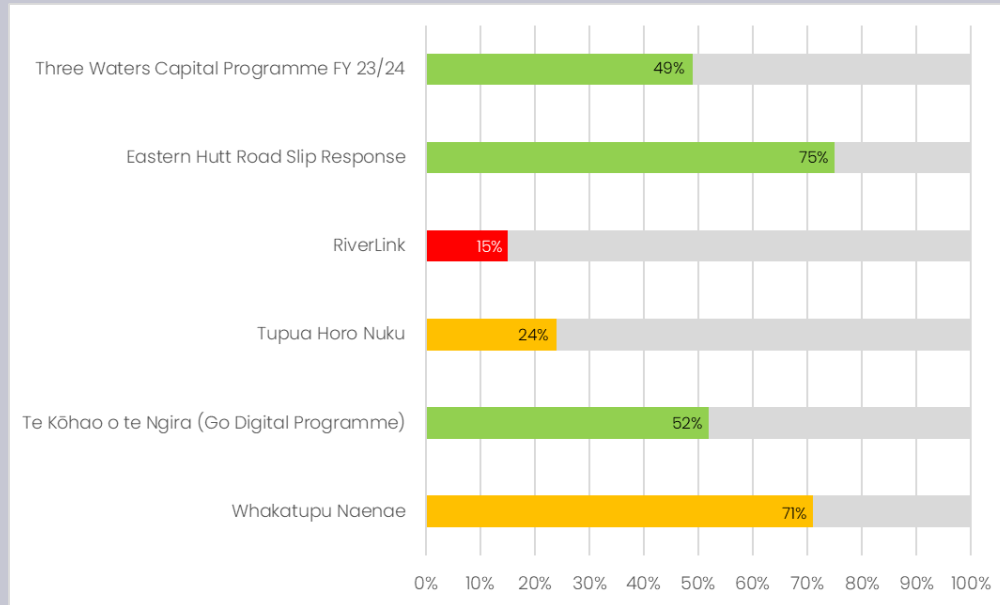
This section provides an overview of the major programmes and projects currently delivering services, assets or improvements across the organisation and wider community

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# Major Projects in Hutt City

As at 31 December 2023

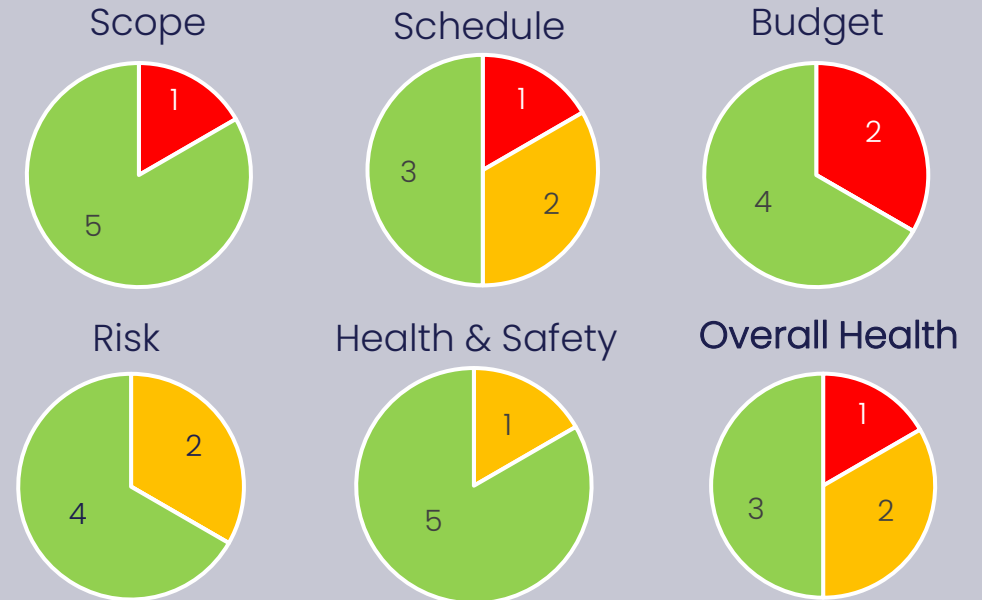
## Overall Project Health and Percentage (%) complete



## Overall Portfolio Health



### Project RAG indicators



The overall portfolio health is reporting AMBER this reporting period for the six major projects being delivered across council. The Wainuiomata Project is no longer being reported on as it is now in the final stages of completion with a project closure report being developed. A detailed summary for each project is provided on pages 15-18.

### 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				QUARTERLY UPDATE – as at 31 December 2023												
Project title	Strategic alignment	Upcoming Milestones over the next 12-18 months:		Indicator	RAG	Progress update										
<b>Te Wai Takamori o Te Awa Kairangi (RiverLink)</b>	Economic wellbeing	<ul style="list-style-type: none"> <li>Completion of IPAA – scope and price setting phase</li> </ul>	Dec 2023 (delayed)	Scope	↓	<p>Scope, schedule, budget and overall confidence RAG indicators have decreased to RED in Q2. The IPAA phase is experiencing delays while the options, implications and mitigations strategies are being considered. The complexity of this project and need for detailed and robust design and scoping has meant this phase is taking longer than planned. However, there is a collective focus on defining an affordable project and reducing risk for all partners in the IPAA phase.</p> <table border="1"> <thead> <tr> <th></th> <th>Budget</th> <th>Actual spend</th> <th>Forecast</th> <th>Variance</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>\$143.3m</td> <td>\$27.58m</td> <td>\$143.3m</td> <td>\$0m</td> </tr> </tbody> </table>		Budget	Actual spend	Forecast	Variance	Total	\$143.3m	\$27.58m	\$143.3m	\$0m
					Budget		Actual spend	Forecast	Variance							
				Total	\$143.3m		\$27.58m	\$143.3m	\$0m							
				Schedule	↓											
				Budget	↓											
				Risk	→											
Health & Safety	→															
<b>Overall Confidence</b>	↓															
<b>Tupua Horo Nuku (Eastern Bays Shared Path)</b>	Economic wellbeing	<ul style="list-style-type: none"> <li>Construction complete – Sunshine Bay</li> <li>Construction complete – York Bay</li> </ul>	Jun 2024  Nov 2024	Scope	→	<p>Overall health and risk indicators have decreased to AMBER at the end of Q2 due to the high number of risks which are being closely monitored. A multi-party agreement between Council, Waka Kotahi and Crown Infrastructure Partners (CIP) confirming the milestones and funding that underpin the delivery of Bays 1 to 4 has now been signed off by all parties. Council and The Alliance have started a collaborative approach to understanding current and future costs to deliver Tupua Horo Nuku and have embedded financial reviews into ongoing project governance. Despite several risks under close management, the project is making good progress and tracking within budget.</p> <table border="1"> <thead> <tr> <th></th> <th>Budget</th> <th>Actual spend</th> <th>Forecast</th> <th>Variance</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>\$79.95m</td> <td>\$22.8m</td> <td>\$79.95m</td> <td>\$0m</td> </tr> </tbody> </table>		Budget	Actual spend	Forecast	Variance	Total	\$79.95m	\$22.8m	\$79.95m	\$0m
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<b>Overall Confidence</b>	↓															

PROGRAMME AND PROJECT INFORMATION				QUARTERLY UPDATE – as at 31 December 2023												
Project title	Strategic alignment	Upcoming Milestones over the next 12–18 months:		Indicator	RAG	Progress update										
<b>Three Waters Capital Programme</b>	Environmental wellbeing	<ul style="list-style-type: none"> <li>Petone Collector Sewer detailed design completed.</li> </ul>	Jun 2024	Scope	➡	<p>The programme continues to track GREEN at the end of Q2, with two physical works projects being completed this quarter (Knights road and Gl Ridermain renewals).</p> <p>Wellington Water has conducted a six-month review of the Capital Works programme and is recommending Council increase the full budget allocation to \$82m to expedite new projects for delivery in FY 23/24.</p> <table border="1"> <thead> <tr> <th></th> <th>Budget</th> <th>Actual spend</th> <th>Forecast</th> <th>Variance</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>\$76.7m</td> <td>\$34.2m</td> <td>\$77m</td> <td>\$0.3m</td> </tr> </tbody> </table>		Budget	Actual spend	Forecast	Variance	Total	\$76.7m	\$34.2m	\$77m	\$0.3m
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				Budget	➡											
				Risk	➡											
			Health & Safety	➡												
<b>Overall Confidence</b>	➡															
<b>Eastern Hutt Road Slip Response</b>	Economic wellbeing	<ul style="list-style-type: none"> <li>Site A complete</li> <li>Site B complete</li> <li>Road corridor – reinstatement works</li> </ul>	Jan 2024	Scope	➡	<p>The project continues to report GREEN at the end of Q2. There have been changes to the scope of work at each site, primarily in response to the altered slope formation identified during de-vegetation and scaling activities. Sites A &amp; B are progressing well, with additional site crew assisting to accelerate the project timeline in response to the increased scope. An updated schedule of quantities has been submitted due to additional scope and is being reconciled with the engineer prior to approval. All scope change falls within project contingency.</p> <table border="1"> <thead> <tr> <th></th> <th>Budget</th> <th>Actual spend</th> <th>Forecast</th> <th>Variance</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>\$27.5m</td> <td>\$2.7m</td> <td>\$27.5m</td> <td>\$0m</td> </tr> </tbody> </table>		Budget	Actual spend	Forecast	Variance	Total	\$27.5m	\$2.7m	\$27.5m	\$0m
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			Mar 2024	Budget	➡											
				Risk	⬆											
				Health & Safety	➡											
	<b>Overall Confidence</b>	➡														



PROGRAMME AND PROJECT INFORMATION			QUARTERLY UPDATE – as at 31 December 2023													
Project title	Strategic alignment	Upcoming Milestones over the next 12-18 months:		Indicator	RAG	Progress update										
<b>Te Kōhao o te Ngira (Go Digital Programme)</b>	Economic wellbeing	<ul style="list-style-type: none"> <li>CCX Business Case sign off for CRM booking and facilities management</li> </ul>	Mar 2024	Scope	➔	<p>Overall confidence has reduced to AMBER this quarter. Several key projects have now been completed in the Customer Service Excellence and Customer Centric Systems initiation projects to support the prioritisation of the customer service related projects. The programme is forecasting an additional \$3.16m to complete the current programme of work. This is due to</p> <ul style="list-style-type: none"> <li>Extended programme of work (25 to 42 projects)</li> <li>Rising costs of systems due to inflationary pressures</li> <li>Increased time and investment into project change activities to ensure projects are fully implemented and embedded into the business.</li> </ul> <p>This is being sought via the LTP process through a request to transfer existing CAPEX funding to OPEX.</p> <p>Three Go Digital projects and one project which was overseen by the Go Digital team were nominated for ALGIM awards with all four projects making the final and were presented at the ALGIM conference in November 2023. 24 projects have been completed and there are currently six live projects within the Te Kōhao/Go Digital Programme.</p> <table border="1"> <thead> <tr> <th></th> <th>Budget</th> <th>Actual spend</th> <th>Forecast</th> <th>Variance</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>\$14.57m</td> <td>\$6.34m</td> <td>\$17.73m</td> <td>\$3.16m</td> </tr> </tbody> </table>		Budget	Actual spend	Forecast	Variance	Total	\$14.57m	\$6.34m	\$17.73m	\$3.16m
				Budget	Actual spend		Forecast	Variance								
			Total	\$14.57m	\$6.34m		\$17.73m	\$3.16m								
			Schedule	➔												
			Budget	⬇												
		Jun 2024	Risk	➔												
			Health & Safety	➔												
	<b>Overall Confidence</b>	⬇														

PROGRAMME AND PROJECT INFORMATION			QUARTERLY UPDATE – as at 31 December 2023																		
Project title	Strategic alignment	Upcoming Milestones over the next 12-18 months:		Indicator	RAG	Progress update															
<b>Whakatapu Ngaengae</b>	Economic wellbeing	<b>Naenae Pool</b>				<p>The overall health at the end of Q2 continues to report AMBER. Overall, the project is still on track for budget, however the schedule of work activity ahead is challenging and the refurbishment of Naenae Post Office is now expected to be complete by early April 2024.</p> <p><b>Ngaengae Pool and Fitness Centre:</b></p> <p>Construction of the new Ngaengae Pool complex has continued through November 2023 and the project has achieved Stage 4 milestone completion “foundations and structure”. This enables the project to draw down \$8.1M from Crown Infrastructure Partners.</p> <p><b>Te Ngaengae Community Centre</b></p> <p>The Ngaengae Community Centre is now in fit-out mode with work progressing well. Final cost is still anticipated to be \$6.6M leaving \$2.4M for the development of Walter Mildenhall Park.</p> <p>The key residual risks to completion are programme prolongation, earthquake, health &amp; safety, COVID and site security/theft. All residual risks are being managed pro-actively and have risk mitigation plans in place.</p> <table border="1"> <thead> <tr> <th></th> <th>Budget</th> <th>Actual</th> <th>Forecast</th> <th>Variance</th> </tr> </thead> <tbody> <tr> <td>Pool &amp; Fitness</td> <td>\$68m</td> <td>\$48.46m</td> <td>\$68m</td> <td>\$0m</td> </tr> <tr> <td>Town Centre</td> <td>\$9m</td> <td>\$4.93m</td> <td>\$9m</td> <td>\$0m</td> </tr> </tbody> </table>		Budget	Actual	Forecast	Variance	Pool & Fitness	\$68m	\$48.46m	\$68m	\$0m	Town Centre	\$9m	\$4.93m	\$9m	\$0m
			Budget	Actual	Forecast		Variance														
		Pool & Fitness	\$68m	\$48.46m	\$68m		\$0m														
		Town Centre	\$9m	\$4.93m	\$9m		\$0m														
		• Internal works	Apr 2024	Scope	→																
		• Fit out and commissioning	Jul 2024	Schedule	→																
		• Practical completion	Jul 2024																		
• Pool operational	Jul -Dec 2024	Budget	→																		
<b>Community Centre</b>																					
• Building services & internal finished	Jan 2024	Risk	→																		
• Practical completion	Mar 2024	Health & Safety	↓																		
• Community centre opening	May 2024																				
		<b>Overall Confidence</b>	→																		

# Section four

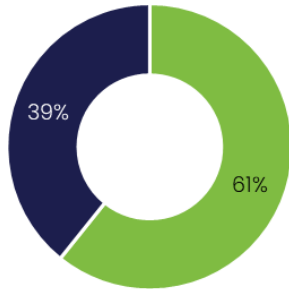
## Non-financial key performance indicators

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

The bottom right corner of the slide features several thick, light blue wavy lines that flow from the bottom left towards the right edge, creating a dynamic, abstract graphic element.

# Overview

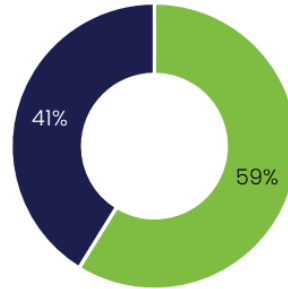
Hutt City Council  
Targets met vs not met  
Q2 23/24



## Quarter 2

- 51 Annual Plan KPIs
- 31 met
- 20 not met

Hutt City Council  
Targets met vs not met  
YTD 23/24



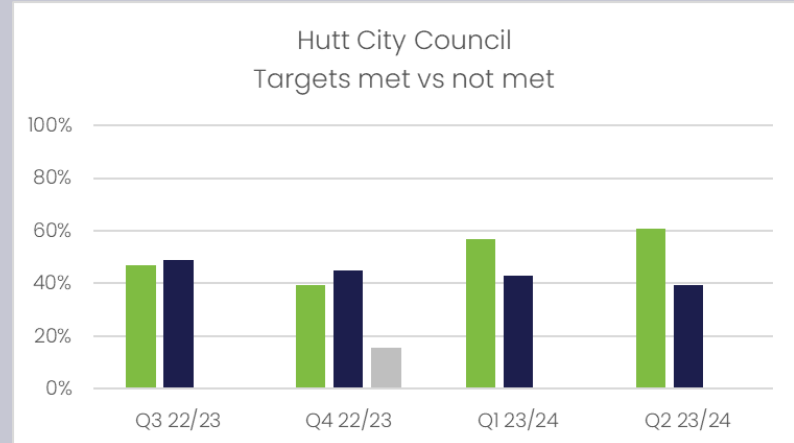
## YTD

- 51 Annual Plan KPIs
- 30 met
- 21 not met

## Legend for the tables

Target columns	
≥	Target is greater than or equal to the number specified
≤	Target is less than or equal to the number specified
Variance columns	
45%	Numbers in green indicate the target was met or exceeded
45%	Numbers in red indicate the target was not met

## Trends



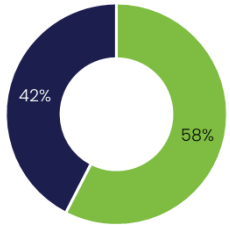
## Legend for the charts

<span style="color: green;">■</span>	Targets met
<span style="color: darkblue;">■</span>	Targets not met
<span style="color: gray;">■</span>	Data unavailable

Note: There are 86 indicators in the Annual Plan/LTP, 51 of these are reported on quarterly. The remaining 35 are reported on annually and are included in year-end figures and charts

# Overview

Environmental wellbeing  
Targets met vs not met  
Q2 23/24

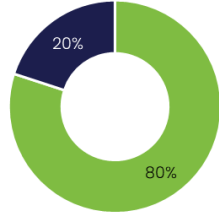


**Q2**

## Environmental wellbeing

- 33 Annual Plan KPIs
- 19 met
- 14 not met

Economic wellbeing  
Targets met vs not met  
Q2 23/24

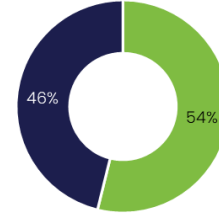


**Q2**

## Economic wellbeing

- 5 Annual Plan KPIs
- 4 met
- 1 not met

Social & cultural wellbeing  
Targets met vs not met  
Q2 23/24

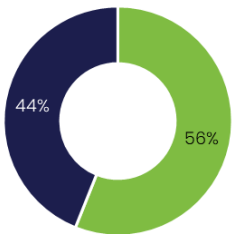


**Q2**

## Social & cultural wellbeing

- 13 Annual Plan KPIs
- 7 met
- 6 not met

Environmental wellbeing  
Targets met vs not met  
YTD 23/24

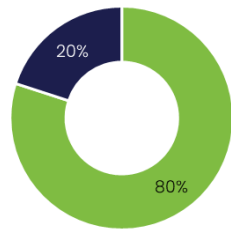


**YTD**

## Environmental wellbeing

- 33 Annual Plan KPIs
- 18 met
- 14 not met
- 1 data unavailable

Economic wellbeing  
Targets met vs not met  
YTD 23/24

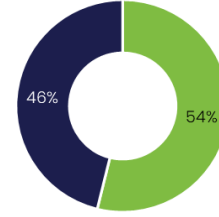


**YTD**

## Economic wellbeing

- 5 Annual Plan KPIs
- 4 met
- 1 not met

Social & cultural wellbeing  
Targets met vs not met  
YTD 23/24



**YTD**

## Social & cultural wellbeing

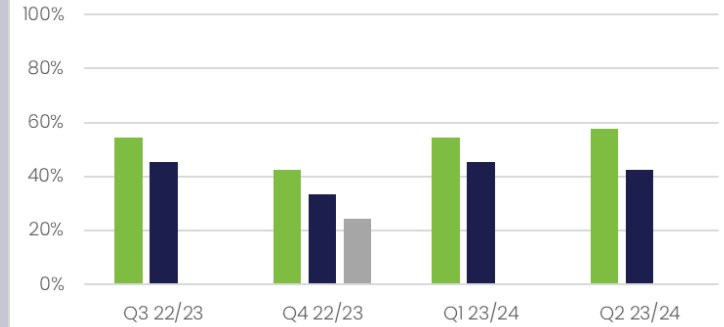
- 13 Annual Plan KPIs
- 7 met
- 6 not met

### Legend

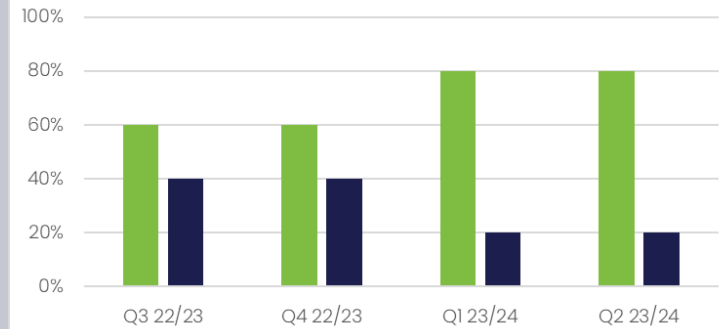


## Trends

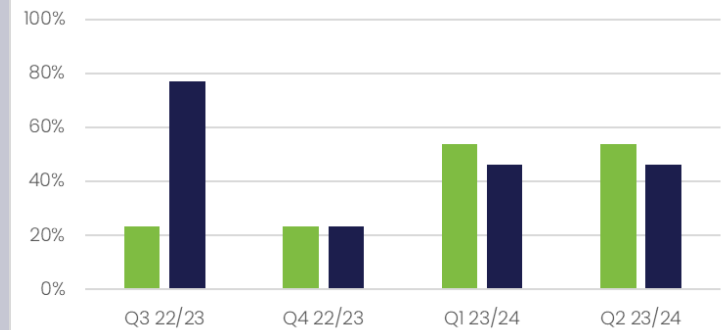
Environmental wellbeing  
Targets met vs not met



Economic wellbeing  
Targets met vs not met



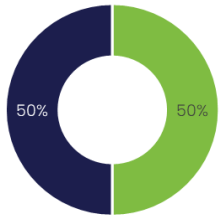
Social & cultural wellbeing  
Targets met vs not met



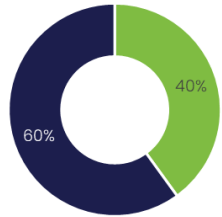
# Three waters

## Quarter 2

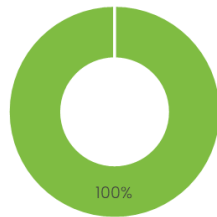
Water Supply  
Targets met vs not met  
Q2 23/24



Wastewater  
Targets met vs not met  
Q2 23/24

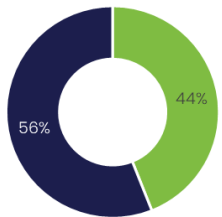


Stormwater  
Targets met vs not met  
Q2 23/24

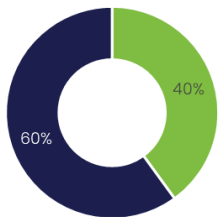


## YTD

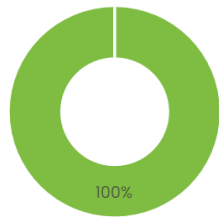
Water Supply  
Targets met vs not met  
YTD 23/24



Wastewater  
Targets met vs not met  
YTD 23/24



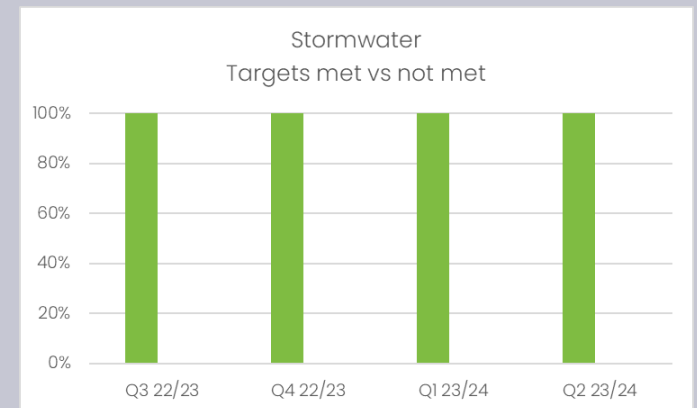
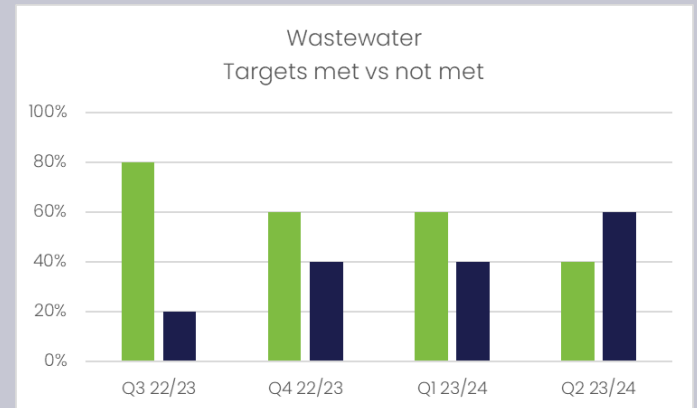
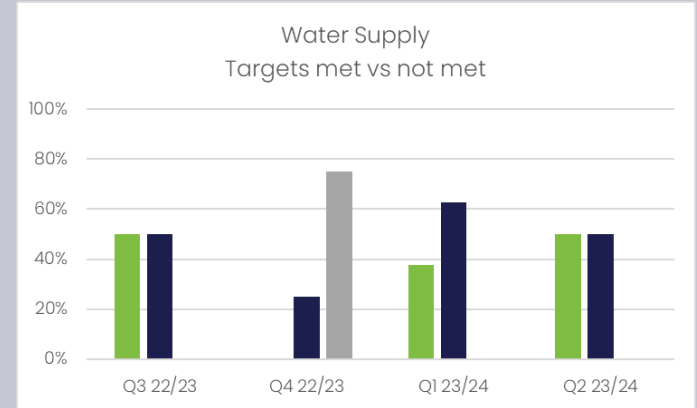
Stormwater  
Targets met vs not met  
YTD 23/24



### Legend



## Trends



# Water supply

Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
Drinking water supply complies with part 4 of the drinking-water standards (bacteria compliance criteria)	100%	Not available	100%	100%	0%	-100%	100%	0%	-100%	Target not met. New compliance rules took effect in November 2022 and reporting moving forward is against the Drinking Water Quality Assurance Rules. The change means water supplied from Waterloo Treatment Plant is not compliant for up to 800 Lower Hutt households. Wellington Water advise the water is safe to drink
Drinking water supply complies with part 5 of the drinking-water standards (protozoal compliance criteria)	100%	Not available	100%	100%	100%	0%	100%	50%	-50%	Target not met. New compliance rules took effect in November 2022 and reporting moving forward is against the Drinking Water Quality Assurance Rules. The change means water supplied from Waterloo Treatment Plant is not compliant for up to 800 Lower Hutt households. Wellington Water advise the water is safe to drink
Number of complaints for drinking water per 1000 connections	24.3	26.1	≤20	≤5	7.5	2.5	≤10	14	4	Target not met due to the ageing network and increase in volume of faults
Attendance for urgent callouts: from the time the local authority receives notification to the time that service personnel reach the site	66 mins	Not available	≤90 mins	≤90 mins	86 mins	4 mins	≤90 mins	78 mins	12 mins	12 minutes faster than target (YTD)

# Water supply

Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
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	Not available	≤8 hrs	≤8 hrs	4.5 hrs	3.5 hrs	≤8 hrs	3.8 hrs	4.2 hrs	4.2 hours faster than target (YTD)
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	Not available	≤72 hrs	≤72 hrs	166 hrs	94 hrs	≤72 hrs	217 hrs	145 hrs	The backlog of leaks is increasing, particularly over summer 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	Not available	≤20 working days	≤20 working days	7 working days	13 working days	≤20 working days	8.5 working days	11.5 working days	
Average drinking water consumption (litres per resident per day)	381 litres	410 litres	≤385 litres	≤385 litres	423 litres	38 litres	≤385 litres	423 litres	38 litres	Consumption continues to increase due to leakage and high residential use relative to other cities in NZ. Continued investment in water loss activities, network renewals, universal smart metering, and additional capacity to better manage increasing supply/demand



# Wastewater

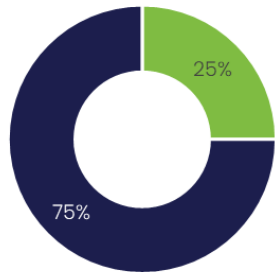
Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
Dry weather wastewater overflows per 1000 connections	3.6	5.3	≤20	≤5	0.4	4.6	≤10	0.4	9.6	
Number of complaints per 1000 connections	20.6	22.1	≤30	≤7.5	7.5	0	≤15	12.9	2.1	
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	Not available	≤90 mins	≤90 mins	1,019 mins	929 mins	≤90 mins	1,073 mins	983 mins	Target not met due to increased work volume, resource constraints and system delays. Delays arise from categorising reported issues, which can change on-site. We're addressing this with councils
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	Not available	≤8 hrs	≤8 hrs	22 hrs	14 hours	≤8 hrs	22 hrs	14 hrs	Target not met due to increased work volume, resource constraints and system delays. Delays arise from categorising reported issues, which can change on-site. We're addressing this with councils
Compliance with resource consents for discharges from wastewater system	3	6	0	0	14	14	0	14	14	(0 = no enforcement action) 14 infringement notices for odour violations, and notices for Resource Management Act breaches issued. The Seaview Wastewater Treatment Plant now meets design standards for odour, however, further work on the treatment system is required. Four additional notices were also received for non-compliant wastewater quality

# Stormwater

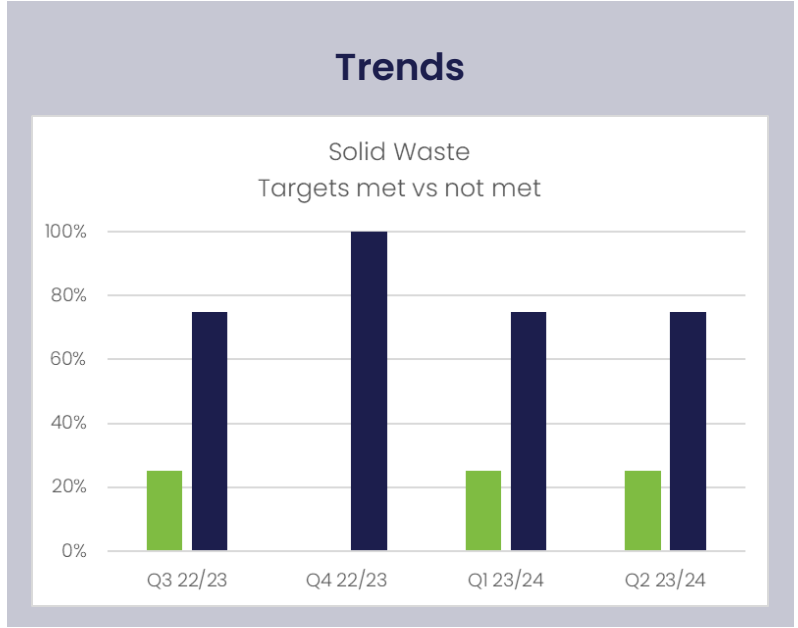
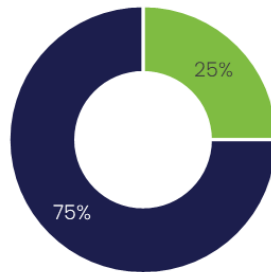
Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
Number of flooding events (where stormwater enters a habitable floor)	2	0	≤2	≤0.5	0	0.5	≤1	0	1	
Number of habitable floors affected by flooding events (per 1000 connections)	0.27	0	≤0.24	≤0.06	0	0.06	≤0.12	0	0.12	
Number of complaints about stormwater system performance (per 1000 connections)	14.3	18.2	≤20	≤5	1.7	3.3	≤10	4.8	5.2	
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	≤8 hrs	≤8 hrs	0 hrs	8 hrs	≤8 hrs	0 hrs	8 hrs	
Compliance with resource consents for discharges from stormwater system (number of abatement notices, infringement notices, enforcement orders and convictions)	0	0	0	0	0	0	0	0	0	(0 = no enforcement action)

# Solid waste

Solid Waste  
Targets met vs not met  
Q2 23/24



Solid Waste  
Targets met vs not met  
YTD 23/24



**Legend**

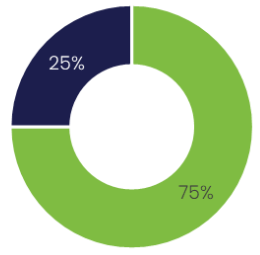


Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
Tonnes of waste to landfill (tonnes per person)	19,735 / 113,559 = 0.17	21,431 / 113,559 = 0.19	≤19,735 / 113,559 = 0.17	≤4,933 / 113,559 = 0.04	5,963 / 113,559 = 0.05	1,030 / 113,559 = 0.01	≤9,986 / 113,559 = 0.08	10,974 / 113,559 = 0.09	988 / 113,559 = 0.01	Target not met due to increased consumption, industrial practices and limited recycling options
Percentage of kerbside recycling that is contaminated and diverted to landfill	18%	16%	≤10%	≤10%	14%	4%	≤10%	14%	4%	Target not met, however, there was a 1% improvement on Q1 23/24 (15%) due to education campaigns
Tonnes of kerbside recycling collected	5,778	5,865	≥6,011.9	≥1,503	1,347	-156	≥3,006	2,551	-455	Target not met due to contamination rates and recycling being diverted to landfill. Working with residents on education

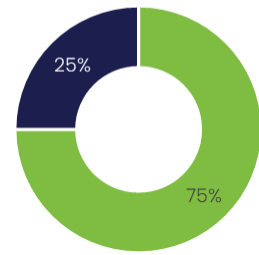
Number of litter incidents resulting in a complaint	405	372	<328.5	<82	64	18	<164	136	28
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# Sustainability and resilience

Sustainability & Resilience  
Targets met vs not met  
Q2 23/24



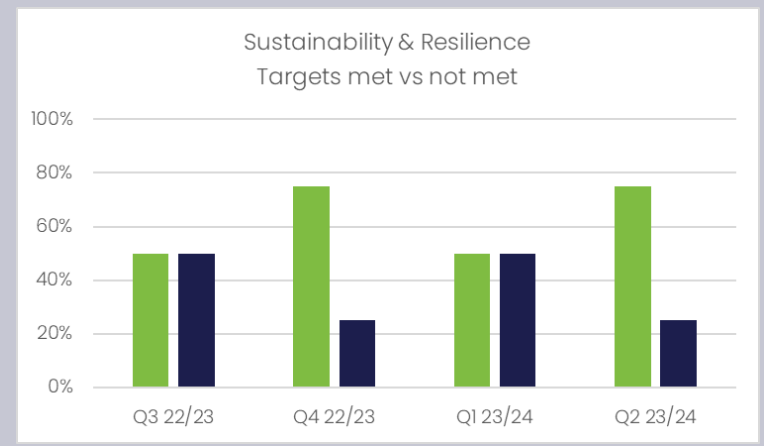
Sustainability & Resilience  
Targets met vs not met  
YTD 23/24



**Legend**



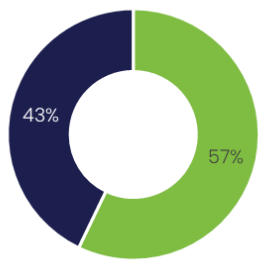
**Trends**



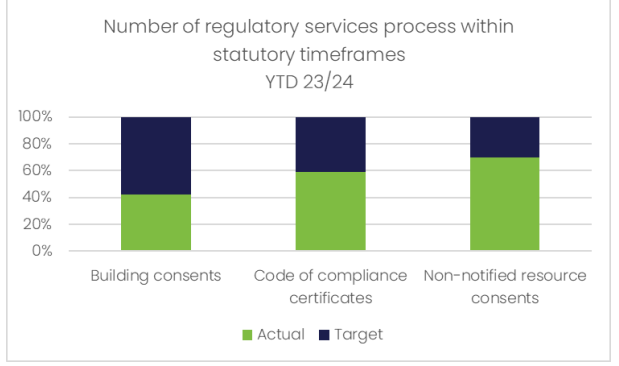
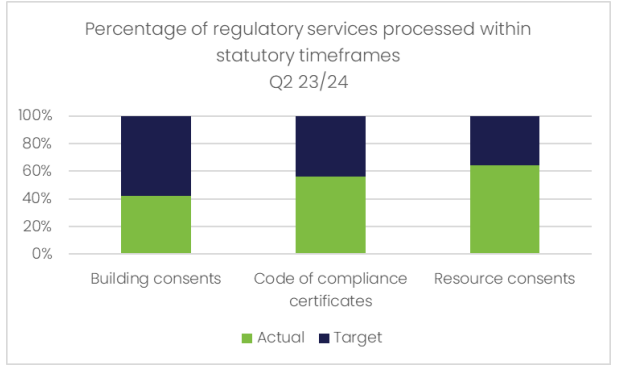
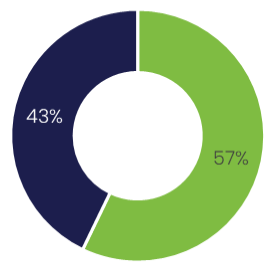
Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
Percentage of Community Resilience Plans that are more than 24 months old	60%	60%	0% (none)	0% (none)	69%	69%	0% (none)	69%	69%	Work has been delayed due to prioritisation of the potential acute water shortage forecast for the Wellington region
Emissions from council owned facilities (tCO2-e)	2,698	2,230	≤2,233	≤573	387.3	185.7	≤1,116	1,036.7	79.3	
Percentage of council owned vehicle fleet that is electric	42%	58%	≥64%	≥64%	69%	5%	≥64%	69%	5%	
Emissions from council owned fossil fuel vehicles (tCO2-e)	106	79	≤94.2	≤21.4	18.0	3.4	≤42.8	36.5	6.3	

# Regulatory services

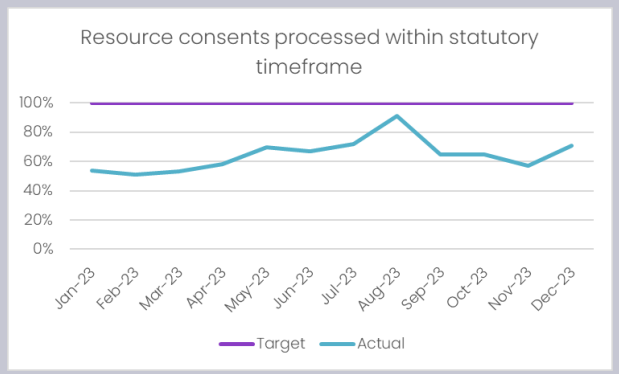
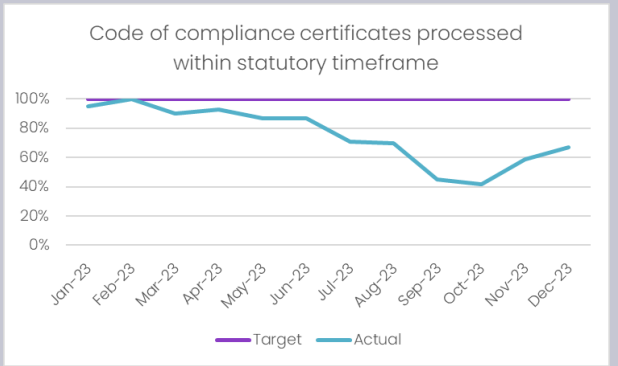
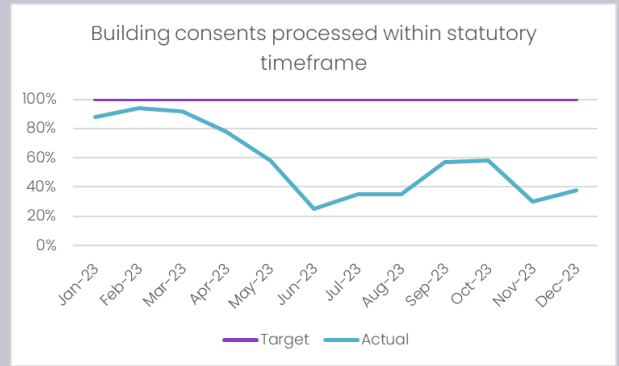
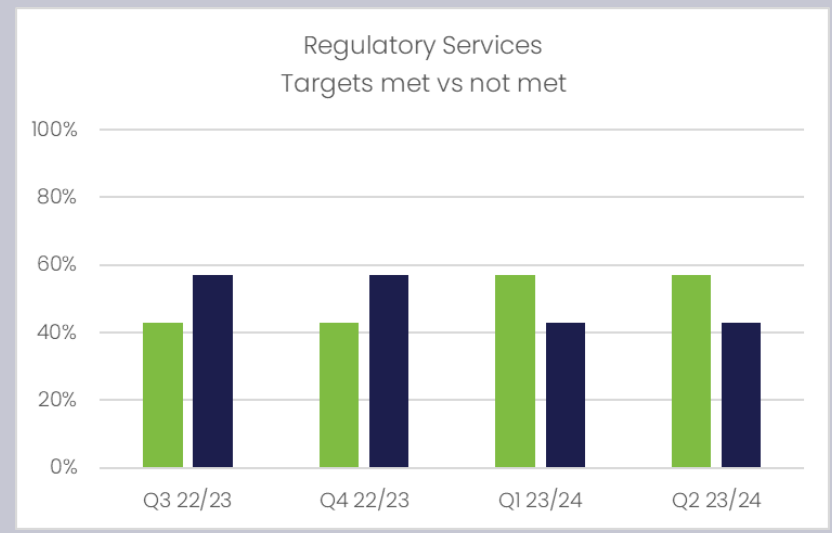
Regulatory Services  
Targets met vs not met  
Q2 23/24



Regulatory Services  
Targets met vs not met  
YTD 23/24



## Trends

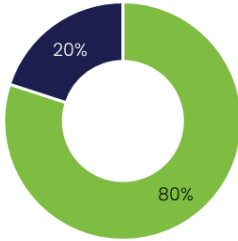


# Regulatory services

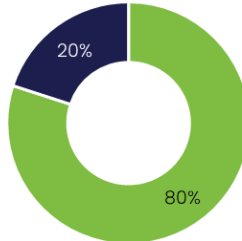
Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
Percentage of building consents processed within statutory timeframe	65%	77%	100% within 20 days	100% within 20 days	42%	-58%	100% within 20 days	42%	-58%	Target not met due to rapid increase in consents in April before the change in the Building Code requiring a higher standard of insulation, (many of which were of poor quality), completing the implementation of the digital consenting system, and an increase in the size and complexity of consents
Code of compliance certificates issued within the statutory timeframe	88%	91%	100% within 20 days	100% within 20 days	56%	-44%	100% within 20 days	59%	-41%	Target not met due to increased demand as the 21/22 consenting boom works its way through the system
Percentage of non-notified resource consents processed within statutory timeframes	28%	42%	100% within 20 days	100% within 20 days	64%	-36%	100% within 20 days	70%	-30%	Target not met due to increased complexity of consents and an increase in comprehensive residential and multi-unit development consents
Existing food premises verified within time frames	7%	47%	95% by due date	95% by due date	97%	2%	95% by due date	70%	-25%	
Sale and supply of liquor (high risk premises) inspected	99%	100%	95% checked	95% checked	127%	32%	95% checked	113%	18%	
Noise control complaints (%) investigated within 45 minutes	94%	79%	≥85%	≥85%	90%	5%	≥85%	92%	7%	
Number of animal management community education programmes carried out	17	38	≥17	≥4.25	15	10.75	≥8.5	20	11.5	

# Transport

Transport  
Targets met vs not met  
Q2 23/24



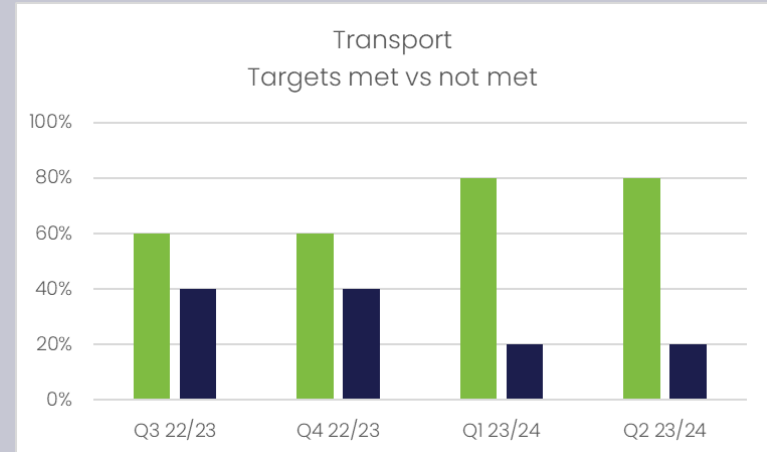
Transport  
Targets met vs not met  
YTD 23/24



### Legend

<span style="color: green;">■</span> Targets met	<span style="color: darkblue;">■</span> Targets not met	<span style="color: grey;">■</span> Data unavailable
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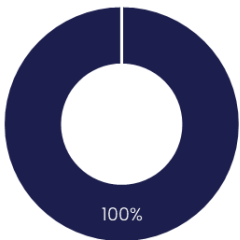
### Trends



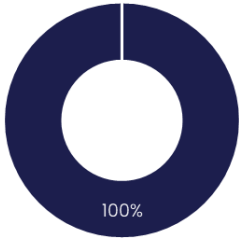
Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
The number of fatalities and serious injury crashes on the local road network	25	24	≤26	≤6.4	10	3.6	≤13	18	5	Increase is due to various road and driver related issues
Audit of contracts – physical work (number of contracts audited this quarter)	90%	5	≥7	≥7	7	0	≥7	7	0	
Audit of contracts – percentage of contracts meeting contractual obligations	90%	79%	≥90%	≥90%	95%	5%	≥90%	98%	8%	
Total length of cycleways	Not available	21.3 km	21.3 km	21.3 km	21.3 km	0 km	21.3 km	21.3 km	0 km	
Total length of shared paths	Not available	71.4 km	71.4 km	71.4 km	71.4 km	0 km	71.4 km	71.4 km	0 km	

# Community partnering and support

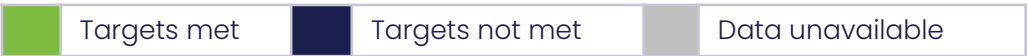
Community partnering & support  
Targets met vs not met  
Q2 23/24



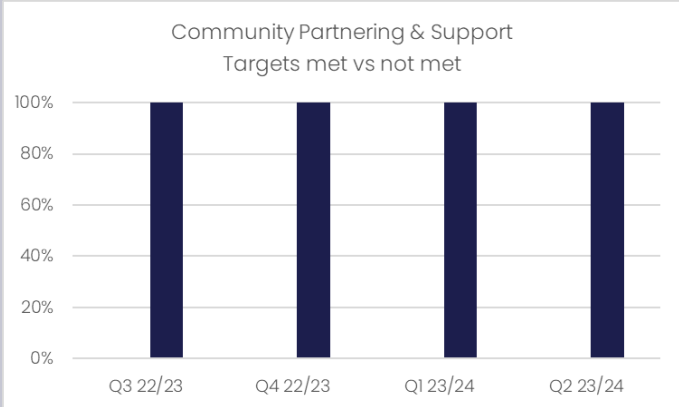
Community partnering & support  
Targets met vs not met  
YTD 23/24



**Legend**



**Trends**

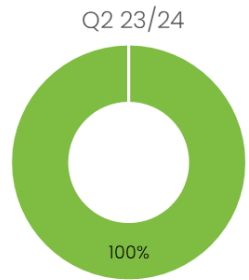


Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
Number of sites (libraries and hubs) that met visitor number targets	0 of 3	0 of 3	9 of 9	9 of 9	8 of 9	-1 of 9	9 of 9	8 of 9	-1 of 9	In this quarter 8 of 9 sites met target numbers so the upward trend post COVID continues. More people using on-line resources evidencing behaviour change. Walter Nash/Taita and War Memorial neighbourhood hubs missed target

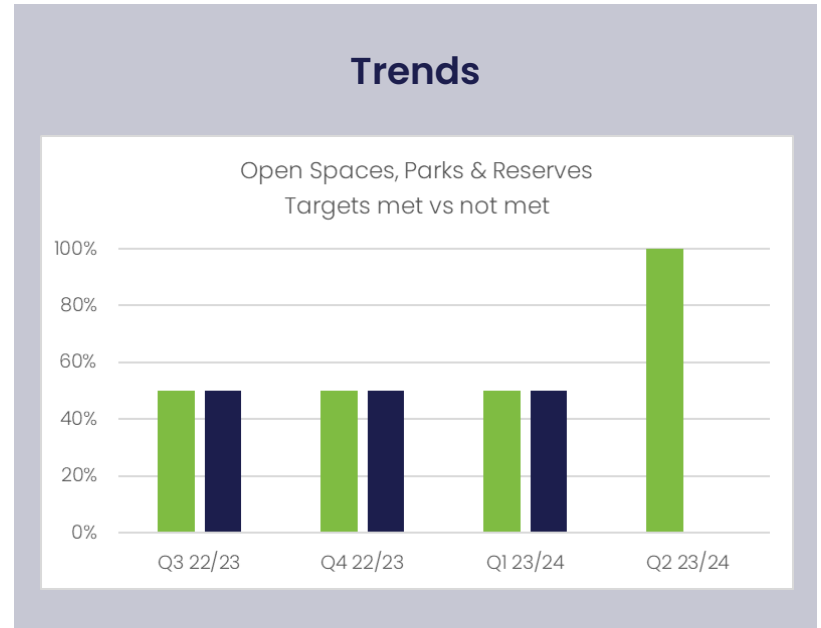
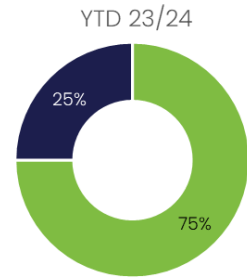


# Open spaces, parks and reserves

Open spaces, parks & reserves  
Targets met vs not met



Open spaces, parks & reserves  
Targets met vs not met



## Legend

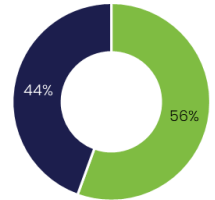


Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
Number of days council grass sport fields are closed (due to maintenance or drainage issues)	15 days	23 days	≤20 days	≤5 days	0 days	5 days	≤10 days	16 days	6 days	Year to date target not met due to substantial rainfall in winter and poor drainage
Number of days council owned/maintained artificial turf sports fields are closed (due to maintenance or drainage issues)	0 days	3 days	≤10 days	≤2.5 days	0 days	2.5 days	≤5 days	0 days	5 days	

# Connectivity, creativity, learning and recreation

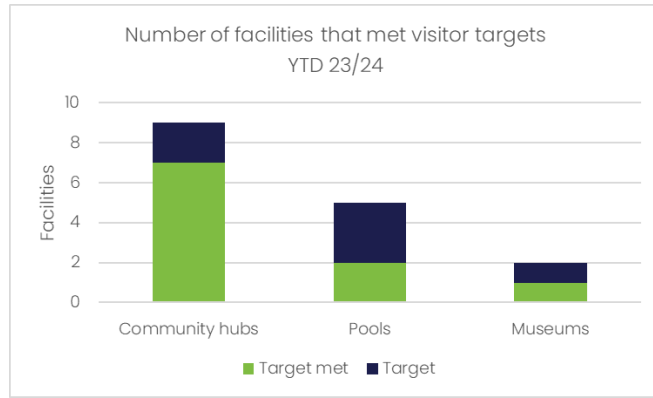
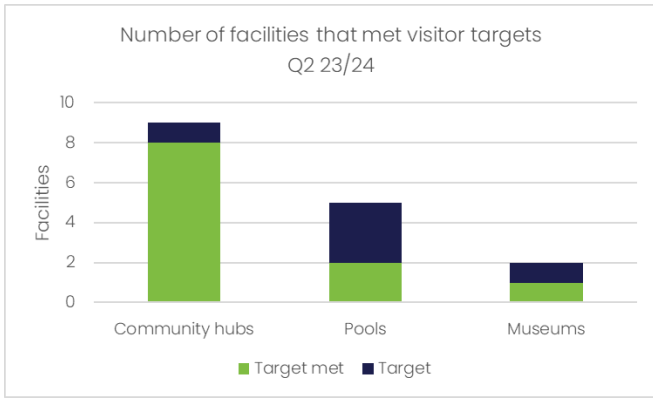
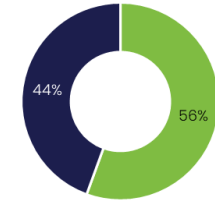
Connectivity, Creativity, Learning & Recreation  
Targets met vs not met

Q2 23/24

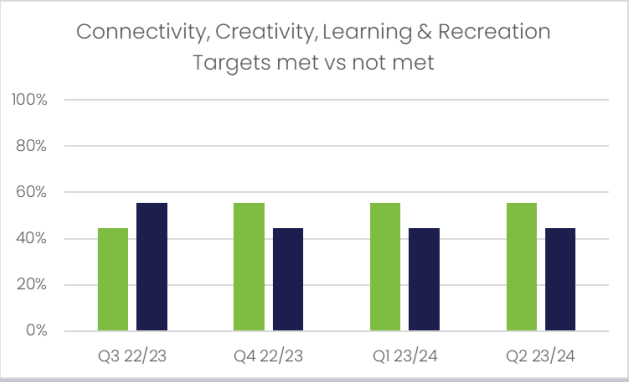


Connectivity, Creativity, Learning & Recreation  
Targets met vs not met

YTD 23/24

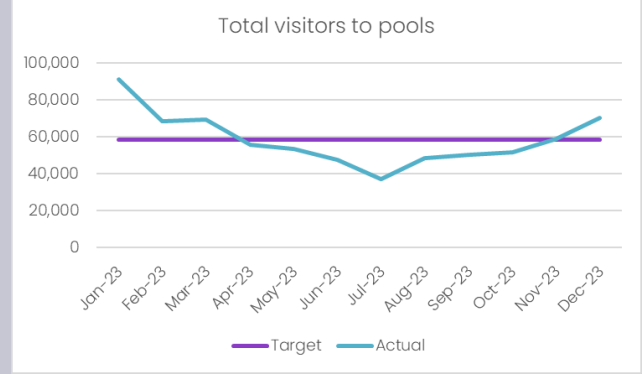
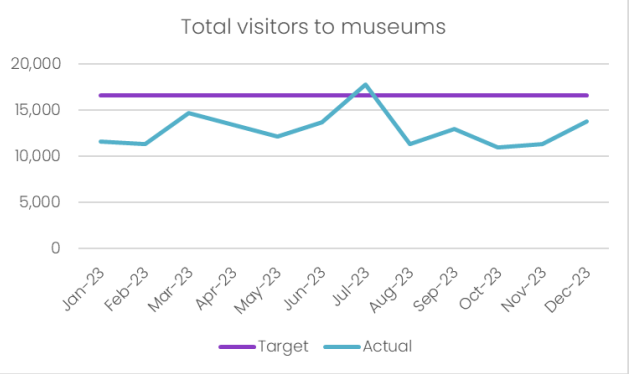
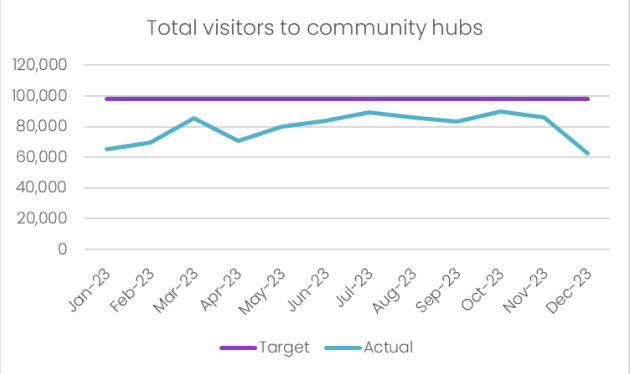


## Trends



### Legend

- Targets met
- Targets not met
- Data unavailable



# Connectivity, creativity, learning and recreation

Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
Number of sites (libraries and hubs) that met visitor number targets	1 of 7	1 of 8	9 of 9	9 of 9	8 of 9	-1 of 9	9 of 9	7 of 9	-2 of 9	In this quarter 8 of 9 sites met target numbers so the upward trend post COVID continues. More people using on-line resources evidencing behaviour change. Walter Nash/Taita and War Memorial neighbourhood hubs missed target
Number of physical loans from libraries	712,932	715,127	≤575,000	≥143,750	170,216	26,466	≥287,500	374,465	86,965	
Number of physical loans from libraries via the home delivery service	4,390	4,602	≤4,700	≥1,175	787	-388	≥2,350	1,676	-674	Working to understand whether this is a decrease or shift to on-line; increasing promotion
Number of electronic loans from libraries	157,187	177,361	≥123,000	≥30,750	53,541	22,791	≥61,500	98,227	36,727	
Number of people using the wifi at libraries and community hubs	233,944	253,364	≥234,000	≥58,500	78,589	20,089	≥117,000	171,869	54,869	
Use of council computers at libraries and community hubs (number of log-ins)	52,412	63,791	≥60,000	≥15,000	17,806	2,806	≥30,000	39,713	9,713	
Number of pools that met visitor number targets	0 of 5	2 of 5	5 of 5	5 of 5	2 of 5	-3 of 5	5 of 5	3 of 5	-2 of 5	Weather conditions in December resulted in reduced visitor numbers at the summer pools. Huia and Wainuiomata pools missed target
Number of fitness suite members	1,232	1,569	≥1,400	≥1,400	1,718	318	≥1,400	1,717	317	
Number of museums that met visitor number targets	0 of 2	1 of 2	2 of 2	2 of 2	1 of 2	-1 of 2	2 of 2	1 of 2	-1 of 2	Target not met due to Dowse missing target, where two galleries were closed for three weeks

# Connectivity, creativity, learning and recreation

Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
* Total number of visitors to sites (libraries and hubs)	1,420,180	1,872,106	≥1,868,500	≥467,125	460,060	-7,065	≥934,250	1,020,818	86,568	Fewer people visiting because more people using online resources and reading differently
* Number of visitors to Eastbourne site	52,388	62,661	≥62,000	≥15,500	21,718	6,218	≥31,000	39,636	8,636	
* Number of visitors to Wainuiomata site	312,911	224,480	≥240,000	≥30,000	59,012	29,012	≥60,000	129,172	69,172	
* Number of visitors to Moera site	18,771	29,519	≥12,500	≥3,125	7,007	3,882	≥6,250	14,860	8,610	
* Number of visitors to Petone site	111,440	134,778	≥145,000	≥36,250	45,495	9,245	≥72,500	83,807	11,307	
* Number of visitors to Walter Nash/Taita site	530,101	875,293	≥829,000	≥103,625	172,386	68,761	≥207,500	439,225	237,725	
* Number of visitors to Naenae site	69,795	77,164	≥87,000	≥21,750	27,840	6,090	≥43,500	54,518	11,018	
* Number of visitors to War Memorial site	191,904	312,534	≥322,000	≥80,500	71,024	-9,476	≥161,000	145,116	-15,884	Visitor numbers were 78% of target in Q2
* Number of visitors to Koraunui/Stokes Valley site	112,870	155,677	≥155,000	≥38,750	50,650	11,900	≥77,500	104,914	155,564	
* Number of visitors to Maungaraki site	N/A	4,046	≥16,000	≥4,000	4,928	928	≥8,000	9,685	1,685	

\* Items are contributory measures to the Annual Plan KPIs, included to provide CLT with visibility of location-based results

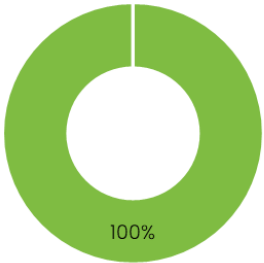
# Connectivity, creativity, learning and recreation

Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
* Total number of visitors to council swimming pools	490,857	646,578	≥702,500	≥175,625	180,671	5,086	≥351,250	316,692	-34,558	
* Number of visits to Stokes Valley Pool	66,794	93,863	≥90,500	≥22,625	26,147	3,522	≥45,250	53,569	8,319	
* Number of visits to Huia Pool	348,611	452,539	≥500,000	≥125,000	126,359	1,359	≥250,000	234,994	-15,006	
* Number of visits to Eastbourne Summer Pool	13,360	17,334	≥17,920	≥2,560	5,465	2,905	≥2,560	5,465	2,905	
* Number of visits to McKenzie Summer Pool	21,083	33,106	≥31,360	≥8,400	8,533	133	≥8,400	8,533	133	
* Number of visits to Wainuiomata Summer Pool	41,009	49,726	≥62,720	≥16,800	14,131	-2,669	≥16,800	14,131	-2,669	Weather conditions in December impacted visitor numbers
* Total number of visitors to council museums	125,180	143,337	≥200,000	≥50,000	36,148	-13,852	≥100,000	78,273	-21,727	Target not met due to Dowse missing target, where two galleries were closed for three weeks
* Number of visitors to the Dowse Museum	116,605	130,212	≥193,000	≥48,250	33,285	-14,965	≥96,500	71,820	-24,680	Two galleries were closed for three weeks
* Number of visitors to the Petone Settlers Museum	8,575	13,125	≥7,000	≥1,750	2,863	1,113	≥3,500	6,453	2,953	

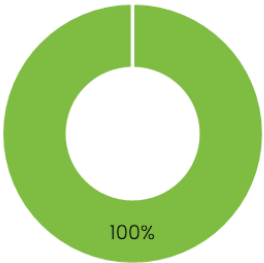
\* Items are contributory measures to the Annual Plan KPIs, included to provide CLT with visibility of location-based results

# City Governance

City Governance  
Targets met vs not met  
Q2 23/24



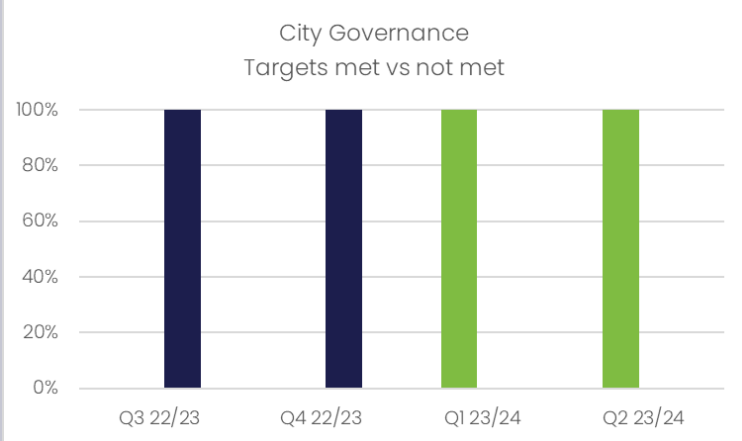
City Governance  
Targets met vs not met  
YTD 23/24



**Legend**



**Trends**




Indicator	21/22 Actual	22/23 Actual	23/24 Target	Q2 23/24 Target	Q2 23/24 Actual	Q2 Variance	YTD Target	YTD Actual	YTD Variance	Commentary
Meeting and committee agendas made available to the public within statutory time frames	100%	99%	100%	100%	100%	0%	100%	100%	0%	

# Section five

# Financial summary

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

The bottom right corner of the slide features several thick, light blue wavy lines that create a sense of movement and depth against the dark blue background.

# Executive summary

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## Operating performance results

The year-end net operating result including rates is forecast to be \$3.5M (8.1%) favourable compared to revised budget of a deficit of \$43.0M.

Key favourable forecast variances are:

- \$3.0M underspend for depreciation, mainly in Three Waters and Transport due to capital delivery delays.
- \$1.4M in Solid Waste mainly due to additional revenue partially offset by higher MFE costs.
- \$3.1M in Parks & Reserves due to delays in Point Howard Wharf demolition

Key unfavourable forecast variances are:

- \$0.9M due to overall higher interest expense of \$2.7M partly offset by higher interest income \$1.8M.
- \$2.9M in Regulatory Services mainly due to extra resourcing.
- \$1.1M in Connectivity, Creativity, Learning & Recreation, mainly due to higher employee costs, operating costs, and reduction in pools revenue.

Further details on operating variances are provided below

## Capital investment performance results

Year-end capital is forecast to be \$210.5M which is under budget by \$10.2M (4.6%) against a revised budget of \$220.6M

Year to date capital spend is \$75.2M which is 34.1% of the revised budget of \$220.6M, indicates a high risk of non-delivery of the full programme for the year.

Most projects are forecast to be on budget by year end, with a large portion of the capital expenditure expected to occur during summer months. The accuracy of the forecast is likely to improve once the summer works window has closed.

Key forecast variances are:

- Solid Waste \$1.5M underspend mainly due to delays with the Silverstream Landfill Transfer Station project.
- Transport \$8.7M underspend mainly due to delays in the connected pathways and cycleways project.

Further details on capital variances are provided below.



# Financial performance results

## Detail financial performance results to 30 September 2023

\$Million	YTD Actual	YTD Budget	Variance	%		Year-end Forecast	Revised Budget	Variance	%		Annual Plan Budget
Operating Revenue	42.0	39.2	2.8	7.1%	●	82.1	77.4	4.7	6.1%	●	75.9
Operating Expenditure	(131.3)	(138.2)	6.9	5.0%	●	(277.8)	(276.0)	(1.8)	(0.7%)	●	(267.9)
Net Operating Before Rates Income	(89.3)	(99.0)	9.7	9.8%	●	(195.7)	(198.6)	2.9	1.5%	●	(192.0)
Rates Income	156.7	155.6	1.1	0.7%	●	156.2	155.6	0.6	0.4%	●	155.6
Net Operating	67.4	56.6	10.8	19.1%	●	(39.5)	(43.0)	3.5	8.1%	●	(36.4)
Capital Contributions	19.9	27.9	(8.0)			59.3	63.8	(4.5)			71.9
Net Surplus/(Deficit)	87.3	84.5	2.8			19.8	20.8	(1.0)			35.5
Other Adjustments*	(1.9)	0.2	(2.1)			0.1	0.4	(0.3)			0.4
Net Surplus/(Deficit) After Gains/(Losses)	85.4	84.7	0.7			19.9	21.2	(1.6)			36.0

Key:

- Favourable or minimal variance
- Moderate variance
- High variance

Note: other non operating adjustments include accounting (non-cash) gains/(losses) on the revaluation of financial instruments and gains/(losses) on the disposal of assets.

# 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
<b>Environmental Wellbeing</b>											
Water Supply	(14.3)	(14.3)	-	-	●	(29.4)	(28.6)	(0.8)	(2.8%)	●	(28.6)
Wastewater	(14.0)	(14.4)	0.4	2.8%	●	(27.2)	(28.8)	1.6	5.6%	●	(28.8)
Stormwater	(5.5)	(5.6)	0.1	1.8%	●	(10.4)	(10.9)	0.5	4.6%	●	(10.9)
Solid Waste	3.6	0.1	3.5	3500.0%	●	1.7	0.3	1.4	466.7%	●	0.3
Sustainability & Resilience	(0.8)	(0.5)	(0.3)	(60.0%)	●	(0.8)	(1.1)	0.3	27.3%	●	(1.1)
Regulatory Services	(2.4)	(0.5)	(1.9)	(380.0%)	●	(5.0)	(2.1)	(2.9)	(138.1%)	●	(2.1)
<b>Environmental Wellbeing</b>	<b>(33.4)</b>	<b>(35.2)</b>	<b>1.8</b>	<b>5.1%</b>	<b>●</b>	<b>(71.1)</b>	<b>(71.2)</b>	<b>0.1</b>	<b>0.1%</b>	<b>●</b>	<b>(71.3)</b>
<b>Economic Wellbeing</b>											
Transport	(13.5)	(15.4)	1.9	12.3%	●	(30.6)	(31.1)	0.5	1.6%	●	(29.8)
City Development	(4.6)	(8.2)	3.6	43.9%	●	(15.6)	(16.5)	0.9	5.5%	●	(13.0)
<b>Economic Wellbeing</b>	<b>(18.1)</b>	<b>(23.6)</b>	<b>5.5</b>	<b>23.3%</b>	<b>●</b>	<b>(46.2)</b>	<b>(47.6)</b>	<b>1.4</b>	<b>2.9%</b>	<b>●</b>	<b>(42.7)</b>

Key:

- Favourable or minimal variance
- Moderate variance
- High variance

# 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
<b>Social &amp; Cultural Wellbeing</b>											
Community Partnering & Support	(4.4)	(4.6)	0.2	4.3%	●	(9.5)	(9.0)	(0.5)	(5.6%)	●	(8.5)
Open Spaces, Parks & Reserves	(9.2)	(10.1)	0.9	8.9%	●	(17.1)	(20.2)	3.1	15.3%	●	(18.8)
Connectivity, Creativity, Learning & Recreation	(9.7)	(9.1)	(0.6)	(6.6%)	●	(19.1)	(18.0)	(1.1)	(6.1%)	●	(18.1)
Governance Strategy & Partnerships	(1.3)	(1.6)	0.3	18.8%	●	(3.2)	(3.1)	(0.1)	(3.2%)	●	(3.1)
Corporate Services	(13.2)	(14.8)	1.6	10.8%	●	(29.8)	(29.3)	(0.5)	(1.7%)	●	(29.5)
<b>Social &amp; Cultural Wellbeing</b>	<b>(37.8)</b>	<b>(40.2)</b>	<b>2.4</b>	<b>6.0%</b>	<b>●</b>	<b>(78.7)</b>	<b>(79.6)</b>	<b>0.7</b>	<b>1.1%</b>	<b>●</b>	<b>(78.0)</b>
<b>Totals</b>	<b>(89.3)</b>	<b>(99.0)</b>	<b>9.7</b>	<b>9.8%</b>	<b>●</b>	<b>(195.7)</b>	<b>(198.6)</b>	<b>2.9</b>	<b>1.5%</b>	<b>●</b>	<b>(192.0)</b>

Key:

- Favourable or minimal variance
- Moderate variance
- High variance

# Net operating results (after rates income and before capital contributions)

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## Year-end forecast compared to revised budget is favourable by \$3.5M (8.1%)

### Key variance explanations:

#### Favourable

- Three Waters is forecast to be \$1.3M favourable to budget at year end, mainly due to a forecast reduction in depreciation of \$1.9M (mainly in Wastewater). This is offset by \$0.9M increase in costs related to Water Supply leak repairs as a result of the ageing infrastructure, and higher interest costs of \$0.4M.
- Solid Waste is forecast to be \$1.4M favourable to budget at year end, mainly due to extra revenue from increased volumes from special waste and commercial waste \$2.4M, offset by higher MFE levy of \$1.0M.
- Transport is forecast to be \$0.5M favourable to budget at year end, mainly due to \$0.8M less depreciation offset by \$0.1M increased interest costs, and \$0.1M increased resourcing costs.
- City Development is forecast to be \$0.9M favourable to budget at year end, mainly due to \$0.7M delayed expenditure relating to district plan work and \$0.3M delayed expenditure relating to Urban Precinct Placemaking work now forecast to be carried out in 2024–25. This is offset by \$0.1M increase in interest costs.
- Parks & Reserves is forecast to be \$3.1M favourable to budget at year end, mainly due to delays in the Point Howard Wharf demolition project \$2.9M due to delayed resource consent, and savings in employee costs due to vacancies \$0.2M.

#### Unfavourable

- Regulatory Services is forecast to be \$2.9M unfavourable to budget at year end, mainly due to additional resources and processing costs for Building Consents, Resource Consents and Subdivision Engineering. Increased resourcing costs are mainly to cover contractors due to vacancies and the need to maintain the Council's IANZ accreditation. Work is underway to further review budget impacts for 2024/25 and future years in the LTP.
- Community Partnering & Support is forecast to be \$0.5M unfavourable to budget at year end, due to increases in employee costs \$0.5M mainly due to the living wage.
- Connectivity, Creativity, Learning & Recreation is forecast to be \$1.1M unfavourable to budget at year end, due to higher employee costs \$0.3M mainly due to higher than budgeted wage costs for Huia and Stokes Valley Pools, higher operating costs \$0.4M including Stokes Valley Pool roof write-off, a reduction in revenue for Huia Learn to Swim/Fitness suite \$0.2M and higher interest costs of \$0.2M.
- Corporate Services is forecast to be \$0.5M unfavourable to budget at year end mainly due to higher costs for an unbudgeted Riskpool claim, asset revaluation work brought forward and higher resourcing costs across a number of areas.

# Net operating results (after rates income and before capital contributions)

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## Neutral

Depreciation is forecast to be favourable to budget by \$3.0M at year end. This is mainly a timing issue due to the depreciation budget assuming capital projects budgeted in 2022-23 would be fully capitalised (works completed and assets commissioned) but due to project delays this has resulted in reduced depreciation for this year. The largest variances in depreciation are:

- \$1.9M Three Waters
- \$0.8M Transport

## Rates Income

Rates income is forecast to be \$0.6M higher than budget mainly due to greater than expected growth in the rating base together with other minor variances.

## Capital Contributions

Capital contributions are forecast to be unfavourable to budget by \$4.5M, mainly due reduced subsidies in Transport and delayed grants, offset by higher vested assets and development contributions due to city wide growth and new developments:

- (\$4.1M) decrease in Waka Kotahi Capital Subsidies due to reduced forecasted spend on subsidised projects.
- (\$5.9M) decrease in CIP funding relating to Naenae pool and Tupua Horo Nuku that is forecast to be received in 2024-25.
- \$1.5M increase in Parks Reserve Contributions
- \$3.1M increase in Vested Assets in Three Waters & Transport
- \$0.9M increase in Development Contributions

## Other Non-operating Adjustments

\$0.3M unfavourable is mainly due reduced revenue from vehicle sales as a result of delays in the delivery of vehicle replacements.

# Capital investment results

## Capital results by activity

\$Million	YTD Actual	YTD Budget	Variance	%	Year-end Forecast	Revised Budget	Variance	%	Annual Plan Budget
<b>Environmental Wellbeing</b>									
Water Supply	13.1	10.3	(2.8)	(27.2%)	25.0	25.4	0.4	1.6%	25.8
Wastewater	19.3	16.8	(2.5)	(14.9%)	43.0	38.3	(4.7)	(12.3%)	40.8
Stormwater	1.9	4.8	2.9	60.4%	10.0	13.1	3.1	23.7%	10.2
Solid Waste	2.0	3.3	1.3	39.4%	10.3	11.8	1.5	12.7%	10.7
Sustainability & Resilience	-	0.1	0.1	100.0%	-	0.3	0.3	100.0%	-
Regulatory Services	-	-	-		-	-	-		-
<b>Environmental Wellbeing</b>	<b>36.3</b>	<b>35.3</b>	<b>(1.0)</b>	<b>-2.8%</b>	<b>88.3</b>	<b>88.9</b>	<b>0.6</b>	<b>0.7%</b>	<b>87.5</b>
<b>Economic Wellbeing</b>									
Transport	14.4	24.4	10.0	41.0%	47.3	56.0	8.7	15.5%	66.5
City Development	8.0	10.2	2.2	21.6%	28.5	27.9	(0.6)	(2.2%)	30.6
<b>Economic Wellbeing</b>	<b>22.4</b>	<b>34.6</b>	<b>12.2</b>	<b>35.3%</b>	<b>75.8</b>	<b>83.9</b>	<b>8.1</b>	<b>9.7%</b>	<b>97.0</b>

# Capital investment results

## Capital results by activity

\$Million	YTD Actual	YTD Budget	Variance	%	Year-end Forecast	Revised Budget	Variance	%	Annual Plan Budget
Social & Cultural Wellbeing									
Community Partnering & Support	-	0.6	0.6	100.0%	1.0	1.2	0.2	16.7%	1.1
Open Spaces, Parks & Reserves	1.2	3.6	2.4	66.7%	6.4	7.3	0.9	12.3%	5.5
Connectivity, Creativity, Learning & Recreation	13.6	17.2	3.6	20.9%	34.3	34.4	0.1	0.3%	30.7
Governance Strategy & Partnerships	-	-	-		-	-	-		-
Corporate Services	1.7	2.5	0.8	32.0%	4.7	5.0	0.3	6.0%	4.0
Social & Cultural Wellbeing	16.5	23.9	7.4	31.0%	46.4	47.9	1.5	3.1%	41.2
<b>Totals</b>	<b>75.2</b>	<b>93.8</b>	<b>18.6</b>	<b>19.8%</b>	<b>210.5</b>	<b>220.6</b>	<b>10.2</b>	<b>4.6%</b>	<b>225.7</b>

## Capital results by expenditure type

Capital expenditure is sorted into three categories to consider the renewal or replacement of assets, the improvements in service levels and to respond to the growth of the city.

\$Million	YTD Actual	YTD Budget	Variance	%	Year-end Forecast	Revised Budget	Variance	%	Annual Plan Budget
Replacements	31.3	34.4	3.1	9.1%	77.7	81.4	3.7	4.5%	66.9
Improvements	42.9	53.1	10.2	19.2%	120.8	126.5	5.7	4.5%	139.5
Growth	1.0	6.3	5.3	84.4%	12.1	12.7	0.7	5.2%	19.3
<b>Totals</b>	<b>75.2</b>	<b>93.8</b>	<b>18.6</b>	<b>19.8%</b>	<b>210.5</b>	<b>220.6</b>	<b>10.2</b>	<b>4.6%</b>	<b>225.7</b>

# Capital results

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## Year-end capital spend is forecast to be under budget by \$10.2M 4.6%

### Overspend

- Three Waters is forecasting to be overspent by \$1.2M. This is mainly due to extra costs associated with HCC managed projects (Eastern bays and Tunnel Grove). Other projects managed by Wellington Water at this stage are forecast to be on budget at year end.
- City Development is forecasting to be overspent by \$0.6M mainly due to acceleration in the Naenae Town Centre workplan \$0.7M, offset by a reduction of \$0.2M in the Petone 2040 Budget as the planning phase has been extended with a carryover likely for this project.

### Underspend

- Solid Waste is forecast to be underspent by \$1.5M at year end due to delays in decisions and uncertainty over the need and scope of the proposed Silverstream Landfill Transfer Station, with a carryover likely for this project.
- Transport is forecast to be underspend by \$8.7M, mainly due to Micromobility \$7.6M, Cuba Street Bridge \$0.7M and Slip Remediation \$0.5M projects. Due to the loss of Waka Kotahi subsidies, and the downsizing of the scope of Micromobility works in December 2023, the remaining program is forecasting a reduction in deliverability. Cuba Street Bridge and Slip Remediation projects are delayed and forecasting completion to be in 2024-25 and a carryover is likely for the underspend.
- Open Spaces, Parks & Reserves is forecasting to be underspent by \$0.9M, mainly due to delays with Building and Tracks Renewals and some Reserve Development Projects (Black Creek, High Street Pomare, and Meadowbank). Carryovers are likely for these projects.
- Corporate Services is forecasting to be underspent by \$0.3M by year end mainly due to savings in the Contingent Facilities Management Fund.



# Annual Plan vs Revised Budget

The Long Term Plan 2021-2031 was approved by Council on 30 June 2021. The budgets included in the 2023/24 Annual Plan were based on the latest financial information and estimates available at the time of preparation of the Annual Plan, which was approved by Council on 30 June 2023.

A revised budget for 2023/24 was created to reflect the budget updates required to improve the accuracy of budgets and the associated reporting of variances. Like 2022/23, the focus of performance monitoring is on financial results compared to the revised budget, as this is the 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 various Council meetings. These changes are now reflected in the revised budgets.

\$Million	Net Surplus 2023/24	Capital investment 2023/24	Meeting date reference
<b>Annual Plan 2023/24</b>	36.0 Surplus	225.7	
Hutt Valley Tennis Funding	(1.2)	-	Council meeting 30 Jun 2023
Transport Contract Changes	(1.4)	-	Council meeting 30 Aug 2023
Carryovers including Transport, Riverlink, Waka Kotahi Subsidies, Naenae Pool, Parks Capital works and other minor project's	(2.4)	8.6	Council meeting 30 Aug 2023
<b>Revised budget 2023/24</b>	<b>31.0 Surplus</b>	<b>234.3</b>	
Transport Slips Funding and associated subsidies	1.7	3.4	Council meeting 30 Oct 2023
Transport Eastern Hutt Road and associated subsidies	(7.2)	(10.6)	Council meeting 30 Oct 2023
Micromobility and associated subsidies	(5.4)	(5.6)	Council meeting 12 Dec 2023
Transport Eastern Hutt Road and associated subsidies	3.6	3.6	Council meeting 12 Dec 2023
Te Wai Takamori o Te Awa Kairangi - RiverLink	(2.5)	4.5	Council meeting 12 Dec 2023
<b>Current Revised budget 2023/24</b>	<b>21.2 Surplus</b>	<b>220.6</b>	

# Balanced Budget

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The Long Term Plan 2021-2031 (LTP) includes a financial strategy that outlines important principles that provide the foundation for prudent sustainable financial management. Included here is achieving a balanced budget 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.

The Hutt City Council balanced 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.


With the forecast variances as reported above, the forecast balanced budget position for 2023/24 has been changed compared to what was in the 2023/24 Annual Plan, as reflected in the table below.

\$Millions	Year-end forecast	Revised Budget	Variance	Annual Plan Budget
Balanced budget (projected deficit)	(32.5)	(35.8)	3.3	(31.6)

# Section six

## Treasury management summary

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



# Treasury Report

## Treasury Report for the three months ending 31 December 2023

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.

### Key highlights include:

- An average cost of funds of 4.3% has been achieved year to date, which is above budget by 0.35%. This is a result of market conditions and borrowing completed during the period.
- Interest costs are unfavourable to budget by \$1.14M for the period, mainly due to higher debt levels during the period (pre-funding) and higher market interest rates. This however is offset by interest earned as detailed below.
- Interest earned on cash holdings is favourable to budget by \$1.35M, due to higher cash holdings from pre-funding activities and higher market interest rates.

	Actual YTD	YTD Budget	Variance
Average cost of funds	4.30%	3.95%	(0.35%)
Interest expense – borrowings	(\$9.68M)	(\$8.54M)	(\$1.14M)
Interest earned	\$2.97M	\$1.62M	\$1.35M
Fair value gain on derivatives	(\$2.68M)	-	-

# Debt portfolio performance

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- Net debt increased from \$340.9M (30 September 2023) to \$363.9M as at 31 December 2023, whilst gross debt increased from \$440.7M to \$475.7M over the same period.
- We completed \$35M of debt issuance in the three months to 31 December 2023:
  - \$10M maturing October 2026 to pre-fund water services related debt maturing in June 2024,
  - \$10M maturing October 2027 to fund Council's capital investment programme, and
  - \$15M maturing April 2027 to also fund Council's capital investment programme.
- Funds received from pre-funding activities have been placed on term deposit, until 15 June 2024, at a rate of 6.45%.
- No debt matured during the three-month period to 31 December 2023.
- Both revolving credit facilities, LGFA (\$35M) and Westpac (\$10M), remained undrawn as at 31 December 2023.

Council has 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 mark-to-mark value of these agreements is constantly changing.

The fair value Loss of the swap portfolio (derivatives) year-to-date, to 31 December 2023, was \$2.68M. 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 December 2023</u>	<u>Compliant</u>
Net external debt/total revenue	Maximum 250%	139.4%	Yes
Net interest on external debt/total revenue	Maximum 10%	6.7%	Yes
Net interest to annual rates income	Maximum 20%	8.8%	Yes
Liquidity ratio	Minimum 110%	114.3%	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 (\$45M)</u>	<u>Actual %</u> <u>31 December 2023</u>	<u>Compliant</u>
0 to 3 years	15%	60%	\$195.7M	41%	Yes
3 to 7 years	25%	85%	\$265.7M	56%	Yes
7 years plus	0%	60%	\$15M	3%	Yes
		<u>Total</u>	<u>\$475.7M</u>	<u>100%</u>	

# Funding maturity and interest rate risk

## Funding maturity profile

Month

December 2023

Currency

NZD

### Liquidity summary

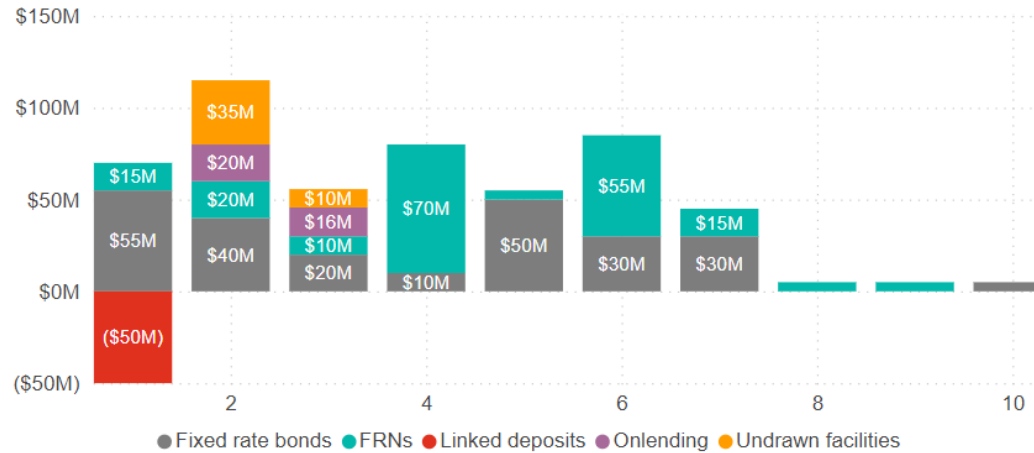
114.25%

Liquidity ratio (liquid deposits)

110%

Liquidity ratio policy

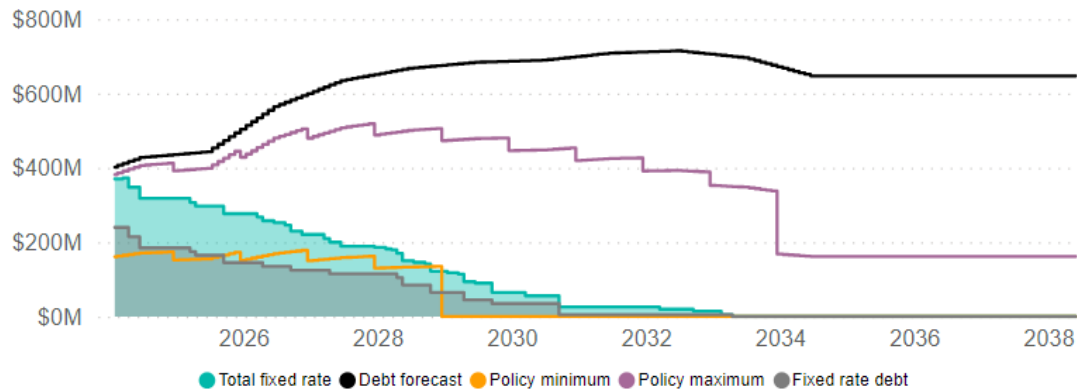
### Funding and liquidity risk timeline



## 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 profile



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

