


2024–2025



# Pūrongo ā-Tau Annual Report





The lines woven throughout this document are inspired by the topographic lines of two significant areas around Te Awa Kairangi ki Tai Lower Hutt: Pukeatua, the high ridge between Waiwhetū and Wainuiomata and Pukeariki, the highest point in Wellington's Belmont Regional Park (Belmont Trig). The movement of the lines references the form of the land, the coastline's shape, the tides' movement, and the river's flow, and symbolises the energy and diversity of the different cultures, communities, and people living and working together in Te Awa Kairangi ki Tai Lower Hutt.

---

# He mihi

Ko Te Awa Kairangi he pou herenga iwi, he pou herenga waka.

Here mai ko te kei o tō waka ki te tumu herenga waka o ngā pae mounga kua whakatūtūria nei e te hikuroa o Ngake Mai i Tararua ki Remutaka ki Pūrehurehu, ki Pōkai Mangumangu, ki Pareraho, ki Tirohanga, ki Tukutuku, ki Puke Tirotiro, ki Pukeariki, e whakamarumarutia nei Te Tatau o Te Pō a Ngāti Te Whiti, a Ngāti Tāwhirikura, ki Pukeatua, te tuahu tapu o Te Kāhui Mounga i te wā i a Māui ki te whakapuare i te wahanui o Te Ika Whakarau a Kutikuti Pekapeka.

I ahu mai i Te Wai Mānga, i a Rua Tupua, i a Rua Tawhito, Ko Ngake, ko Whātaimai. Ka timu ngā tai o Te Wai Mānga, ka pari ko Te Whanganui a Tara e pōkarekare mai ana.

Ka tū a Pukeatua ki runga i ngā wai e kato ana, i a Awamutu, i a Waiwhetū, kei reira a Arohanui ki te Tangata a Ngāti Puketapu, a Te Matehou, a Ngāti Hāmua e tū ana, tae noa atu rā ki ngā wai tuku kiri o te pūaha o te awa o Te Awa Kairangi.

Koia hoki te puna i heke mai ai he tangata. E kore e mimiti tēnei puna, ka koropupū, ka koropupū. Ko Te Awa Kairangi e rere iho mai ana i hōna pūtakenga i Pukemoumou i te paemounga o Tararua ki runga i hēnei whenua, ki runga i tēnei kāinga, hei āhuru mōwai ngā iwi.

Te Awa Kairangi is a rallying point for the many people and the many tribal affiliations that have made it their home.

Bind yourself to the many mountains of this place that were born from the lashing tail of Ngake. From Tararua to Remutaka, to Pūrehurehu, to Pōkai Mangumangu, to Pareraho, to Tirohanga, to Tukutuku, to Puke Tirotiro, to Pukeariki, to Te Korokoro o Te Mana which stands atop Te Tatau o Te Pō of Ngāti Te Whiti and Ngāti Tāwhirikura, to Pukeatua, the sacred altar of the Mountain Clan in the time of Māui.

It was here that the two ancient tūpuna, Ngake and Whātaimai, were summoned from the depths of the fresh water lake, tasked with prising open the mouth of the great fish.

It is Pukeatua that stands above the waters of Awamutu and Waiwhetū, the home of Arohanui ki te Tangata of Ngāti Puketapu, Te Matehou, and Ngāti Hāmua, flowing out to the life-giving waters at the mouth of Te Awa Kairangi.

This is the spring that gives life to the people. This spring which will never be diminished, it will continue to flow, it will continue to flourish. Te Awa Kairangi that flows down from its source at Pukemoumou in the Tararua ranges and over these lands as a sheltering haven for the people.

---

# Ngā hua o roto

## Contents

**He karere nā te Koromatua / Tumu Whakarae**  
Message from the Mayor and Chief Executive 4

**Nga Kīwei o Te Kete**  
Partnership with Mana Whenua 5



## Tirohanga whānui

### Overview

**Aratohu pānui pūrongo**  
How to read this report 7

**Tō tātou tāone**  
Our city 8

**Ko wai mātou? He aha hā mātou mahi?**  
Who we are and what we do 14

**Tō tātou rautaki**  
Our strategy 15

**Ngā mahi o te tau**  
Our year in review 16

**Tirohanga whānui**  
Overview 17

**Hanganga anamata**  
Future-fit infrastructure 18

**He tāone ora, he hāpori ngangahau**  
Enabling a liveable city and vibrant neighbourhoods 22

**Te hāpai me te whakaniko i te taiāo**  
Supporting and enhancing the environment 26

**Whakauka ahumoni**  
Financial sustainability 30

**Ki hea tohaina ai hāku rēti**  
Where will my rates be spent 36



## Tātaritanga

### Our performance 38

**Ngā whakatau me ngā whakapae o te kawē ratonga**  
Service performance judgements and assumptions 39

**Whakarāpopoto tātaritanga**  
Our performance at a glance 42

**Oranga taiao**  
Environmental wellbeing 45

**Ngā puna wai**  
Water supply 46

**Waiparu**  
Wastewater 51

**Waiāwhā**  
Stormwater 55

**Para**  
Solid waste 60

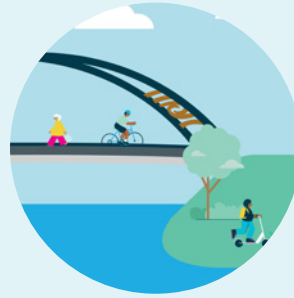
**Whakauka me te Manawaroa**  
Sustainability and resilience 64

**Ngā ratonga waeture**  
Regulatory services 68

**Oranga ōhanga**  
Economic wellbeing 72

**Ngā waka**  
Transport 73

**Whanake tāone**  
City development 79



<b>Oranga hapori, oranga ahurea</b> Social and cultural wellbeing	82
<b>Hō mātou rangapū hapori me te mahi ngātahi</b> Community partnering and support	83
<b>Papa rēhia me ngā whenua tāpui</b> Open spaces, parks, and reserves	88
<b>Ngā herengatanga, auahatanga, akoranga me ngā mahi a te rēhia</b> Connectivity, creativity, learning, and recreation	94
<b>Kāwanatanga, ko te rautaki me ngā kīwei o te kete</b> Governance, strategy, and partnerships	99
<b>Ratonga rangatōpū</b> Corporate services	102
<b>Ngā ringaringa me ngā waewae o te kaunihera</b> Subsidiaries and Associates	106

## Hō mātou pūtea

### Our finances

122

<b>Tauākī Tūtohu</b> Statement of compliance	123
<b>Pūrongo Kaitātari Kaute</b> Independent Auditor's report	124
<b>Tauākī pūtea</b> Financial statements	128
<b>Āpitihianga tauākī pūtea</b> Notes to the financial statements	136
<b>Paerewa matawhāiti</b> Annual Report disclosure statement – prudence benchmark	206
<b>Tauākī pāpātanga tahua</b> Funding impact statements	210

## Āpitihianga

### Appendices

222

<b>Āpitihianga 1: Kuputaka</b> Appendix 1: Glossary	223
<b>Āpitihianga 2: Tō koutou Koromatua me ngā Kaikaunihera</b> Appendix 2: Your Mayor and Councillors	226
<b>Āpitihianga 3: Whakapā mai</b> Appendix 3: Contact details	228

# He karere nā te Koromatua / Tumu Whakarae

## Message from the Mayor and Chief Executive



Kia ora,

Welcome to the 2024–2025 Annual Report for Hutt City Council.

This year's delivery of significant infrastructure projects highlights our strong commitment to building a more resilient city that's prepared for the future.

Funding for the \$1.5 billion Te Wai Takamori o Te Awa Kairangi (Riverlink) project was confirmed. This will deliver the new Melling interchange, a pedestrian and cyclist bridge, and improved flood protection stopbanks. It will be the largest infrastructure project underway in the Wellington region since Transmission Gully.

Hutt City Council, along with our neighbouring metropolitan councils, has agreed to form a new jointly owned water services organisation. This new organisation will be able to generate its own income, manage its own debt, and won't be constrained by council debt limits.

Turning around historic underinvestment in water infrastructure will take many years and water bills will still increase under the new organisation to fund the region's ageing network. One thing is certain: based on our projections, it will be more affordable than the current Wellington Water Limited model.

In the meantime, we've repaired more than 2,500 leaks on the public network over the last year. Leaks are now at a manageable level and water shortages over the summer months are no longer expected. In addition, over 9km of water and wastewater pipes have been renewed in the past year.

Our Annual Report shows we landed strong financial results in line with our Financial Strategy. Capital investment of \$146 million was delivered, mostly in water services and transport. Debt levels were below what was planned mainly due to some delays in our capital investment programme. We also achieved operational savings that exceeded budget.

International credit rating agency Standard & Poors lowered our credit rating to A+ with a stable outlook. This was part of a broader review across the local government sector in New Zealand which saw many others also downgraded.

Our investment in community facilities saw the opening of Te Ngaengae, our new aquatic and fitness facility and the new Moerā Neighbourhood Hub which has proved popular with daily visits more than double that of the previous year.

We're pleased that Council delivered on its intended plans despite a challenging economic environment and changing legislative landscape.

Thank you to our community for supporting our mahi.

Ngā mihi nui,

A handwritten signature in black ink, appearing to be 'Campbell Barry'.

Campbell Barry  
**Koromatua**  
Mayor

A handwritten signature in black ink, appearing to be 'Jo Miller'.

Jo Miller  
**Tumu Whakarae**  
Chief Executive

# Nga Kīwei o Te Kete

## Partnership with Mana Whenua

We have a key partnership with Mana Whenua founded on Te Tiriti o Waitangi.

Te Āti Awa Taranaki Whānui ki Te Upoko o Te Ika and Ngāti Toa Rangatira hold historic and territorial rights in Te Awa Kairangi ki Tai Lower Hutt. Mana Whenua interests are represented by two marae, Te Tatau o Te Pō and Waiwhetū Marae, as well as five Iwi organisations: Taranaki Whānui ki Te Upoko o Te Ika (Port Nicholson Block Settlement) Trust, Te Rūnanga o Toa Rangatira, Wellington Tenths Trust, Palmerston North Māori Reserve Trust, and Te Rūnanganui o Te Āti Awa ki Te Upoko o Te Ika a Māui.

We have developed Tākai Here with the organisations representing Mana Whenua and Iwi Māori in our area.

Tākai Here follow a covenant approach, reflect Iwi plans, and align with both Council and Iwi aspirations.

We work to include Te Ao Māori in our policies and practices, respond to Māori needs and aspirations, and meet our obligations under Te Tiriti o Waitangi. We understand that a strong partnership with Mana Whenua is crucial for a thriving city for our people.



# Tirohanga whānui

## Overview

# 1



# Aratohu pānui pūrongo

## How to read this report

The aim of this Annual Report is to assess how we performed against the goals we set for the year.

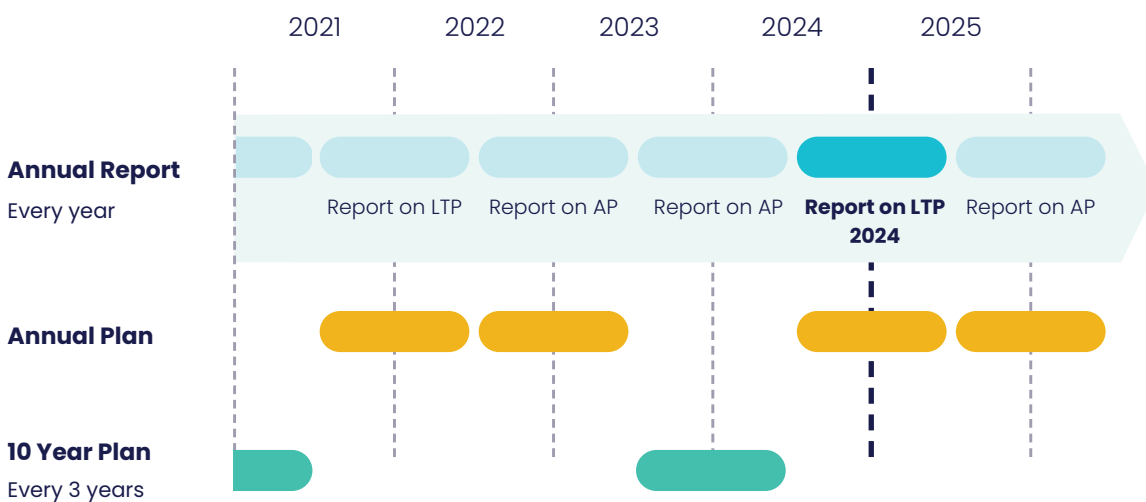
Here is a quick overview of Council's planning and reporting cycle.

- The 10 Year Plan (also known as the Long Term Plan) and the Annual Plan work together as part of an ongoing process. The 10 Year Plan establishes the vision for the city over the next decade and identifies major projects and budgets for that period. The first year of the 10 Year Plan also serves as the Annual Plan for that year.
- For the two years following the adoption of a 10 Year Plan, we produce an Annual Plan each year. You can think of these as the next chapters of the 10 Year Plan, building upon the foundation it sets.
- Both the 10 Year Plan and Annual Plan include specific goals across various work areas to ensure Council is continually improving and effectively serving our community. These goals are then reviewed and assessed in our Annual Report, which includes an audit by the Office of the Auditor-General.

In 2024, we adopted a 10 Year Plan outlining our strategic direction for 2024–34. To achieve this, we identified three key priorities (see page 15 for more details).

- 1** The first section of this Annual Report provides an overview of our performance and key highlights from the year, organised by our priorities so you can see what we're doing in each area to move towards our purpose.
- 2** The second section details our performance in each area of work and compares our actual spending with our budgets.
- 3** The final section offers detailed financial information for the year 2024–2025.

### Council planning and performance monitoring cycle



# Tō tātou tāone

## Our city

Te Awa Kairangi ki Tai Lower Hutt is a growing city with dynamic and diverse communities.

Our city has it all, from our rich cultural heritage and beautiful landscapes to impressive coastlines and vibrant economic sectors. Our city borders Porirua to the north, Upper Hutt to the northeast, South Wairarapa District to the east and Wellington to the southwest and west. It is one of nine territorial authorities in the Wellington region.

## A snapshot of Te Awa Kairangi ki Tai Lower Hutt



### Population & housing

Estimated population:

**115,500**

Source: Stats NZ, 2024 (approximate figure)

Dwellings:

**42,300**

Source: Census, 2023

Median sale price:

**\$682,000**

Source: Dot Loves Data, July 2025

Median Rent:

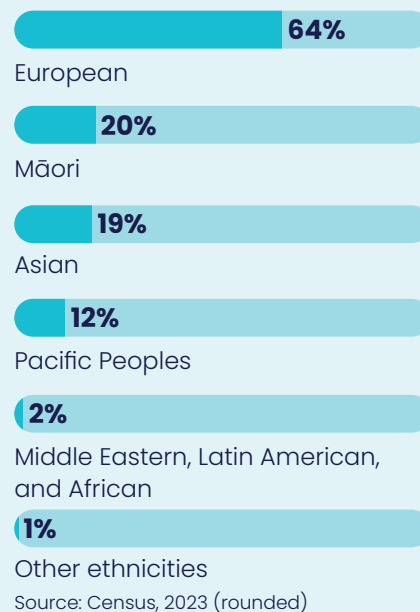
**\$580**

(March 2024)

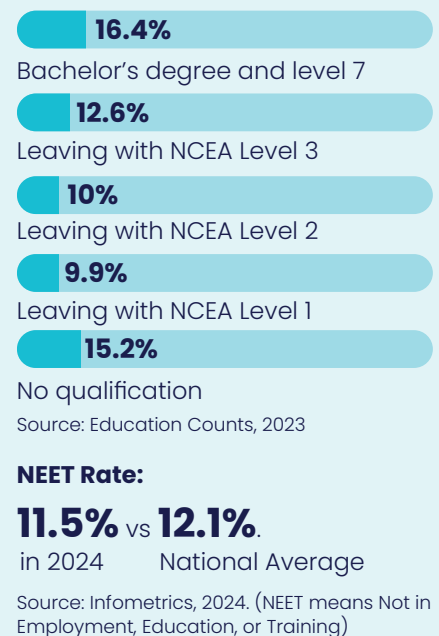
Source: Tenancy Services, 2025

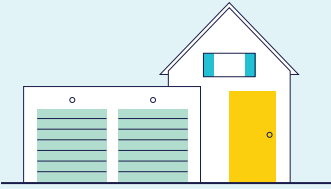


### Cultural diversity



### Education





## Community services

People living in crowded housing:

**13,560**

Source: Census, 2023

People living in severely deprived housing:

**2,094**

Source: Census, 2023

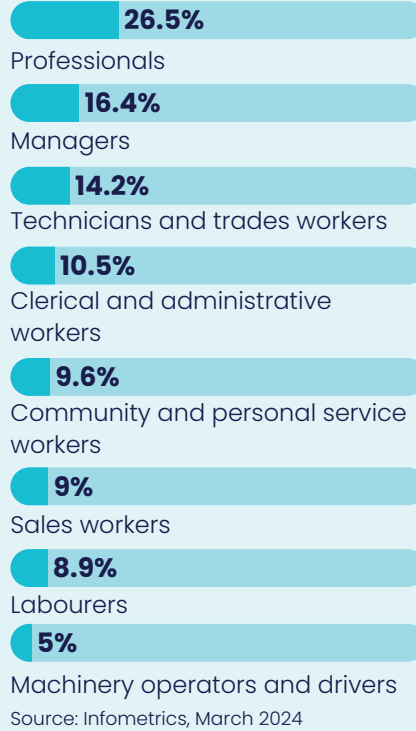
Housing register applicants:

**594**

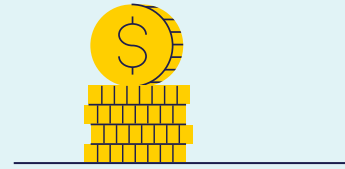
Source: Ministry of Social Development, June 2025



## Workforce

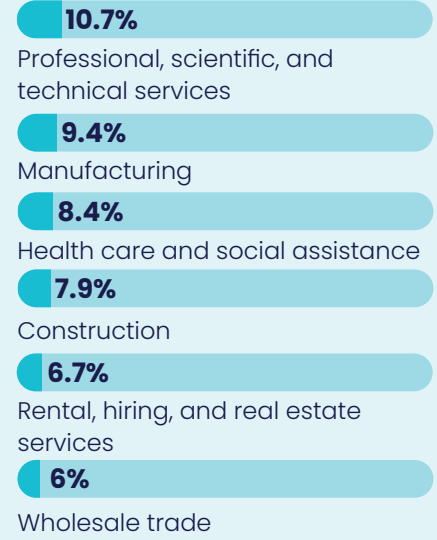


Source: Infometrics, March 2024



## Economic landscape

Top sectors:



Source: Infometrics, March 2024

Median household income for Lower Hutt:

**\$110,100**

Source: Census, 2023



## Housing affordability

Median weekly rent accounted for:

**24.7%**

of median household income, compared to **27.8%** across NZ

Source: Tenancy Services, 2025

Average house value was:

**5.5x**

average household income

Source: Infometrics, 2025

**66.8%**

of households own their own home

Source: Census, 2023



## Health & wellbeing

Cancer mortality rate:

**183 per 100,000**

Source: Ministry of Health, 2025

Child mortality rate:

**72 per 100,000**

aged under 5 years

Source: Ministry of Health, 2022

Gaming machine proceeds, per adult:

**\$94.80**

Source: Dot Loves Data, 2025

# Our assets and work

We are working to create a connected, resilient city where people and communities thrive. We provide services and facilities that support our people every day. This includes public spaces, ie, hubs/libraries, swimming pools, and parks as well as providing services that include kerbside rubbish and recycling collections, public safety, emergency responses, and more.

The Mayor and elected members set the direction of the city, approve budgets that fund the city's services and facilities, and adopt bylaws, policies, and plans to meet the needs of our diverse communities.

We invest in infrastructure and services that support resilience, growth, and climate adaptation, including building and maintaining roads, and managing drinking water, stormwater, and wastewater networks through our subsidiary Wellington Water Limited.

Council also develops strategies and plans to guide the long-term direction of our city. These help us manage growth, protect our environment, and invest in the things that matter most to our community.

To learn more about our work, check out our website at [huttcity.govt.nz](http://huttcity.govt.nz).

**6**

## Pools

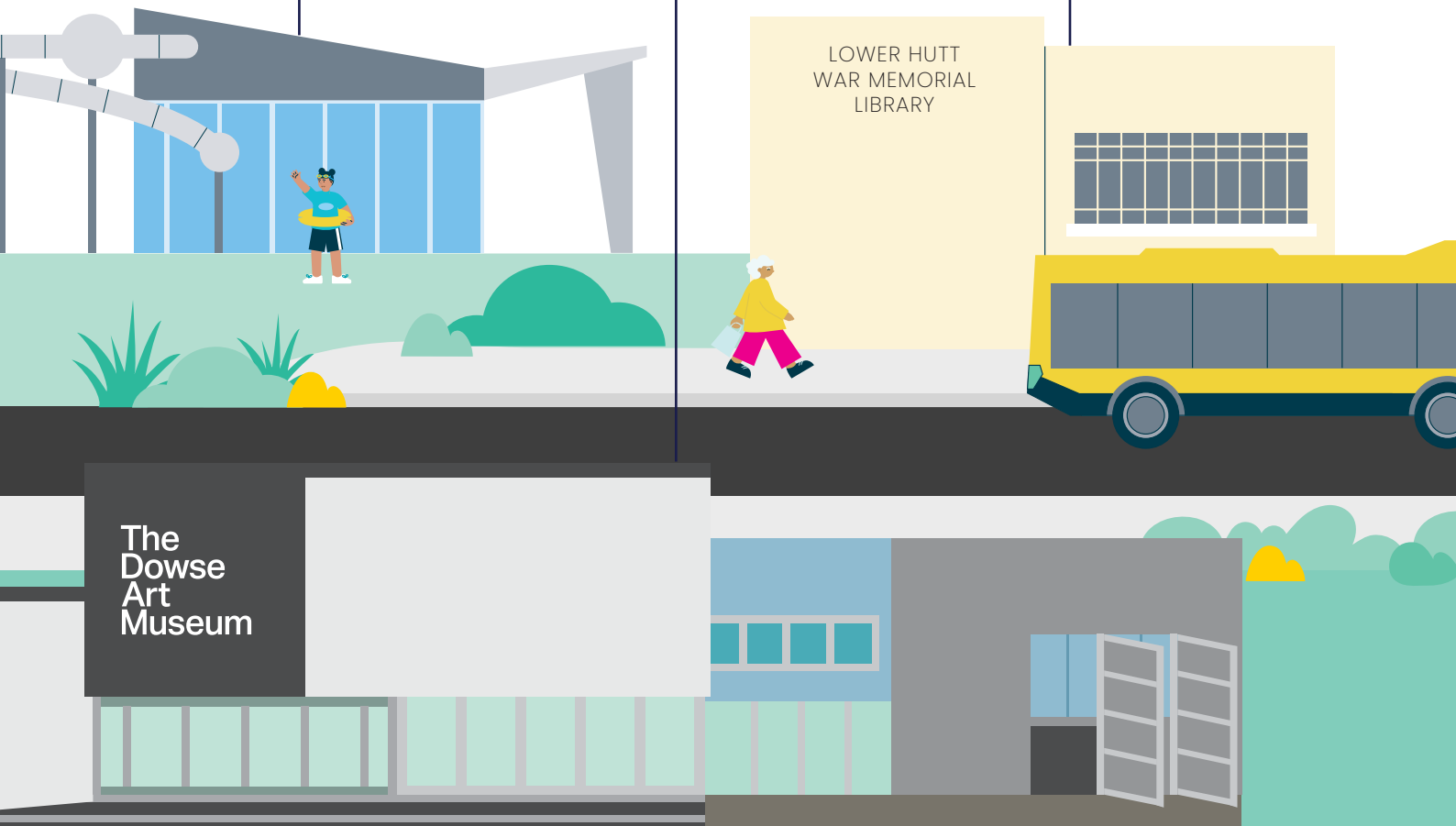
- 3 Pool and fitness centres
- 3 Summer pools

**2**

## Museums

**9**

## Neighbourhood hubs and libraries



**693km**

Water supply pipes

**666km**

Wastewater pipes

**463km**

Stormwater pipes

**349**

Reserves

**2,781**

Hectares

These include parks, reserves, sports grounds, playgrounds, gardens, and cemeteries.

**57**

Playgrounds

**10**

Community halls

**486km**

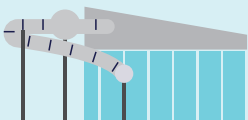
Roads

**683km**

Footpaths



# Resident Satisfaction survey results\*



**80%**

Pools



**79%**

Playgrounds



**92%**

Museums



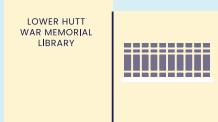
**80%**

Sports grounds



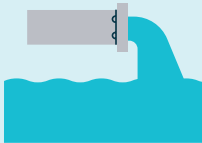
**85%**

Parks and reserves



**87%**

Neighbourhood hubs and libraries



**76%**

Reliable water supply



**78%**

Rubbish and recycling



**77%**

of residents say that Te Awa Kairangi ki Tai Lower Hutt is a great place to live, work, and play.



\* Hutt City Council 2025 Resident Satisfaction Survey



# Ko wai mātou? He aha hā mātou mahi?

## Who we are and what we do

Hutt City Council is responsible for making democratic and effective decisions in Te Awa Kairangi ki Tai Lower Hutt.

Our duties are guided by the Local Government Act 2002, which requires us to promote the social, economic, environmental, and cultural wellbeing of both current and future communities. We achieve this through the services we provide and by working with our community to develop a strategic purpose.

We support our community in various ways. We manage community facilities and offer public services, such as libraries, neighbourhood hubs, parks, sports grounds, swimming pools, and reserves. We also manage rubbish and recycling collection, wastewater treatment, emergency management, and street maintenance.

We are continuing the future-proofing of our city through a focus on water services and infrastructure as well as transport and resilience projects, including Te Wai Takamori o Te Awa Kairangi (RiverLink), and Tupua Horo Nuku (Eastern Bays shared path).

We also work closely with central government to ensure our local priorities align with national direction. This includes contributing to and responding to evolving legislative frameworks and government reforms, particularly where they affect local government responsibilities.

### Changes to water services

In June 2025, Hutt City Council, along with other councils in the Wellington region, confirmed its support for the creation of a new, multi-council-owned water organisation to deliver drinking water, wastewater, and stormwater services. This decision followed public consultation in March and April 2025 and is part of the government's Local Water Done Well reforms.

The new entity, owned by Hutt City, Upper Hutt City, Porirua City, Wellington City, and Greater Wellington Regional councils, will take effect from 1 July 2026. From that date, all water assets will transfer from councils to the new organisation, which will manage water services and bill water users directly. This means water-related costs will be removed from Council rates bills.

The new organisation will have a greater ability to borrow money than councils currently do. This means that costs to fund assets that typically have very long lives and serve many generations of consumers will be able to be spread over a longer period.

The model is expected to be more affordable and support better long-term planning and more consistent service delivery across the region. However, significant financial pressures remain, and substantial investment in ageing infrastructure is still required.

The new organisation will aim to improve compliance with national environmental and safety standards.

# Tō tātou rautaki

## Our strategy

In our 10 Year Plan 2024–2034, the purpose is to make Te Awa Kairangi ki Tai Lower Hutt city a place where everyone thrives. To do this, we need a plan on how to get there. Our plan centres around three key priority areas. We also outlined next steps we would take to support how we deliver against these priorities in a meaningful, sustainable way.

### We are working towards

#### Priority 1

Providing future-fit infrastructure

#### Priority 2

Enabling a liveable city and vibrant neighbourhoods

#### Priority 3

Supporting and enhancing the environment

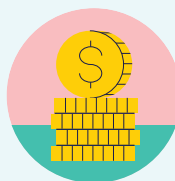


### We are taking the next steps

**1** In partnership with our communities



**2** In a way that is financially sustainable



**3** Taking climate change into account



**All while promoting the wellbeing of all people.**



# Ngā mahi o te tau

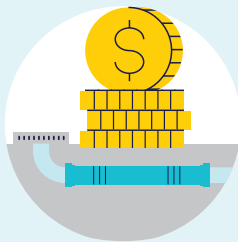
## Our year in review

An overview of our performance and key highlights from the year.

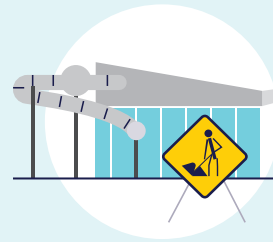
### Key highlights



✓ Te Wai Takamori o Te Awa Kairangi (RiverLink) funding confirmed



✓ Delivered real results in water services



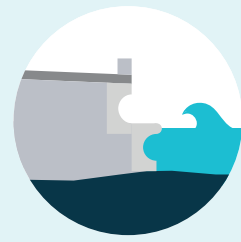
✓ Te Ngaengae Pool + Fitness Centre opened in December 2024



✓ Moerā Neighbourhood Hub opened in March 2025



✓ Mouri Tupu - Planting for the Future progressed



✓ Tupua Horo Nuku reached the halfway mark



# Tirohanga whānui

## Overview



**588**  
consents for new homes



**2,538** leaks fixed since  
1 July 2024



**35% increase**  
**214,977**  
visits to museums

## Awards

### Te Ngaengae Pool + Fitness was awarded:

- the Environmental Sustainability Award at the New Zealand Sport and Recreation Awards
- an Excellence Award in the Leisure and Tourism category at the New Zealand Property Awards
- the Infrastructure Decarbonisation Award at Infrastructure New Zealand's Building Nations Impact Awards
- a Public Architecture Award at the Wellington Architecture Awards.

**Te Mako, Naenae Community Centre** was awarded a Heritage award at the Wellington Architecture Awards.

**Motutawa Avalon Park** was awarded Active Park or Sportsground of the Year at the Recreation Aotearoa at the Te Whai Oranga Parks Awards.

**Our 10 Year Plan 2024-2034** was awarded Consultation Document of the Year at the Taituarā Awards.

**Our finance team** was awarded 2024 Best Finance Team of the Year at the Brightstar CFO Awards.

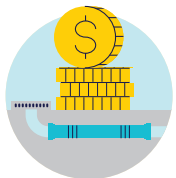
**Our Go Digital Team** was awarded the ICT Professional Excellence Team of the Year Award at the ALGIM Awards.



# Hanganga anamata

## Future-fit infrastructure

We are making significant investment in our infrastructure to ensure our community can move freely, access essential services, and fully enjoy our facilities. Over the last year, we have invested in water, road, and resilience projects to ensure the social, economic, and cultural wellbeing of our community is sustained and the environment is protected.



### Seaview Wastewater Treatment Plant upgrade

Wellington Water Limited is delivering essential plant renewals and upgrades on behalf of Hutt City and Upper Hutt City councils. The work focuses on reducing odour and discharges, improving environmental performance, and future-proofing the facility.

In 2024-25, the dryer shutdown project remained on track, with robust odour management helping to minimise community impact. The plant has stayed fully compliant with its resource consent since March 2025.

The replacement dryer project has been fast-tracked, with commissioning now expected by late 2027. The new facility will include two dryers to provide greater operational resilience.

Stage 2 of the Odour Control Project begins in July 2025, including ventilation improvements and new odour monitors. These will provide near-live data online and are being installed at locations selected in consultation with the community.

We are committed to listening to community feedback and working hard to mitigate odour issues promptly when concerns are raised.

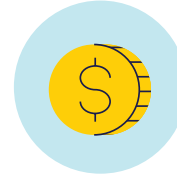


### Western Hills Main Sewer rehabilitation – State Highway 2 Melling

The Western Hills Main Sewer rehabilitation project was a critical infrastructure upgrade targeting a deteriorated section of wastewater pipeline along State Highway 2, between Block Road and Pomare Road near Melling Link Bridge. This pipeline is vital to the Hutt Valley wastewater system, and rehabilitation works were essential to prevent failure that could lead to serious environmental discharges and major road disruptions.

Work began on 12 April 2025, timed with the Easter school holidays to minimise traffic impacts, although some disruption was unavoidable.

Crews worked 24/7 over two weeks, completing the project on time and under budget despite technical and weather-related challenges. A total of 589m of pipe were lined, and four new liners were successfully cured.



### Infrastructure Acceleration Fund project

Significant funding has been secured for major infrastructure projects, providing vital links and enabling the future growth of our city.

Planning has continued for major water infrastructure upgrades supported by the Infrastructure Acceleration Fund. This funding initiative is designed to help unlock future development opportunities and will pave the way for more than 3,500 new homes in Te Awa Kairangi ki Tai Lower Hutt, while also helping to prevent flooding and improve overall reliability.

A robust assessment process led to the selection of a preferred option. Engagement with landowners and local residents began in February 2025 and will continue as the project moves further into the design, consenting, and construction approvals phase.

## Dashboard



**9.35km  
pipes  
renewed**



**1,578m of road  
resurfaced**

(approx. 9,974m<sup>2</sup>)  
2024-25 season



**1,158m of road  
rehabilitated**

(approx. 7,712m<sup>2</sup>)  
2024-25 season

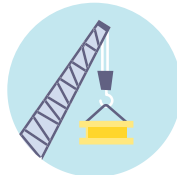


### Te Tōpūnga Hapori i Daly Street

A vacant site on Daly Street in the city centre was transformed in early 2025 into a vibrant temporary community space. This activation was a consent requirement for Te Wai Takamori o Te Awa Kairangi (RiverLink) before the area is redeveloped following the stopbank upgrade.

Te Tōpūnga Hapori i Daly Street includes a modular pump track, a half basketball court, seating, and planters. The space was designed with flexibility and sustainability in mind; many elements were repurposed from other projects and will go on to be repurposed elsewhere in the city once no longer needed at Daly Street.

Community input into the design was important. Local groups who call the city centre home helped to shape many of the elements including wheelchair accessible planters and picnic tables, a bilingual communications board, and the painted Te Awa ki te Moana Labyrinth.



### Akatea Road improvements

Safety upgrades on Akatea Road in Korokoro were completed from May to September 2024, including new footpaths, retaining wall, drainage, crossing improvements, and widening a tight bend. While traffic management was in place, a slip on London Road was also repaired.

### Harbourview slip remediation

In August 2024, contractors repaired a slip on Harbourview Road ahead of schedule, despite difficult access and stop/go traffic management.

### Wainuiomata landslide stabilisation

Works to repair the 2022 landslide at the top of the Wainuiomata Hill were completed in August 2024, reducing the risk of future slips in this area and ensuring a more resilient road for the Wainuiomata community.



### Boulcott Street / High Street Intersection Upgrade

Between June and October 2024, we upgraded the busy Boulcott Street/High Street intersection opposite Hutt Hospital with traffic lights, safer pedestrian crossings, accessibility ramps, lane changes, and a raised safety platform.

### Korokoro walkway

An upgrade to the popular walkway between Singers Road and Korokoro Road was completed in May 2025. Work included resurfacing with asphalt, adding retaining walls, and installing or repairing handrails.

### Ava pedestrian bridge

In May 2025, the government confirmed it would contribute \$2.4 million, close to half of the total cost, towards the replacement of the Ava Rail pedestrian footbridge, an essential connection across the river for the Te Awa Kairangi ki Tai Lower Hutt community.



## Te Wai Takamori o Te Awa Kairangi (RiverLink)

Te Wai Takamori o Te Awa Kairangi is a once-in-a-generation opportunity to transform central Te Awa Kairangi ki Tai Lower Hutt.

In April 2025, the government confirmed funding for the full \$1.5 billion programme, which weaves together flood protection, transport improvements, and urban revitalisation, reconnecting our city with the river. It's delivered through a partnership between NZ Transport Agency Waka Kotahi, Greater Wellington Regional Council, Hutt City Council, and Mana Whenua Taranaki Whānui ki Te Upoko o Te Ika and Ngāti Toa Rangatira.

The programme includes \$180 million from Hutt City Council. A centrepiece of this investment is the new City Link Bridge, a crucial connection between the relocated Melling station and the city centre for pedestrians and cyclists. Over the 2024–25 financial year, progress continued across multiple fronts, including:

- funding secured for the City Link Bridge
- creating a temporary community space at Daly Street

- bioengineering and rockline work along Te Awa Kairangi Hutt River
- construction and delivery of the new Motutawa Skatepark
- demolition of the old skatepark along Block Road, and buildings on High and Ruthford streets and Queens Drive
- development of a Disruption Management Plan
- refresh of the City Centre Transformation Plan, to create our new City Centre Framework

Work also advanced on local road upgrades, riverbank car park and park design, and streetscaping, laying the foundations for a vibrant, river-facing city centre. Together with our partners, we're also exploring opportunities to create new ways for our Te Awa Kairangi ki Tai Lower Hutt businesses and communities.



## Delivering real results in water services

The backlog of pipe renewals required continues to grow. That's why we made significant strides in tackling historic underinvestment in water infrastructure, our top priority as per the 10 Year Plan 2024–2034. This plan commits \$1.62 billion, 60% of a \$2.7 billion total budget, towards water services over the next decade.

Hutt City Council is partnering with Wellington, Upper Hutt, and Porirua City councils, as well as Greater Wellington Regional Council, to establish a new water services organisation. This entity will be able to access increased capital to fund the larger acceleration in renewals and new water infrastructure needed to start getting on top of the substantial investment needed.

This year, Council approved additional funding to manage the backlog of leaks, delivering measurable results. One of the most visible improvements is in our response to leaks in the public network. As of June 2025, the backlog of leak repairs in Te Awa Kairangi ki Tai Lower Hutt had dropped to 57. This is well below target level of 110, and down dramatically from 403 in January 2024. This marks a return to a sustainable level, where water loss is minimised, and repairs are efficient and effective. This is reflected across the wider Wellington region, where the average water loss for 2024–25 was 37%, down from 41% the year before. That 4% drop represents a saving of around 11 million litres of water every day - equivalent to just over four Olympic swimming pools.

Achieving this turnaround has required deliberate and sustained effort. We allocated an additional \$2.8 million in 2024–25 to intensify leak detection and repairs, supported by ongoing work from Wellington Water Limited. New pressure management systems are also being installed at key points in the network to reduce leaks and failures and extend the life of our pipes.

Alongside leak repairs, we continued pipe renewals, replacing 9.4km of ageing drinking water, stormwater, and wastewater pipes. This followed a record-breaking 15.3km renewed in 2023–24. The lower renewal target this year reflects a shift in focus to essential upgrades at Seaview Wastewater Treatment Plant.

Other major projects progressed this year include the rehabilitation of the Western Hills sewer main and targeted upgrades to improve resilience and protect the environment.

Water infrastructure also remains a key discussion point with Mana Whenua, with a clear emphasis on ensuring protection of the taiao placed at the forefront of Council's mahi.

While challenges remain across an ageing network, these results demonstrate that focused investment and planning are paying off. As climate pressures grow and our city continues to expand, sustaining this momentum will be vital to safeguarding our water future.

# He tāone ora, he hāpori ngangahau

## Enabling a liveable city and vibrant neighbourhoods

Over the last year we took the next steps in creating a city that prioritises a high quality of life for everyone. Easy access to green spaces and community places is an important part of this. Our neighbourhood hubs are places to gather and connect and are central to creating vibrant communities.



### **Investing in our parks: upgrades at Williams Park and Bell Park**

Over the past year, we completed significant upgrades across our parks to create more accessible, welcoming spaces for our growing community. Two of the parks we upgraded were Williams Park and Bell Park.

At Williams Park in Ōruamātoro Days Bay, a \$660,000 upgrade delivered a wide range of improvements to the park. This included a bespoke barbecue area, inspired by tohu reflecting nourishment, intergenerational connection, and collective memories, as well as new seating and picnic areas, safer pedestrian access, enhanced disability access, improved open space and views, stormwater upgrades, and new native plantings as part of our Mouri Tupu Planting for the Future initiative.

At Bell Park, Waiwhetū we worked with Mana Whenua and local stakeholders to upgrade pathways connecting all three park entrances, ensuring year-round access while protecting open green space for recreation. Etched pathway artwork by Mana Whenua artists reflects the cultural significance of local waterways and the sustenance they provide. The project was completed in August 2024, marked by a blessing and community gathering.



### **Motutawa Avalon Skatepark**

In December 2024, we opened the state-of-the-art Motutawa Skatepark at Avalon Park, giving our community a safe, modern space to skate, scooter, and bike.

Funded by NZ Transport Agency Waka Kotahi through the Melling transport improvements, part of Te Wai Takamori o Te Awa Kairangi (RiverLink), the project was shaped by strong community input. Through consultation, residents told us they wanted a facility that catered to all skill levels, with safety features, lighting, and shaded areas.

The final design was guided by local expertise, with a specialist advisory group of roller, scooter, BMX, and skateboarding enthusiasts, and built by internationally renowned skatepark designers Convic.

Since opening, Motutawa Skatepark has been widely embraced by the community, quickly becoming a place where young people build confidence, communities connect, and users of all ages feel welcome and safe.



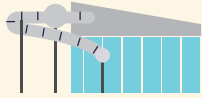
### **Strengthening safety: CCTV hub, Kia Haumaru, and business safety support fund**

In October 2024, an integrated CCTV hub with 387 cameras went live, expanding our ability to monitor public spaces, and prevent and respond to crime. The upgraded system is already contributing to a safer city environment. This includes preventing crime and assisting in arrests, as well as spotting early signs of flooding, and having an extra eye out for vulnerable people in the community.

Two projects supported this work by focusing on supporting local businesses. Kia Haumaru – Safer Centres ran safety workshops for 195 participants, helping build connections between Council, police, and the business community. While focused on business initially, these grew to incorporate the community too.

The Business Safety Support Fund provided \$150,000 for 72 small businesses to invest in physical security, including CCTV systems. One dairy owner said their new system had already made a noticeable difference to their safety and peace of mind. Together, these initiatives reflect a practical, partnership-based approach to creating safer, more resilient communities across Te Awa Kairangi ki Tai Lower Hutt.

## Dashboard



**637,884 visits to pools**



**1,979,194 visits to neighbourhood hubs and libraries**



**730,479 physical library loans**



**236,045 digital library loans**



### Delivering better community results through innovation

In 2024-25 we accelerated our transformation into a more adaptive, efficient, and future-ready organisation by embracing innovation and generative AI to improve the way we deliver services for our community.

Council rolled out 300 AI licences to staff, alongside a suite of custom-built AI assistants tailored to our work, streamlining tasks, improving service delivery, and lifting productivity across the organisation. Our adoption of AI has saved tens of thousands of staff hours and increased our impact, all without additional cost to ratepayers.

We also joined the Harvard Bloomberg City Leadership Initiative, with Mayor Barry's acceptance into the 2024 programme. Council staff are now participating in the Innovation Track, gaining world-leading training and tools to apply to our local challenges.

Our leadership in AI has been recognised nationally. We're advising other councils regularly and were named a finalist in the Bloomberg Mayors Challenge, securing US\$50,000 to develop an AI-powered emergency management tool, with potential for up to \$1 million in future funding.



### Bringing people together through culture and play

We supported and enabled a vibrant programme of community events and activations that celebrated diversity, built connection, and encouraged participation across our city. Highlights included a Lunar New Year celebration showcasing Vietnamese culture at Te Mako Naenae, a Multicultural Summer Fun Day at Anzac Lawn, and Pasifika Night Market at Dowse Square. We also piloted recreation, sport, & play activations in Wainuiomata and Stokes Valley, and hosted popular activities like Ura HIIT and Xtreme Hip Hop 'Welly Step' in Dowse Square.

This year we also deepened our commitment to embedding Te Ao Māori in our events. Council supported Te Rā o Te Raukura with funding, planning support, and a Council information stall, where attendees could learn about enrolling, standing, and voting in local elections. Te Rā o Te Raukura and Matariki Puanga are both highlighted in our Events Strategy as key opportunities for collaboration with Mana Whenua to grow and celebrate Te Ao Māori in Te Awa Kairangi ki Tai Lower Hutt.



### Smarter road technology

AI traffic management camera units at Tupua Horo Nuku and mobile licence plate recognition for parking are helping us improve safety, efficiency, and fair enforcement.

### Improved booking systems

New systems, Envibe and Bookable, make it easier for people to manage pool, fitness, and venue bookings, delivering smoother services and better experiences for the community.

### Planting harakeke at Hutt Park

We partnered with a group of 30 rangatahi completing their Te Rito Maioha (early childhood education) training course to re-plant harakeke along Waiwhetū stream at Hutt Park.

### New era for Ricoh Sports Centre

Since February 2025, Wellington Phoenix has been operating Ricoh Sports Centre, creating a vibrant, self-sustaining hub for sport, events, and community life at Fraser Park.

### New homelessness and housing dashboard

In May, we launched the Homelessness and Housing Dashboard, an interactive tool that highlights housing deprivation, rough sleeping trends, and informs community action across Te Awa Kairangi ki Tai Lower Hutt.



## Te Ngaengae Pool + Fitness

In December 2024, we celebrated the opening of Te Ngaengae Pool + Fitness — a state-of-the-art aquatic centre at the heart of Naenae and a major milestone in the wider Whakatapu Ngaengae town centre revitalisation.

Five years after seismic issues closed the previous pool, the community celebrated in style, with thousands flocking to Te Ngaengae for the opening weekend. Mayor Campbell Barry officially opened the pool with local MPs and Mana Whenua.

Co-designed in close consultation with Mana Whenua and the Naenae community, the \$68 Million project stands as a symbol of authentic collaboration.

Te Rūnanganui o Te Āti Awa gifted the name Te Ngaengae, reflecting the original Māori name of the suburb and the rivers that shaped our land. They also gifted the project a cultural narrative to inform design, which is reflected in the architecture of Te Ngaengae. Te Rūnanganui o Te Āti Awa also led the Tā i te Kawa ceremony to mark the formal opening. More than 600 Mana

Whenua attended the dawn blessing, expressing deep pride in the facility.

Community and connection were at the heart of the project, which guided our extensive three-month engagement period for residents to have their say. The Whakatapu Ngaengae Community Advisory Group met regularly to provide a voice for the Naenae community on the project, and local schools shaped key design elements reflecting local identity.

As Aotearoa New Zealand's first Green Star Five-rated aquatic centre, Te Ngaengae reduces carbon emissions by more than 50% compared to its predecessor. We were able to recycle over 80% of materials from the old pool, saving 13,000 tonnes of metal and concrete from landfill.

Making swimming facilities more accessible has been a priority, with free entry for under 10s when accompanied by an adult with a Community Services Card. In its first three months, over 100,000 people visited Te Ngaengae Pool + Fitness.



## Moerā Neighbourhood Hub, a community-centred space for the future

In March 2025, we opened the Moerā Neighbourhood Hub, delivering a vibrant, future-ready space for the community. Located on the site of the former Moerā Library, the hub was developed in close partnership with local residents, with connection, sustainability, and adaptability at the heart of its design.

We worked with local firm Niche Modular Construction to deliver the facility using innovative, sustainable construction methods. The building was prefabricated in a controlled environment and designed to evolve with the community. It can be relocated up to 10 times and expanded with additional modules, supporting long-term resilience. The open plan layout was designed to connect seamlessly with the neighbouring reserve and playground, featuring bifold doors and a large deck to support indoor-outdoor flow.

Since opening, daily visits have more than doubled from the previous year, with residents

making use of books, internet, printing services, and hub-facilitated programming. More than 35,000 people came through the doors in the first three months alone, and we supported and enabled 60 days of events, ranging from digital skills workshops to cultural celebrations, and even a visit from some local llamas.

The community has already started to shape the space, with several of the hub's most successful programmes being community-initiated. Regular events such as 'Game's On' began with one community member's interest in board games. 'Discovery Storytime' was created in collaboration with Moerā Kindergarten to support early literacy with stories and music.

Work continues on improvements to Moerā Reserve, further enhancing this important neighbourhood anchor and strengthening the community's access to shared spaces.

# Te hāpai me te whakaniko i te taiāo

## Supporting and enhancing the environment

We need to look after our environment and manage our natural resources to ensure our city is more sustainable. This includes reducing our emissions and our waste, planting thousands of native species, and managing our green spaces to ensure they support the wellbeing of both people and indigenous plants and creatures.



### We supported diversion of waste from city-held events as part of our bylaw implementation

From July 2024 to June 2025, 11 public events across our city collectively generated 1,894kg of waste. Through proactive waste minimisation efforts, 1,344kg (72%) were successfully diverted from landfill, including 680kg composted and 664kg recycled. An estimated 63,500 attendees were engaged in waste minimisation practices, supported by event waste minimisation companies including Nonstop Solutions and Closed Loop, who worked with organisers to implement zero waste systems and circular economy principles.



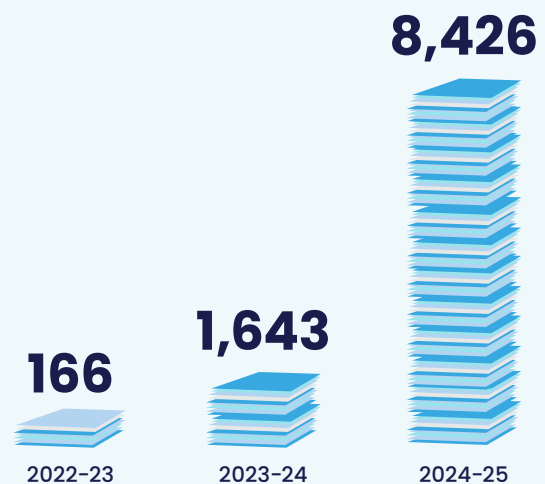
### Zero Waste Hub – Silverstream Landfill Transfer Station discount voucher scheme

To encourage greater waste separation and diversion, the Zero Waste Hub at Silverstream Landfill offers a discount voucher scheme. Customers who sort their loads and divert recyclable and/or reusable items receive a voucher that applies a discount on their landfill fees.

During 2024-25, a total of 8,426 vouchers were issued, compared to 1,643 vouchers in 2023-24. This significant increase highlights the benefit from direct engagement with customers and the public's growing participation in resource recovery efforts.



#### Number of discount vouchers issued through Zero Waste Hub



Regarding the resulting diversion of material, the weighbridge data indicates that diversion is increasing, in particular the material targeted by Earthlink, as shown below on the next page.

## Dashboard



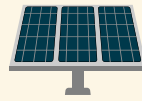
**5,171 tonnes of kerbside recycling collected**



**23,317 tonnes of kerbside waste collected and taken to landfill**



**73,000 native trees and plants planted**

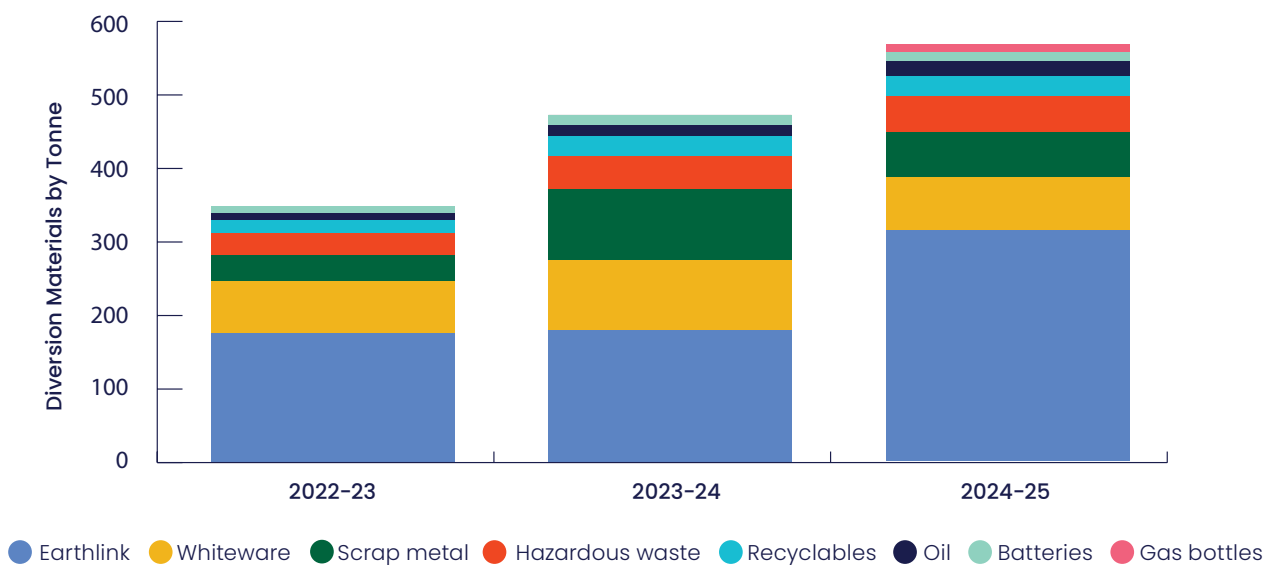


**3 organisations supported through the Low Carbon Acceleration Fund**



**\$117,522 distributed through the Community Climate Action Fund, supporting 20 projects**

## Silverstream Landfill Transfer Station diversion from financial year 2022-23 – 2024-25



### Fleet electrification

Electrification of Council's vehicle fleet has progressed significantly, with electric vehicles accounting for 80% of our fleet (52 out of 65 vehicles), making us a leading council in fleet electrification in New Zealand. The fleet includes 12 plug-in hybrid vehicles (18%), which are included within the scope of the electric vehicle share.

### Electric vehicle charging hub

A new charging hub for heavy electric vehicles and machinery was completed at the Silverstream landfill; this will enable the electrification of vehicles and machinery, reducing costs and emissions.

### Decarbonising pools

Council is continuing to make progress in reducing emissions from community facilities and infrastructure. Emissions associated with the use of fossil gas have reduced by more than 30% compared to Council's baseline year of 2016-17. Work is underway to switch fuels at Huia Pool, and the pool is scheduled to reopen in December 2025. The McKenzie Summer Pool completed its first season operating with electric heating equipment. This resulted in a savings of 34 tonnes of carbon emissions per annum with a 99% overall reduction in gas use compared to the baseline year.

### Battery recycling coming soon

We're launching safe battery disposal bins at three hubs, reducing fire risk and making it easier for residents to do the right thing.

### Recycling education continues

We're helping residents recycle right through an ongoing campaign focused on reducing kerbside contamination and improving awareness of what goes where. Contamination in recycling within the 2024-25 year was down to 14%, compared with 17.9% three years earlier.



## Mouri Tupu – Planting for the Future

We have continued to grow Mouri Tupu – Planting for the Future at pace this year, and we remain firmly on track to reach our goal of planting 114,000 native trees and plants across Te Awa Kairangi ki Tai Lower Hutt by the end of the Mayor's triennium in 2025.

Mouri Tupu is our city's community-led planting campaign, an invitation for everyone to help restore native biodiversity, support climate resilience, and reconnect with te taiao. Grounded in the idea that every living thing holds a life force (mouri) and a potential to grow (tupu), the kaupapa continues to inspire action across Te Awa Kairangi ki Tai Lower Hutt.

As at the end of this financial year, more than 73,000 native trees and plants have been planted across parks, reserves, waterways, and school grounds, a collective effort involving Mana Whenua, local kura, tamariki, community groups, volunteers, and Council.

This campaign is one of the many ways we're bringing our Indigenous Biodiversity Strategy to life, protecting native species and habitats, while making it easier for our community to take part in greening the places they live, learn, and play.

Mouri Tupu is about more than planting; it's about growing a city where people and nature thrive, together.



## Tupua Horo Nuku – building resilience

In February 2025, we reached the halfway mark for Tupua Horo Nuku, our transformative project to strengthen the resilience of Marine Drive and create a safer walking and cycling connection around the Eastern Bays.

Work at Sunshine Bay and York Bay wrapped up in early 2025; three of six bays are now open to the public, with over 2km of seawall and shared path complete, and the remaining bays on track to be completed in 2026.

Environmental outcomes continue to be a key focus for the project beyond the main resilience works. Tide pools and ecological tiles have been added to support the marine ecosystem. Two

bird protection areas were completed in 2024, including one at CL Bishop Park, where tamariki from Muritai School helped planting contractors establish 6,100 native plants, contributing to dune restoration and a thriving habitat for kororā (little penguins).

One of the project's major challenges has been managing fast-changing tides and unpredictable weather. At Whiorau Lowry Bay, innovative methods such as large sheet piles (cofferdams) have enabled safe, dry working conditions for the construction teams, allowing work to progress regardless of weather conditions.

# Whakauka ahumoni

## Financial sustainability

We are committed to managing our finances responsibly so we can deliver the services and infrastructure our community needs today and in the future.

Being accountable to residents and ratepayers for the management of our finances, both in the short and long-term, is a key responsibility of Council. This section explains how we're spending ratepayer money, investing for long-term growth, and managing financial sustainability.

### Financial strategy

Council's Financial Strategy is based on important principles that guide our planning and decisions. These principles can be summarised as:

- affordability of rates
- achieving intergenerational equity by spreading the costs between both present and future ratepayers
- maintaining prudent borrowing levels
- achieving a balanced operating budget over time and ensuring that everyday costs are paid for by everyday income
- delivering services effectively and efficiently
- strengthening Council's financial position in the long-term
- maintaining the principle of 'growth pays for growth'

The Financial Strategy focuses on strong fiscal management while addressing growing demands for increased capital investment in core infrastructure assets. The Financial Strategy can be read in full in the 10 Year Plan 2024–2034, available on our website. It includes key strategic financial metrics, such as the limit on the amount of debt we can take on compared to revenue. It also forecasts debt levels and when we will balance our operating budget.

### Investment in infrastructure

Te Awa Kairangi ki Tai Lower Hutt is a growing city, and this growth relies on resilient and future-ready infrastructure. Our transport and water networks, libraries, parks, and playgrounds play a vital role in supporting development and maintaining a high quality of life for residents. Many of our assets, including the water services network assets, are ageing and need replacement. Council is focused on striking the right balance in its capital investments to support sustainable growth, manage community needs, and maintain affordability. This year, we have made progress in improving the transport network,

upgrading and future-proofing water services, protecting parks and reserves and renewing community facilities.

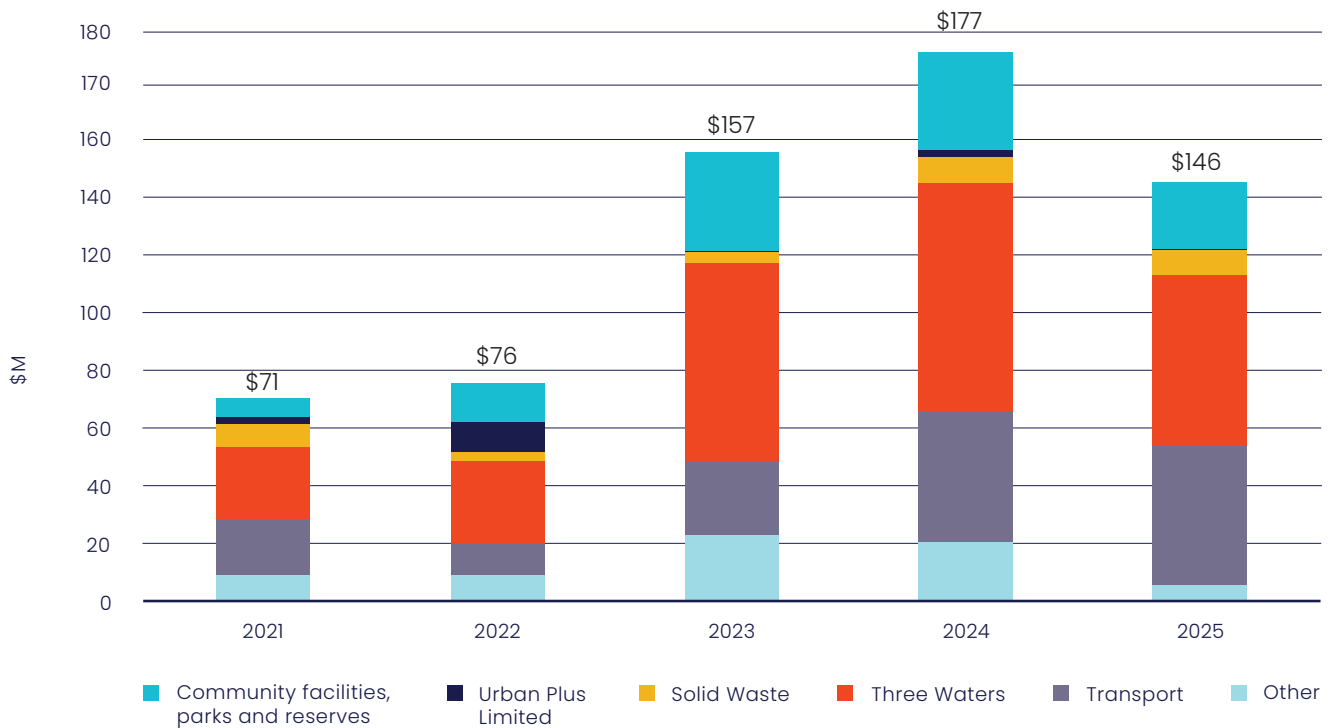
In 2024–25, Council invested \$145 million in capital projects, compared with a budget of \$248 million in the Annual Plan. Including investment by Urban Plus Ltd (UPL), the total capital spend was \$146 million, a lower level from the \$177 million in 2023–24. This lower spend (\$31 million) largely reflects decisions by Council to delay or defer projects. While the 10 Year Plan anticipated a continued ramp-up in investment, delivery in 2024–25\* was impacted by changes in government priorities and associated funding impacts, in particular, NZ Transport Agency Waka Kotahi funding. Underspend in Wellington Water Limited (WWL) delivered projects is consistent with the revised work programme approved by Council in February 2025 and included some deferrals of projects linked to project reviews, including changes to the procurement approach. Council-delivered wastewater and stormwater valley floor Infrastructure projects have also been delayed due to changes in the delivery plan.

Some of our key highlights and spend for the year were:

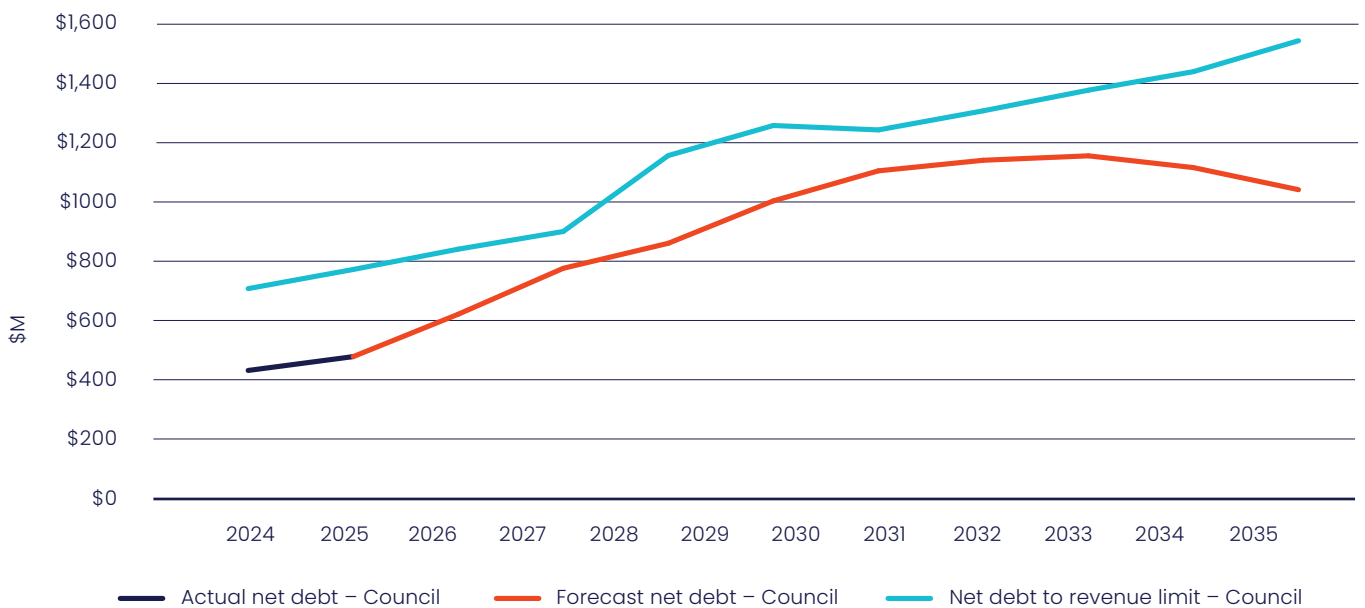
- \$59 million on three waters infrastructure against a budget of \$97 million. This included \$48 million for a range of renewal projects.
- \$48 million on transport projects, which included \$13 million for transport renewals and \$35 million for capital improvement and growth projects. These will enhance connectivity and promote sustainable transport options, with projects such as the Tupua Horo Nuku (Eastern Bays shared path), traffic safety and road network improvements, slip remediation works and the micromobility programme.
- \$7.8 million to complete the Te Ngaengae Pool + Fitness Centre Rebuild, which is a significant community facility.
- \$7.3 million for construction of the next phase of the Silverstream landfill.
- \$7.7 million on parks and reserves projects includes reserve development projects, drainage improvements, and various park building renewals.
- \$2 million on Naenae town centre improvements and \$1.3 million on Moerā Library, which are investments in the development of important community assets.

\* Refer to the activity statements under Section 2 of this report for detailed spend and budgets for these projects.

**Graph 1: Group capital investment five-year trend**



**Graph 2: Council net debt**



**Prudent management of debt**

Council takes a responsible and strategic approach to managing debt. We use debt to fund long-term capital investments, allowing the cost of major infrastructure to be spread across the generations who will benefit from those assets. This approach ensures fairness and supports intergenerational equity. Our debt management is guided by a strict financial policy, which limits net debt to no more than 250% of annual revenue. In 2024–25, our net debt rose by \$48 million to \$480 million, which is 154% of revenue. This was lower

than the planned debt, mainly due to delayed capital investment.

Our debt is expected to peak at around 222% of revenue in the next five years as we continue major infrastructure investments, as outlined in our most recent Annual Plan 2025–2026. Transfer of water services to the new regional water services organisation will reduce this debt forecast significantly, and details of what that looks like are expected to be finalised in late 2025–26.

## Credit rating

In March 2025, Standard and Poor’s Credit Rating Agency (S&P) lowered our long-term credit rating one notch from AA- to A+, with a ‘stable’ outlook. This was part of a broader review across the local government sector, which saw 18 other councils also downgraded. This was driven by a range of concerns by S&P, like the sector being heavily indebted due to increasing capital investment, changes to borrowing protocols by New Zealand Local Government Funding Agency Ltd, and a policy environment which is considered more volatile than in the past by S&P.

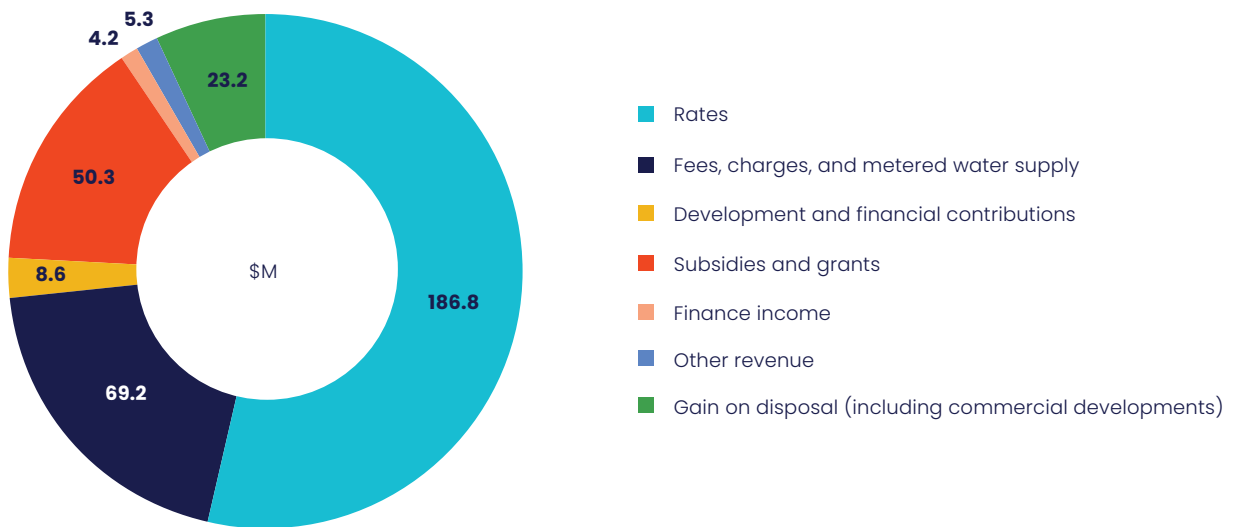
We have a significant capital investment programme, which is largely funded by debt. A lower S&P credit rating means higher borrowing costs for debt, which in turn means higher costs for ratepayers. Through the next Annual Plan process, there will be an opportunity to review and update investment plans and priorities, while considering the impacts for ratepayers.

## Revenue

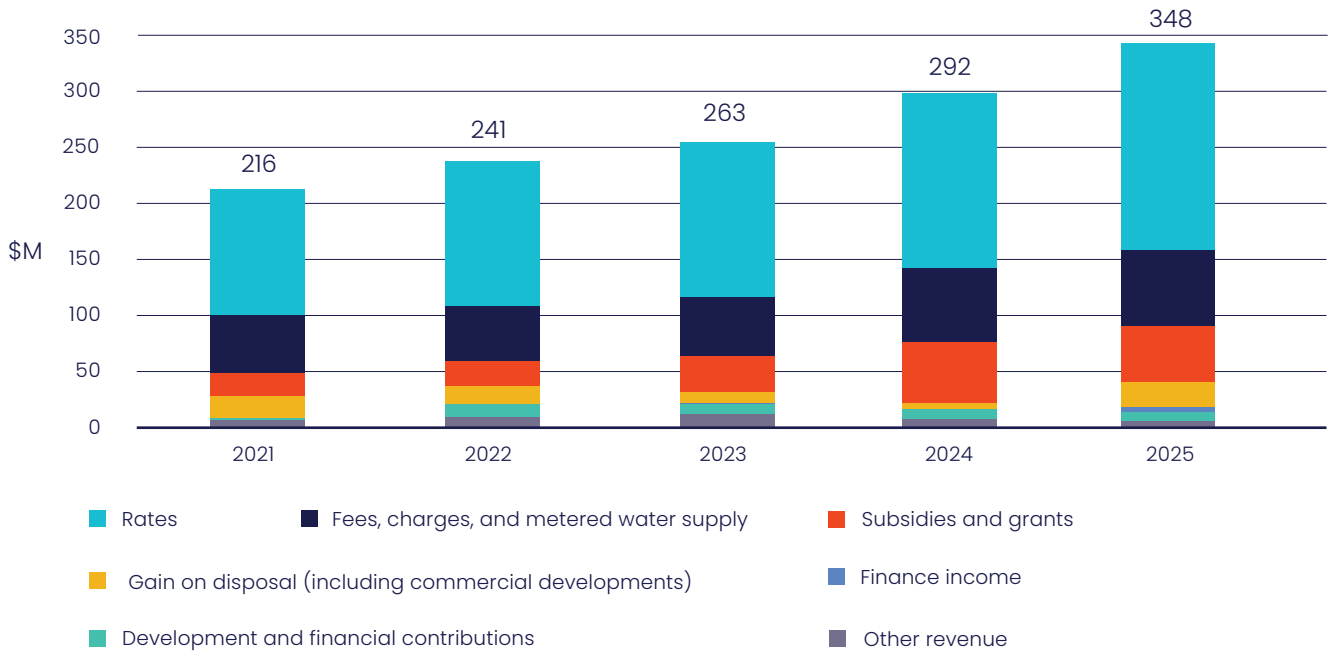
We fund our services and operations through a mix of rates and non-rates revenue. Like most councils, rates are our main source of funding (see Graph 3).

In 2024–25, total group revenue was \$348 million (excluding revenue from the revaluation of financial instruments) and is continuing to trend upwards (see Graph 4). Rates revenue made up \$187 million (including rates penalties income), or just over half of our total revenue. This reflects an increase of \$29 million from the previous year, following the rates increase approved by Council to help fund services and infrastructure investment. Subsidies and grants revenue was \$36 million lower than the budget, mainly due to reprioritisation and delays in capital investment, resulting in decreased subsidy and grant revenue. Fees, charges, and other revenue were \$7.6 million lower than budget, largely reflecting lower activity volumes than assumed in areas such as pools, consents, and landfill.

**Graph 3: Group revenue by source in 2024–25**



**Graph 4: Group five-year revenue trend (excluding gains on the revaluation of financial instruments)**

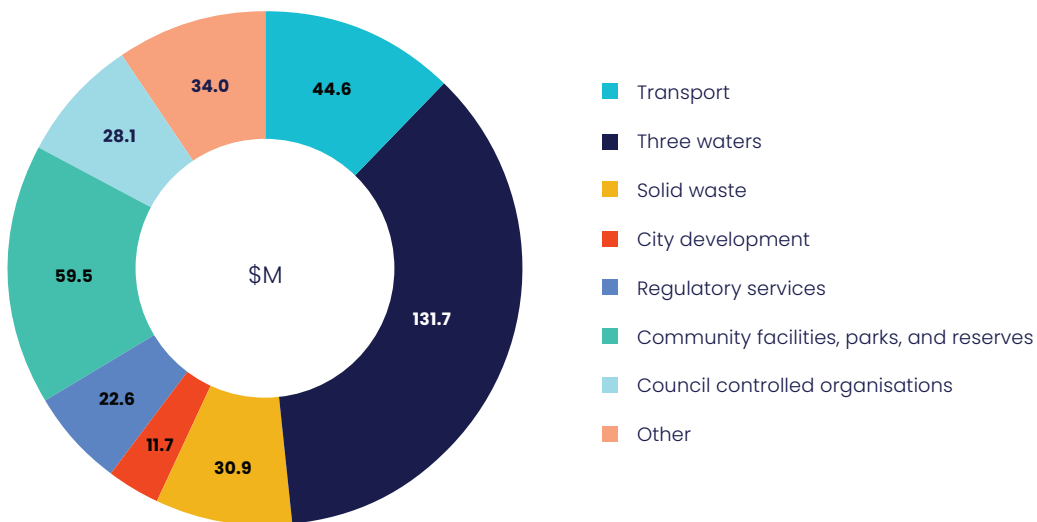


**Expenditure**

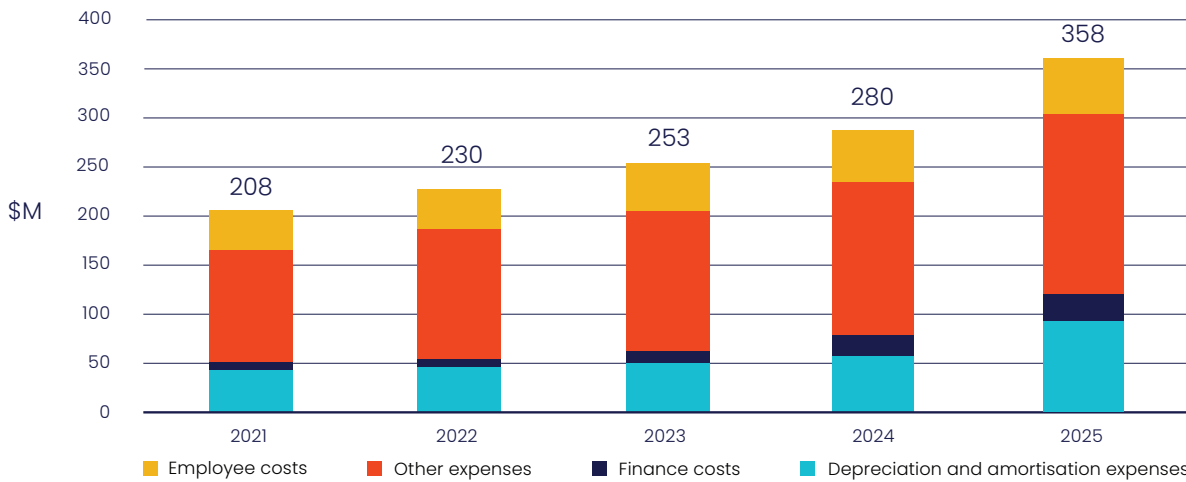
Our operating expenditure (excluding losses on revaluation of financial instruments) covers the costs of delivering our day-to-day services, including paying our staff, maintaining our assets, and providing a wide range of community services and support. For 2024-25, total group costs were \$358 million. Graphs 5 and 6 illustrate how spending is

distributed across different services and the spending trend over the past five years. Council’s operating costs exceeded the budget by \$5.9 million. This overspend is primarily due to higher depreciation costs of \$22 million driven by the revaluation of assets in 2023-24, offset by reductions in other operating costs.

**Graph 5: Group expenditure by activity in 2024–25**



**Graph 6: Group five-year expenditure trend (excluding losses on revaluation of financial instruments)**



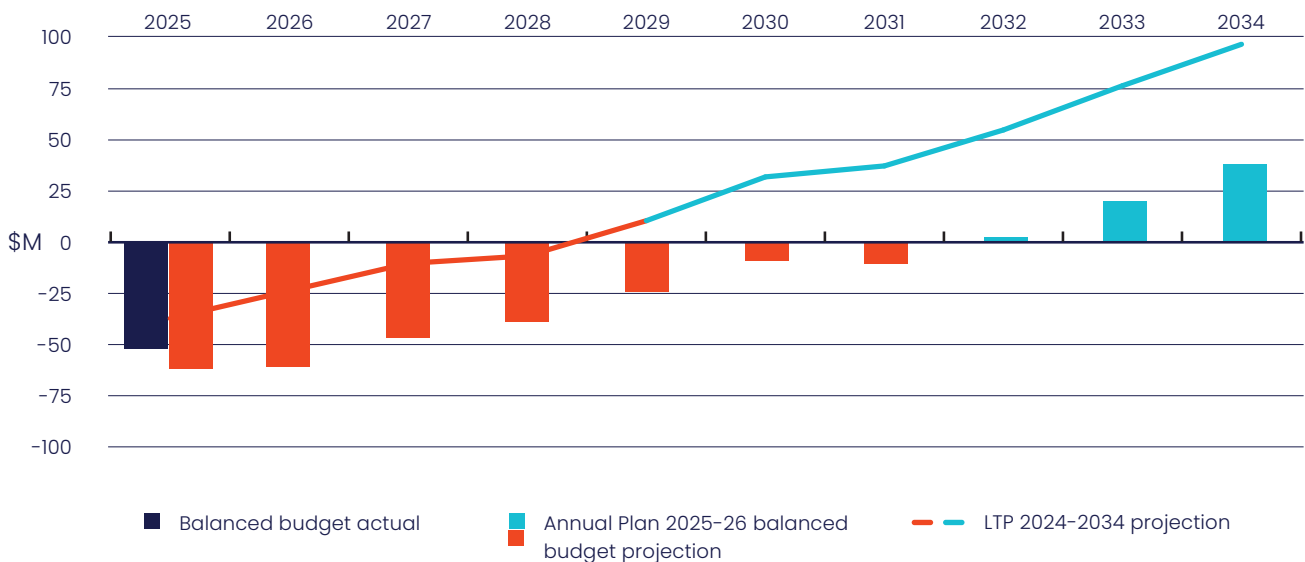
### Balanced operating budget

An important part of our Financial Strategy is maintaining a balanced operating budget. This means that our everyday costs are covered by our everyday income, ensuring that operating expenses are paid for by operating revenue. We want to avoid taking on debt to cover everyday expenses and reserve it for long-term infrastructure investments instead. Our 10 Year Plan 2024-2034 outlines our method for assessing whether we achieve a balanced operating budget. Achieving a balanced operating budget is essential for the long-term sustainability of Council services, but it must be balanced against the significant capital investment

requirements. To support affordability for ratepayers, Council has agreed to gradually move towards a balanced operating budget over several years. According to the latest Annual Plan 2025-26, we are forecasting to achieve a balanced operating budget by 2031-32. In 2024-25, our balanced operating budget result (or net operating result) was a deficit of \$52.2 million, which was \$14.3 million worse than the budgeted deficit of \$37.8 million. This is driven largely by the higher depreciation costs.

The overall variance against budget, excluding depreciation impacts, is \$8 million favourable to budget. Graph 7 illustrates the actual trend to date and the future forecast.

**Graph 7: Council actual and projected balanced budget outlook**



Council does not meet the legislative balanced budget requirement as defined in s100 of the Local Government Act 2002 and is not expecting to do so until 2028. The legislative calculation includes capital grants and subsidies which can only be applied to capital projects and cannot be used to fund everyday operational costs over the period. As Council receives significant capital grants and subsidies, the legislative calculation makes it appear that there is more income available to meet everyday operational costs than there actually is. Therefore, we have excluded capital improvement subsidies and capital grants from the graph to only show the projected operating balanced budget for everyday operational income and costs.

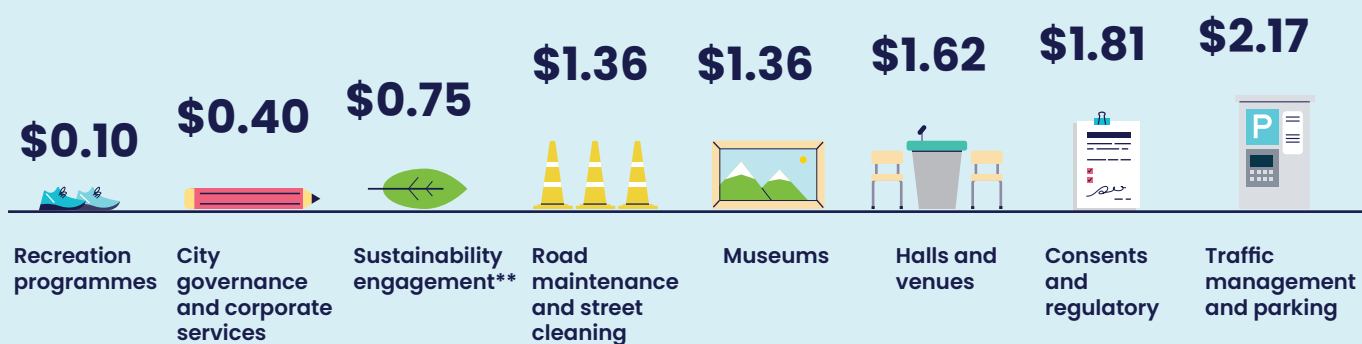


# Ki hea tohaina ai hāku rēti

## Where will my rates be spent

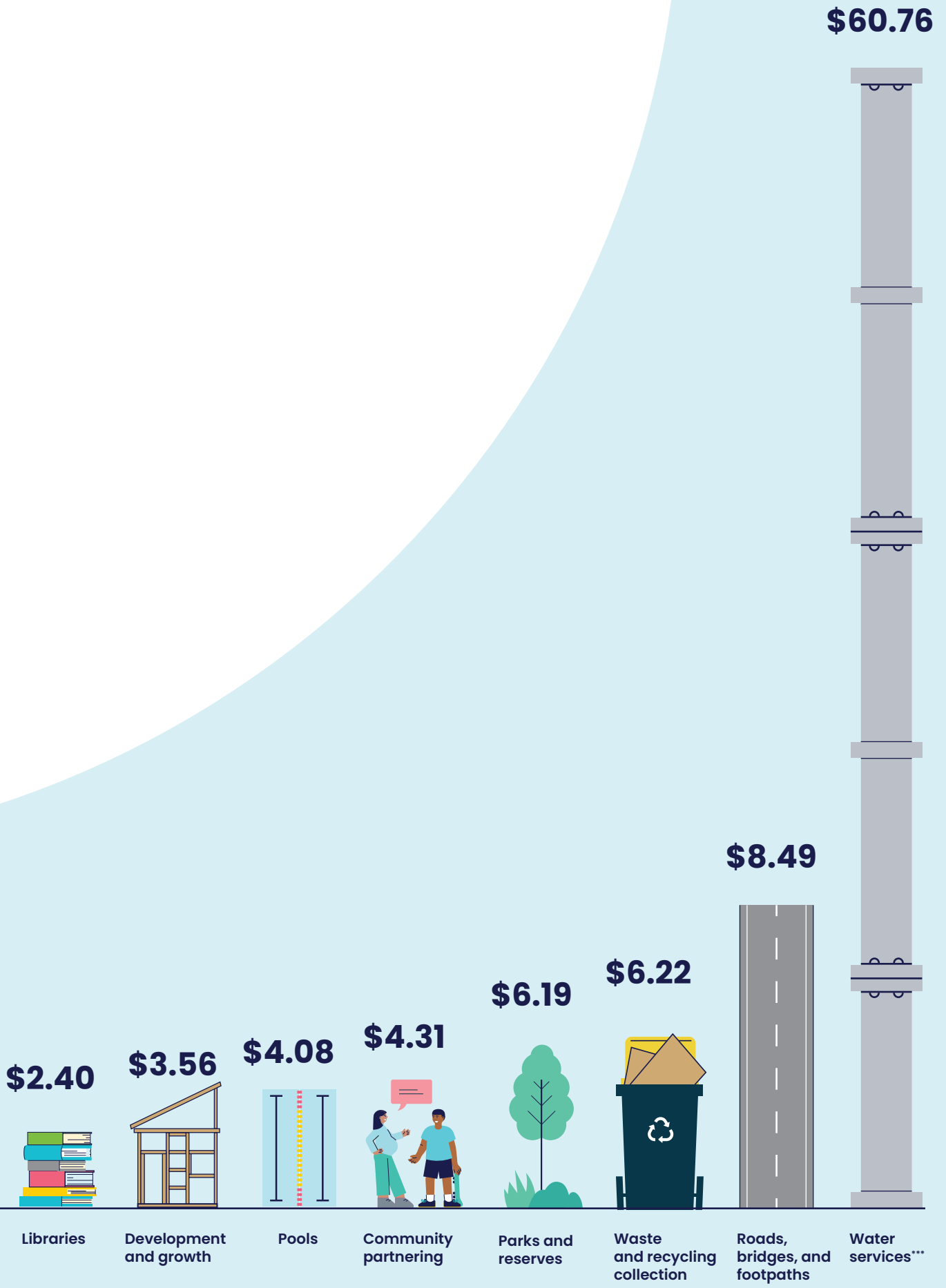
### This is how we plan to spend every \$100 of rates over the next nine years\*

In June 2025, with financial sustainability and affordability front of mind, Council agreed to reduce the planned rates revenue increase of 13.4% for 2025-26 to 12.6% (both after growth). This graph is based on the Annual Plan 2025-2026.



\* We expect to receive \$5.58 of credit from the landfill. This will help to offset costs and is reflected in the figures for all these other services shown on these pages.

\*\*Sustainability engagement represents spending on community activities, along with facilitation of projects across council activities, including investment in decarbonisation of council facilities, healthy urban waterways, etc.

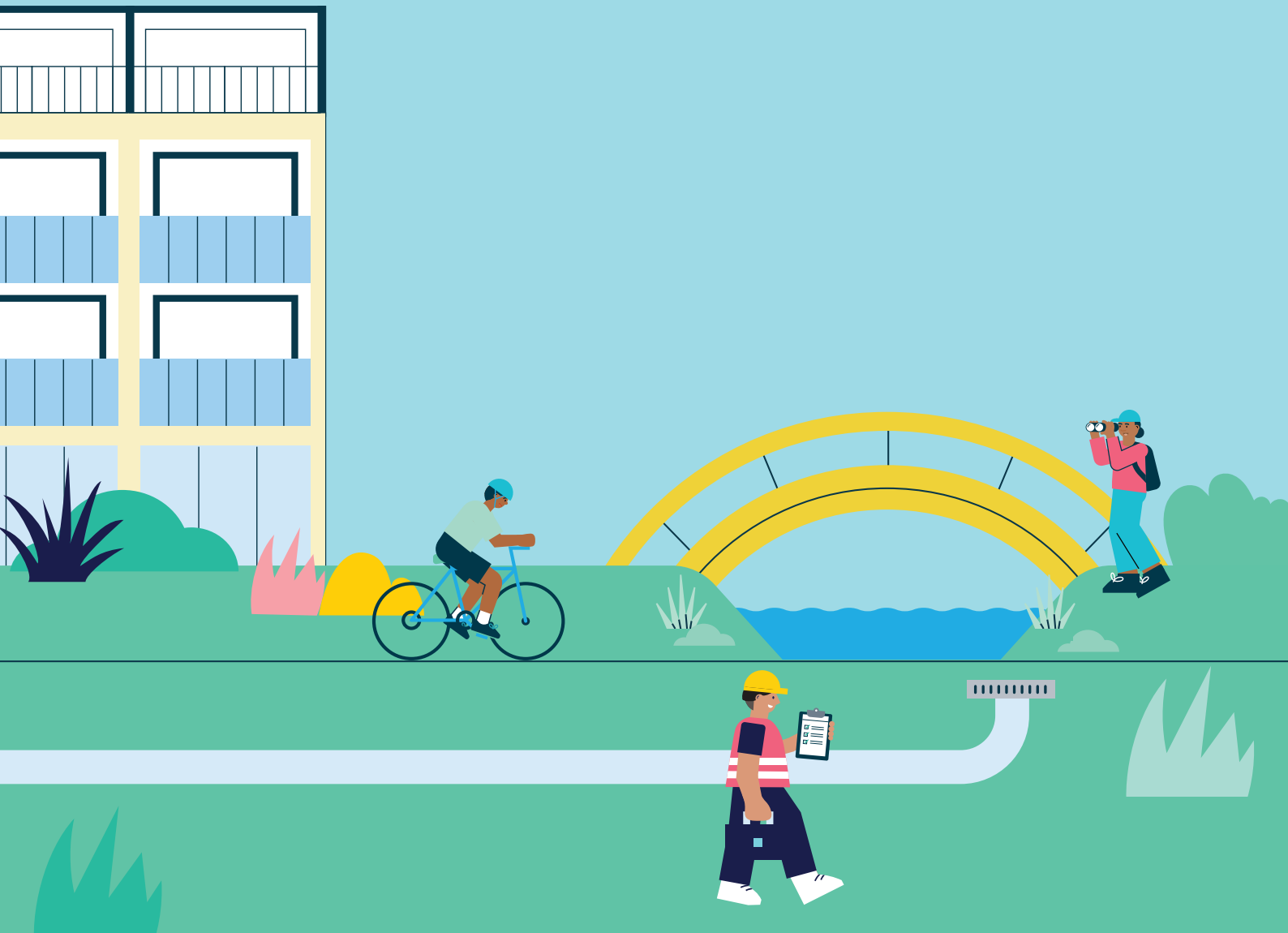


\*\*\* Water services is made up of water supply, wastewater, and stormwater investment.

# Tātaritanga

Our performance

# 2



# Ngā whakataua me ngā whakapae o te kawe ratonga

## Service performance judgements and assumptions

### **PBE FRS 48 Service Performance Reporting Standard introduction**

Council is responsible for democratic and effective decision making in Te Awa Kairangi ki Tai Lower Hutt. Council is also bound by the Local Government Act 2002 to promote the social, economic, environmental, and cultural wellbeing of the city's current and future communities.

You can find more information on pages 8–17 in this Annual Report.

### **How Council selects performance measures**

In the Council's 10 Year Plan, significant steps have been taken to evaluate our performance in various ways. This evaluation involves summarising overall performance, assessing the effectiveness of different activities, and providing yearly reports.

One major decision for the Council is ensuring that the goals set for our services align with the criteria used to gauge our performance. Council closely examines how these goals and measurements align to ensure that the selected measurements truly reflect the quality of services within the community.

In setting performance measures, Council seek input and feedback from people in our community, including residents, those who pay local rates, local boards, and other communities. This feedback is collected during the 10 Year Plan and Annual Plan consultation processes and through annual resident satisfaction surveys.

The Local Government Act (2002) prescribes specific rules that require standard measurements for different types of activities. This allows people to compare services across Council. Council also takes advice from the Department of Internal Affairs (DIA) on how to measure certain things following specific guidelines (such as processing a certain percentage of building permits and resource consents within 20 days). These decisions are essential for ensuring that our method of assessing our services aligns with community preferences, our objectives, and the law.

Council's performance measures help us track our progress in achieving the objectives outlined in the 10 Year Plan. The Council's service performance indicators are found in the 'Our Performance' section.

### **Resident satisfaction surveys**

The Resident Satisfaction Survey (RSS) is an annual survey undertaken by Hutt City Council to understand how residents of Te Awa Kairangi ki Tai Lower Hutt view the Council's services, facilities, and spaces. It is a key measure of community outcomes and provides an independent perspective on how well Council is meeting community expectations. Council uses this survey to complement other performance information, ensuring that decision making is informed by residents' views and that services continue to align with community needs.

Resident Satisfaction Survey 2025 was conducted using Alchemer, with invitations sent to the Citizens Panel of around 3,300 residents managed by Public Voice. Survey information and links were also shared publicly through Council's website, the library portal, Hutt News and other local newspapers, while 3,500 targeted postcards were sent to residents on the Māori electoral roll. Paper surveys were made available at hubs, libraries, and other Council facilities, with completed responses re-entered into Alchemer.

For the first time, the survey was supplemented with focus group discussions involving rangatahi and ethnic and migrant communities. After collection, all responses were cleaned and quality-checked before being analysed in DisplayR, with results weighted against 2023 Census data to ensure they accurately reflect the demographic makeup of Te Awa Kairangi ki Tai Lower Hutt.

In 2024–25, the survey received approximately 1,455 valid responses. The overall results have a margin of error of plus or minus 3% at the 95% confidence interval.

The insights gained from the RSS are an important part of improving Council's practices and services, ensuring that resident perspectives are reflected in the way Council delivers for the community.

## How Council report on performance measures and results

The year-end results for performance measures are reported in annual reports. Results are reported in a table under the heading Key performance indicators for each activity area. Comparative results are provided for the prior year to give a comparison at a similar point in time and show trends. Where a standard for a performance measure has not been met, or there is a significant variance, an explanation is included.

## External implications for statements about performance

The introduction of the standard brings more rigorous requirements for reporting service performance to enhance accountability and decision-making. External factors beyond an entity's control, such as government policy changes, travel restrictions, and economic conditions, can influence service performance results.

In 2010, the Local Government Act 2002 was amended to require the Secretary for Local Government to make rules specifying non-financial performance measures for local authorities to use when reporting to their communities. All councils are required to use a standard set of performance measures across five activity areas – stormwater drainage, sewerage, flood protection, water supply, and the provision for footpath and roads – when reporting to their communities.

Hutt City Council utilises non-financial key performance indicators (KPIs) based on the 10 Year Plan 2024–2034, ensuring alignment with government rules, Council priorities, and expectations for performance improvement. These KPIs measure outcomes directly controllable by the Council.

PBE FRS 48 encourages presentation on clear and meaningful service performance information alongside financial statements, emphasising the application of qualitative characteristics and constraints in reporting. Reporting consistency and the disclosure of significant judgements affecting performance information are critical aspects of the Standard. Council's impact assessment highlights expected changes and required disclosures due to these new reporting standards.

## Disclosure of key judgements for 2024–25

Council discloses the judgements that have the most significant effect on the selection of service performance information, focusing on those most relevant to a reader's understanding of reported results. These disclosures are intended to support transparency and accountability.

In past Annual Reports, Council has reported on KPIs alongside other non-financial information, such as the number of water supply, wastewater, and stormwater complaints. Council also continues to consider government reform programmes, including the status of Three Waters, and acknowledges ongoing uncertainties in areas such as greenhouse gas emissions measurement.

In 2024, Council set 77 KPIs in the 10 Year Plan 2024–2034. Council also seeks resident feedback through the Resident Satisfaction Survey, which helps us evaluate whether the performance measures reported reflect community priorities.

When reporting on performance, Council applies specific rules and makes considered decisions about what information to disclose. These decisions are guided by how well the information reflects Council's goals and strategies, its consistency across reporting periods, and the extent of discretion available in how performance is measured and presented. Other factors also influence disclosure, including the importance of the information, the costs of collecting it, and feedback received from report users. Council also explains the basis for comparing results with prior years, the measures chosen, and the approach taken in presenting performance information.

These disclosures also reflect the areas identified by independent auditors as requiring particular attention in their review.

## Statement of compliance

This report of the Hutt City Council has been prepared in accordance with the requirements of the LGA which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The Hutt City Council service performance report as set out on pages 14–17, 39–117, and 220 has been prepared in accordance with the Tier 1 PBE financial reporting standards, which have been applied consistently throughout the period and complies with PBE financial reporting standards.



# Whakarāpopoto tātaritanga

## Our performance at a glance

**49** were achieved

**27** did not achieve the targets

**3** measures were reported, and targets will be set for 2025–26

### Water management

Council complied with most of the new drinking water standards, with one water treatment plant, managed by Greater Wellington Regional Council, partially meeting those standards. Resident satisfaction with water supply improved to 76%, partly as a result of significant improvements to response times for urgent and non-urgent call outs. The complaint rate was at 26.2 per 1,000 connections due to ageing infrastructure.

In wastewater, dry weather overflows remained low at 2.3 per 1,000 connections, and complaints were within target. Satisfaction with wastewater services increased to 69% following improvements at the Seaview Wastewater Treatment Plant, but consent non-compliance persisted with three enforcement actions. Response and resolution times improved but remain affected by ageing assets.

Stormwater performance met all water quality and flooding targets, with no flooding events affecting habitable floors this year. Resident satisfaction improved to 58%, though feedback highlighted concerns about blocked drains, local flooding, and the need for better climate resilience.

### Sustainability and resilience

Emissions from Council-owned facilities were 2,362 tCO<sub>2</sub>-e, above the target of 1,987t CO<sub>2</sub>-e. Notably, while emissions associated with the use of fossil gas decreased compared to the previous year in line with the phase-out of fossil gas for heating purposes, emissions associated with electricity increased, as a result of an increase in electricity consumption (e.g. Te Ngaengae Pool + Fitness opening) and changes and assumptions regarding the carbon intensity of New Zealand's electricity production for the 2024–25 financial year. Overall emissions are about 17% lower than the baseline year in 2016–17. With regard to the fleet, emissions from fossil fuel powered vehicles were at 67 tCO<sub>2</sub>-e, above the target of 61 tCO<sub>2</sub>-e. However, the fleet continues to transition to electric vehicles, and emissions are now over 70% lower than the baseline year in 2016–17.

### Waste management

Council maintained full compliance with resource consents at Silverstream landfill. The number of

illegal dumping complaints reduced to 214. Kerbside waste to landfill increased to 0.193 tonnes per person. Kerbside recycling volumes increased marginally to 5,171 tonnes, and while contamination has reduced to 14%, lower than the previous year (15%), it remained above the target level of 10%. Resident satisfaction with rubbish and recycling services was 78%, reflecting some dissatisfaction regarding the frequency of Council's green waste collection service, and some service inefficiencies, such as missed collections.

### Regulatory services

Building consent and code compliance performance improved significantly, reaching 82% and 94% respectively. Non-notified resource consents achieved 96%, an improvement from 77% in the previous year. Environmental health targets were met or exceeded, including 100% verification of food premises and 111% inspection of high-risk liquor sites. Noise complaint response rates held steady at 93%, and animal services undertook 150 community educational activities, continuing to support a safer and more informed community.

### Transport

The road condition index improved slightly to 4.1, meeting our target. Resurfacing covered 2.3% of the sealed road network, meeting the target, and 95% of footpaths met the service standard. Customer service responsiveness for road and footpath requests was low at 19%, reflecting a need for improved priority of requests. Work is underway to enhance reporting and technology, alongside ongoing investment in shared pathways and footpath renewals to support a safe and accessible transport network.

### Infrastructure and active modes

Audit results for infrastructure contracts were strong, with all 12 contracts audited and 90% meeting specifications. Resident satisfaction with footpaths was 48%, on-road cycleways 36%, and shared paths 58%, reflecting ongoing concerns about safety, maintenance, and connectivity. While some improvements were noted where repairs and new cycle lanes were delivered, feedback highlighted issues such as uneven surfaces, debris, and conflicts between cyclists and pedestrians.

## Parking and facilities

Resident satisfaction with parking availability declined to 45%, remaining well below the 75% target. Feedback highlighted ongoing difficulties finding car parks in central Te Awa Kairangi ki Tai Lower Hutt and Petone, dissatisfaction with paid parking and time limits, and frustration with the removal of some parking to support other transport priorities.

## Community services

Council partnered with community groups in a homelessness prevention programme to successfully assist 50 households into more settled accommodation, facilitate legal housing advice for 194 households, and support another 103 households. Seven of nine neighbourhood hubs met their visitor targets, with total visits exceeding the target by 5%, and resident satisfaction remained high at 87%. Neighbourhoods and communities supported and enabled 7,141 wellbeing activities, 966,524 library loans, and expanded digital and early years literacy programmes, strengthening community engagement and support.

## Recreation and culture

Grass sports fields were closed for only two days and artificial turf fields for 15 days, meeting availability targets. This is in large part because the drainage improvement programme agreed for the 10 Year Plan 2024-2034 has kicked in and is currently on target in terms of cost and delivery. Satisfaction with sports fields and parks remained strong at 80% and 85% respectively, while playground satisfaction was slightly below target at 79%. Our programme of playground renewals and improvements continues.

With major work underway on the pool network, visitor numbers were slightly down, but overall pool satisfaction was 80% and fitness suite membership increased to 2,469. Museums performed strongly, meeting visitor targets, delivering 344 arts and culture programmes, and maintaining 92% resident satisfaction.

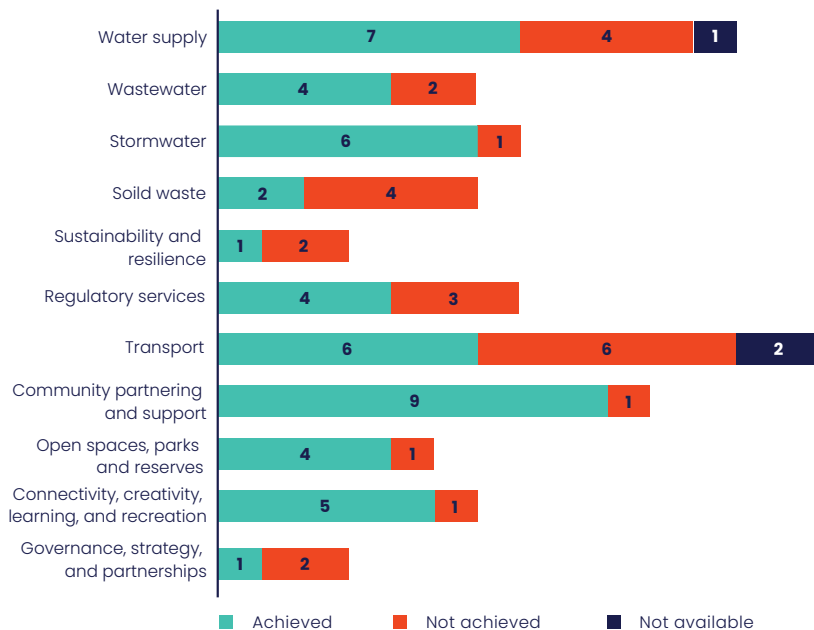
## City governance

The Council met its target of 100% for making meeting and committee agendas publicly available on time. However, resident satisfaction with access to decision-making and the perceived effectiveness of public participation fell short of the 80% target, with satisfaction at 39% and feelings of being well-informed at 48%. Feedback indicates concerns about the Council's responsiveness to public input.

## Conclusion

In 2024-25, Council delivered strong progress across core services while addressing areas of ongoing challenge. Water management showed significant improvements in response times and compliance, though ageing infrastructure continues to drive higher complaint volumes and water loss. Waste management maintained compliance and reduced illegal dumping, but landfill volumes and recycling targets remain areas for focus. Satisfaction with community facilities, recreation, and cultural services stayed high, reflecting strong engagement across neighbourhood hubs and libraries, and museums. Looking ahead, Council will continue to invest in infrastructure, improve communication and engagement, and focus on sustainability initiatives to meet the city's growing needs.

### KPI measure achievement by activity areas:







# **Oranga taiao** Environmental wellbeing

# Ngā puna wai

## Water supply

### Statement of service performance

#### What we do

Ensuring the consistent and secure access to safe drinking water is an important concern for our community. To achieve this, Council is committed to providing a sustainable, high-quality water supply for both domestic and commercial needs. Our ongoing efforts involve close monitoring of water quality and undertaking necessary maintenance and upgrades to meet the required service standards.

Greater Wellington Regional Council oversees the extraction, treatment, and bulk water supply to feed the city's water supply system.

#### Why we do it

By delivering water that is of high quality and affordable, Council actively contributes to several crucial activities:

- enhancing the overall health of the community
- ensuring community safety, particularly through the water supply system's firefighting capabilities
- supporting industrial and residential development initiatives

### Key performance indicators

#### Water supply

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
<b>Standards</b>						
<b>We want to ensure our community has access to a safe, clean, reliable water supply</b>						
The extent to which the local authority's drinking water supply complies with the T3 bacterial rules (previously part 4 of the drinking-water standards -bacteria compliance criteria)**,**	All met (100%)	Non compliant	Non compliant	The target was not met for all drinking water supplied. The results are: Te Mārua – All met (100%) Wainuiomata – All met (100%) Gear Island – All met (100%) Waterloo – Partially met (91.67%)	✘	New rules introduced by Taumata Arowai in 2022 required an increase to a value known as a 'Ct' that is determined from the amount of chlorine added to drinking water and the time that it must spend in contact with the water before reaching consumers.  The change means the water supplied from the Waterloo Treatment Plant is not compliant for up to 800 Lower Hutt households located near the treatment plant. These customers receive water that has not travelled through the network for a long enough period to have the right amount of contact with chlorine to meet the new rules.
The extent to which the local authority's drinking water supply complies with T3 protozoal rules (previously part 5 of the drinking-water standards - protozoal compliance criteria)**,**	All met (100%)	New measure in 2024-25	Non compliant	The target was met for all drinking water supplied. The results are: Te Mārua – All met (100%) Wainuiomata – All met (100%) Gear Island – All met (100%) Waterloo – All met (100%)	✔	Work done to date includes looking at rezoning some properties to be supplied from other areas of the network by constructing new assets including pipes, valves, and pump stations. Construction work has commenced. This work is ongoing, and we estimate that it could take up to two years before the supply can achieve full compliance. Until this work is completed, we will be reporting non-compliance for the Drinking Water Quality Assurance Treatment (T3) bacterial rules.  In the interim, we are continuing with our regular monitoring of the drinking water from the bores supplied from the Waiwhetū aquifer, as well as at the Waterloo Water Treatment Plant and locations within the drinking water network. The results show the water is safe to drink.
The extent to which the local authority's drinking water supply complies with D3.29 microbiological monitoring rule**,**	All met (100%)	New measure in 2024-25	New measure in 2024-25	All met 100%	✔	HCC complied with the D3.29 Microbiological Monitoring Rule. Greater Wellington Regional Council is responsible for compliance with the T3 bacterial rules and T3 protozoal rules.

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
Number of complaints received about water clarity, taste, odour, pressure, flow, and continuity of supply per 1,000 connections	≤ 20	26.1 complaints per 1,000 connections	31.7 complaints per 1,000 connections	26.2 complaints per 1,000 connections	×	The volume of complaints relates to both network conditions and long-term investment. With many water assets near or at the end of their operational life, we can expect to see complaints continue to exceed the target.
Resident's satisfaction with the water supply service they receive	≥ 90%	73%	57%	76%	×	Resident Satisfaction Survey 2025 shows that the water supply residents receive has improved significantly over the last year and is back to where it was 2 years ago. This is likely a result of Council's increased investment in renewals, and in responding to and repairing leaks.

**Where the local authority attends a callout in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured**

Attendance for urgent callouts: from the time that the local authority receives notification to the time that service personnel reach the site	≤ 90 minutes	98 mins	101 mins	46 mins	✓	The reduction in attendance time for urgent callouts is in line with Council's target. This reflects Council's significant investment in reactive maintenance (e.g. leaks) in the drinking water network.
Resolution of urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption	≤ 8 hours	6.7 hours	4.6 hours	2.6 hours	✓	The continued reduction in the time to resolve urgent callouts is a reflection on Council's significant investment in reactive maintenance (e.g. leaks) in the drinking water network.
Attendance for non-urgent callouts: from the time that the local authority receives notification to the time that service personnel reach the site	≤ 72 hours	548 hours	191 hours	28 hours	✓	The significant reduction in the time for attending non-urgent callouts to within Council's target is a reflection on Council's significant investment in reactive maintenance (e.g. leaks) in the drinking water network.
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	≤ 20 working days	23 working days	16 working days	3 working days	✓	The significant improvement in time taken to resolve non-urgent callouts is a reflection on Council's significant investment in reactive maintenance (e.g. leaks) in the drinking water network.

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	

### We need to ensure we have a sustainable water supply for the future

Average drinking water consumption per resident per day	≤ 385 litres	410 litres	422 litres	374 litres	✓	Average drinking water consumption per resident per day has reduced in 2024-25 due to increased investment in leaks.
Percentage of real water loss from networked reticulation system	≤ 20%	37%	35%	30%	✗	Water loss reduction dropped in 2024-25 due to increased investment in leaks, however, still remains above target. Risk remains high until funding is secured to avoid growing repair backlogs and water shortages within 5-10 years. The long-term outlook will worsen until asset renewals reach sustainable levels.
Kilometres of renewals for 3 waters infrastructure	Hold or increase on previous year	New measure in 2024-25	New measure in 2024-25	9.4km	Baseline year****	Council delivered more renewals than budgeted, noting that capital investment this year was directed at the Seaview Wastewater Treatment Plant.

\*Compliance with the Water Services (Drinking Water Standards for New Zealand) Regulations 2022 and Drinking Water Quality Assurance Rules (DWQAR) 2022

\*\*Department of Internal Affairs (DIA) mandatory measure, which was announced as part of the DIA Non-Financial Performance Measure Rules 2024, with effect from 21 August 2024. Wellington Water Limited agreed to measure this KPI from the beginning of the financial year to provide performance for a full financial year. While this measure is new for the 2024-25 financial year, water quality in the 2023-24 financial year was measured against the same bacteriological, protozoal and microbiological rules in the DWQAR 2022; therefore, the current and previous years' performance outcomes are comparable.

\*\*\*Water Services Authority (Taumata Arowai) changed methodology for calculating drinking water safety performance measures, which requires the use of the DWQAR aggregate compliance rate methodology. This replaces the previous binary compliant/non-compliant rating with a four-step scale: 'All met' (100%), 'almost met' (95-99%), 'partially met' (1-94%), and 'none met' (0%). Because of this change in methodology, results for 2024-25 are not directly comparable with those reported in prior years.

\*\*\*\*Target will be set for 2025-26

## Prospective statement of comprehensive revenue and expense

### Water supply

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024	2024	2024	2025	2025	2025
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	3,838	4,716	5,006	6,010	6,828	818
Operating subsidies	-	-	-	-	-	-
Operating grants	-	-	72	-	-	-
Capital subsidies	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Development and financial contributions	1,163	1,163	1,837	1,822	1,965	143
Interest earned	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Gain on prop disposals	-	-	-	-	-	-
Vested assets	123	122	909	127	449	323
Other revenue	-	-	-	-	-	-
<b>Total revenue</b>	<b>5,124</b>	<b>6,001</b>	<b>7,825</b>	<b>7,959</b>	<b>9,242</b>	<b>1,283</b>
<b>Expenditure</b>						
Employee costs	-	-	-	-	48	(48)
Operating costs	21,772	25,726	26,217	34,545	32,752	1,793
Support costs/internal charges	612	664	664	588	594	(6)
Gain/(loss) on prop revals, sales, disposals	-	-	-	-	-	-
Finance cost	831	1,896	2,090	3,641	4,750	(1,109)
Depreciation	5,673	6,375	6,646	8,454	14,878	(6,425)
<b>Total expenditure</b>	<b>28,888</b>	<b>34,661</b>	<b>35,617</b>	<b>47,228</b>	<b>53,022</b>	<b>(5,794)</b>
<b>Deficit before tax</b>	<b>(23,764)</b>	<b>(28,660)</b>	<b>(27,792)</b>	<b>(39,269)</b>	<b>(43,780)</b>	<b>(4,511)</b>
<b>Total capital expenditure</b>	<b>11,553</b>	<b>25,772</b>	<b>31,665</b>	<b>22,640</b>	<b>27,227</b>	<b>(4,587)</b>
<b>Rates funding requirement</b>						
Deficit before tax	(23,764)	(28,660)	(27,792)	(39,269)	(43,780)	(4,511)
Add capital contributions	(1,163)	(1,163)	(1,837)	(1,822)	(1,965)	(143)
Rate funded debt/(debt repayment)	-	7,328	6,813	13,197	17,177	3,980
<b>Total rates funding requirement</b>	<b>(24,927)</b>	<b>(22,494)</b>	<b>(22,816)</b>	<b>(27,894)</b>	<b>(28,567)</b>	<b>(673)</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	(1,305)	(496)	(491)	(106)	(935)	829
Capital to improve level of service	(2,111)	(4,823)	(5,222)	(6,429)	(3,727)	(2,702)
Capital to replace existing assets	(8,137)	(20,454)	(25,952)	(16,105)	(22,565)	6,460
Less capital contributions	1,163	1,163	1,837	1,822	1,965	143
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	5,673	6,375	6,646	8,454	14,878	6,425
Less vested assets	(123)	(122)	(909)	(127)	(449)	(323)
Less asset sales	-	-	-	-	-	-
Less rate funded debt repayment	-	(7,328)	(6,813)	(13,197)	(17,177)	(3,980)
<b>Total loan funding requirement</b>	<b>(4,840)</b>	<b>(25,685)</b>	<b>(30,904)</b>	<b>(25,688)</b>	<b>(28,010)</b>	<b>6,852</b>
<b>Total funding requirement</b>	<b>(29,767)</b>	<b>(48,179)</b>	<b>(53,720)</b>	<b>(53,582)</b>	<b>(56,578)</b>	<b>6,179</b>

## Operating projects

There were no operating projects separately budgeted for the year.

### Significant operating variations from Annual Plan

Wellington Water Limited (WWL) manages, maintains, and operates the water supply (WS) activity on behalf of Council under a management services agreement. Net operating costs are unfavourable to budget, mainly due to increased depreciation following asset revaluations undertaken as at 31 May 2024 and higher interest expenses associated with the capital programme. This is partly offset by lower network operating and investigation costs, higher commercial water meter revenue, and higher vested assets compared to the conservative budget assumption.

### Capital projects acquisitions and renewals

#### Water supply

For the year ended 30 June	2024-25	Actual	Bud v Act Variance
	LTP Budget (Year 1)		
	2025 \$000	2025 \$000	2025 \$000
<b>Capital to meet additional demand</b>			
Network upgrades WS growth	106	-	106
Reservoir upgrades WS growth	-	935	(935)
<b>Capital to improve level of service</b>			
Critical pipelines seismic upgrade	-	12	(12)
Data collection WS	1,439	-	1,439
Distribution pipe model development	-	287	(287)
Network upgrade WS	1,180	3,387	(2,207)
Pump station upgrades WS	-	-	-
Reservoir upgrades WS	19	5	14
Water resilience	2,316	37	2,280
Universal water meters	1,474	-	1,474
<b>Capital to replace existing assets</b>			
Reactive network renewals WS	-	3,291	(3,291)
Reactive pump station renewals	382	224	158
Reactive reservoir renewals	2,353	414	1,940
Control systems renewals WS	53	-	53
Network renewals WS	13,317	18,636	(5,320)
	<b>22,640</b>	<b>27,227</b>	<b>(4,587)</b>

### Significant asset acquisitions or replacements and variations from the Annual Plan

WWL manages, maintains, and operates the planning and delivery of the water supply capital programme on behalf of Council under a management services agreement. WWL has been tasked with completing a large programme of capital works. The overspend relates mainly to work on Network Renewals with the programme of work and budgets being revised in line with WWL stage 2 advice and approved by Council in February 2025.

# Waiparu Wastewater

## Statement of service performance

### What we do

Council plays a crucial role in the community's wellbeing by collecting, treating, and responsibly disposing of wastewater. This service supports the growth and development of our city while ensuring the health of our residents and the protection of the environment.

We operate an extensive pipe network and efficiently manage the flow of household and commercial effluent to the Seaview Wastewater Treatment Plant before the treated effluent is discharged into Cook Strait at the Pencarrow outfall.

### Why we do it

By providing a reliable and responsible wastewater solution, we contribute to the development of our community and uphold the highest standards of public health and environmental protection.

This activity aligns with our commitment to fostering a thriving, sustainable city that prioritises the wellbeing of both residents and the natural environment.

## Key performance indicators

### Wastewater

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
<b>Standards</b>						
<b>It is critical our community is not exposed to any health or environmental risks associated with wastewater, by providing a safe, reliable, quality wastewater network</b>						
Dry weather wastewater overflows per 1,000 connections	≤ 20	5.3 per 1,000 connections	1.7 per 1,000 connections	2.3 per 1,000 connections	✓	
Number of complaints per 1,000 connections	≤ 30	22.1 complaints per 1,000 connections	24.1 complaints per 1,000 connections	28.5 complaints per 1,000 connections	✓	<p>These cover complaints received about sewage odour, sewerage system faults, sewerage system blockages, and Council's response to issues with the sewerage system.</p> <p>Customer complaints are strongly influenced by both network condition and long-term investment levels. With many assets approaching or already exceeding the end of their operational life, complaint volumes are expected to remain above target.</p>
Resident's satisfaction with the wastewater service they receive	≥ 90%	72%	61%	69%	✗	<p>The Residents Satisfaction Survey 2025 shows that satisfaction has improved over the last year. Improvements at the Seaview Wastewater Treatment Plant have seen a reduction in odour issues, and investment over the next 2-3 years will see further improvements. Increased drainage investigations have improved the wider wastewater network; however, more work is required.</p>

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	

### Attendance time

Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times are:

Attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site	≤ 90 minutes	593 mins	159 mins	81 mins	✓	Council has increased investment in the wastewater network. With an increase in resources and improved training, WWL is now seeing significant improvements in responding within targeted timeframes.
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	≤ 8 hours	35 hours	12.4 hours	5.15 hours	✓	Council has increased investment in the wastewater network. With an increase in resources and improved training, WWL is now seeing significant improvements in responding within targeted timeframes.
Compliance with resource consents measured by the number of abatement notices, infringement notices, enforcement orders, and convictions from wastewater system	No enforcement action	5 notices	15 notices	4 notices	✗	<p>1. 2 infringement notices (April 2025) were issued to the Seaview Wastewater Treatment Plant for non-compliant effluent quality.</p> <p>2. Abatement notice (August 2024) was issued to the Seaview Wastewater Treatment Plant Stage 1 – biofilter upgrades for unauthorised discharges.</p> <p>3. Abatement notice (October 2024) was issued to the Seaview Wastewater Treatment Plant Stage 2 – building odour treatment and ducting for unauthorised discharges.</p>

## Prospective statement of comprehensive revenue and expense

### Wastewater

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024	2024	2024	2025	2025	2025
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	1,119	1,207	1,604	1,248	1,766	518
Operating subsidies	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Development and financial contributions	775	775	2,184	2,144	1,716	(428)
Interest earned	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Gain on prop disposals	-	-	-	-	-	-
Vested assets	123	122	535	127	304	178
Other revenue	2,687	3,234	3,409	3,971	3,983	12
<b>Total revenue</b>	<b>4,704</b>	<b>5,338</b>	<b>7,732</b>	<b>7,490</b>	<b>7,769</b>	<b>279</b>
<b>Expenditure</b>						
Employee costs	-	-	-	-	-	-
Operating costs	17,288	20,147	18,593	23,014	21,488	1,526
Support costs	1,067	1,098	1,098	1,098	1,087	12
Gain/(loss) on prop revals, sales, disposals	-	-	(17)	-	-	-
Finance cost	1,642	3,077	3,391	4,689	4,786	(97)
Depreciation	11,486	11,739	11,264	14,100	24,544	(10,444)
<b>Total expenditure</b>	<b>31,483</b>	<b>36,061</b>	<b>34,329</b>	<b>42,901</b>	<b>51,904</b>	<b>(9,003)</b>
<b>Deficit before tax</b>	<b>(26,779)</b>	<b>(30,723)</b>	<b>(26,597)</b>	<b>(35,411)</b>	<b>(44,135)</b>	<b>(8,724)</b>
<b>Total capital expenditure</b>	<b>32,197</b>	<b>40,813</b>	<b>38,422</b>	<b>55,276</b>	<b>28,857</b>	<b>26,419</b>
<b>Rates funding requirement</b>						
Deficit before tax	(26,779)	(30,723)	(26,597)	(35,411)	(44,135)	(8,724)
Add capital contributions	(775)	(775)	(2,184)	(2,144)	(1,716)	428
Rate funded debt/(debt repayment)	-	5,659	2,735	7,013	14,622	7,609
<b>Total rates funding requirement</b>	<b>(27,554)</b>	<b>(25,839)</b>	<b>(26,046)</b>	<b>(30,542)</b>	<b>(31,229)</b>	<b>(686)</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	(4,664)	(7,968)	(4,392)	(13,385)	(675)	(12,711)
Capital to improve level of service	(10,794)	(6,462)	(1,957)	(7,684)	(4,909)	(2,775)
Capital to replace existing assets	(16,739)	(26,383)	(32,074)	(34,207)	(23,273)	(10,934)
Less capital contributions	775	775	2,184	2,144	1,716	(428)
Less UHCC capital contributions	5,420	6,788	3,472	9,814	5,774	(4,040)
Less depreciation	11,486	11,739	11,264	14,100	24,544	10,444
Less vested assets	(123)	(122)	(535)	(127)	(304)	(178)
Less asset sales	-	-	-	-	-	-
Less rate funded debt repayment	-	(5,659)	(2,735)	(7,013)	(14,622)	(7,609)
<b>Total loan funding requirement</b>	<b>(14,639)</b>	<b>(27,293)</b>	<b>(24,772)</b>	<b>(36,358)</b>	<b>(11,750)</b>	<b>(28,230)</b>
<b>Total funding requirement</b>	<b>(42,193)</b>	<b>(53,132)</b>	<b>(50,818)</b>	<b>(66,901)</b>	<b>(42,979)</b>	<b>(28,916)</b>

## Operating projects

### Wastewater

There were no operating projects separately budgeted for the year.

### Significant operating variations from Annual Plan

Wellington Water Limited (WWL) manages, maintains, and operates the wastewater activity on behalf of Council under a management services agreement. Net operating costs are unfavourable to budget mainly due to increased depreciation following asset revaluations undertaken as at 31 May 2024 as well as lower than assumed development contributions for this activity. This is partly offset by lower spend on the joint venture treatment plant and higher revenue for trade waste.

## Capital projects acquisitions and renewals

### Wastewater

For the year ended 30 June	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
<b>Capital to meet additional demand</b>			
Network renewals WW growth	106	-	106
Network upgrades WW growth	7,193	35	7,158
Wastewater valley floor infrastructure growth	5,003	532	4,472
Wastewater storage JV project	1,083	108	975
<b>Capital to improve level of service</b>			
Network upgrades WW	1,238	4,148	(2,910)
Joint venture trunk reticulation DBO network cyclic upgrade	6,446	762	5,684
<b>Capital to replace existing assets</b>			
Wastewater modelling	-	63	(63)
Network renewals WW	8,954	5,229	3,725
Pump station upgrades WW	70	478	(408)
Trunk non-DBO minor works	-	25	(25)
Trunk DBO JV asset replacement and capacity upgrade	25,183	13,157	12,026
Trunk DBO network cyclic replacement	-	18	(18)
Trunk resource consent renewals	-	35	(35)
Joint venture trunk reticulation DBO network cyclic replacement	-	2,589	(2,589)
Seaview WWTP JV sludge handling renewal and capacity upgrade	-	1,680	(1,680)
<b>Total capital projects</b>	<b>55,276</b>	<b>28,857</b>	<b>26,419</b>

### Significant capital variations from Annual Plan

WWL manages the planning and delivery of the wastewater capital programme on behalf of Council under a management services agreement. WWL have been tasked with completing a large programme of capital works. The underspend relates mainly to work on the Seaview sludge renewal and odour control upgrade, and deferral of Knights Road, Wise St North, and Totara Park Road bridge. The revised programme of work is in line with the WWL stage 2 advice approved by Council in February 2025. Wastewater valley floor infrastructure is delivered internally by Council and is delayed due to a change in the delivery plan.

# Waiāwhā

## Stormwater

### Statement of service performance

#### What we do

Through the provision of a comprehensive stormwater drainage pipe network, we effectively manage surface water run-off, offering flood protection and control.

Everyone is feeling the effects of a changing climate. Council is focused on controlling stormwater to keep people safe and minimise property damage during extreme weather events.

#### Why we do it

Controlling stormwater is an important step in safeguarding the wellbeing of the community. Council's objective is to create a resilient and safe environment by managing stormwater effectively.

By doing this, we also protect people, property, and the environment, while managing costs responsibly for the benefit of the community.

### Key performance indicators

#### Stormwater

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
<b>Standards</b>						
<b>We want to ensure our community can enjoy recreational assets</b>						
Achieve water quality at main recreational beaches: percentage of days that monitored beaches are suitable for recreational use during bathing season – 1 Dec to 31 Mar	100%	100%	100%	100%	✓	
<b>We want to ensure our city has a safe, reliable, quality stormwater system</b>						
Number of flooding events (where stormwater enters a habitable floor)	≤ 2	0	0	0	✓	No flooding events occurred.
Number of habitable floors affected by flooding events (per 1,000 connections)	≤ 0.24	0	0	0	✓	No flooding events occurred.
Number of complaints about stormwater system performance (per 1,000 connections)	<20	18.2 complaints per 1,000 connections	8.5 complaints per 1,000 connections	14.9 complaints per 1,000 connections	✓	The volume of complaints relates to both network conditions and long-term investment.
Residents' satisfaction with the city's stormwater system	≥ 70%	51%	51%	58%	✗	Residents Satisfaction Survey 2025 showed that satisfaction with the city's stormwater system improved this year. However, residents raised concerns about local flooding, blocked drains, and slow maintenance, with some calling for improved climate resilience and infrastructure upgrades.

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
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	≤ 8 hours	0	0	0	✓	No flooding events occurred.
Compliance with resource consents for discharges from stormwater system (number of abatement notices, infringement notices, enforcement orders, and convictions)	Full compliance (0 notices)	0 notices	0 notices	0 notices	✓	There was no number of abatement notices, infringement notices, enforcement orders, and convictions issued.

## Prospective statement of comprehensive revenue and expense

### Stormwater

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024	2024	2024	2025	2025	2025
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	12	12	17	13	7	(6)
Operating subsidies	9	9	5	9	5	(5)
Operating grants	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-
Capital grants	-	3,010	-	13,099	950	(12,149)
Development and financial contributions	119	119	215	484	230	(254)
Interest earned	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Gain on prop disposals	-	-	-	-	-	-
Vested assets	123	122	859	127	118	(8)
Other revenue	-	-	-	-	-	-
<b>Total revenue</b>	<b>263</b>	<b>3,272</b>	<b>1,095</b>	<b>13,732</b>	<b>1,310</b>	<b>(12,422)</b>
<b>Expenditure</b>						
Employee costs	-	-	-	-	-	-
Operating costs	5,025	6,223	6,369	7,863	6,990	873
Support costs	332	384	384	461	466	(5)
Gain/(loss) on prop revals, sales, disposals	-	-	-	-	-	-
Finance cost	394	506	558	950	488	462
Depreciation	5,048	5,608	6,566	6,416	18,830	(12,414)
<b>Total expenditure</b>	<b>10,799</b>	<b>12,721</b>	<b>13,877</b>	<b>15,690</b>	<b>26,774</b>	<b>(11,084)</b>
<b>Deficit before tax</b>	<b>(10,536)</b>	<b>(9,449)</b>	<b>(12,782)</b>	<b>(1,958)</b>	<b>(25,464)</b>	<b>(23,506)</b>
<b>Total capital expenditure</b>	<b>2,980</b>	<b>10,164</b>	<b>3,908</b>	<b>18,846</b>	<b>3,351</b>	<b>15,495</b>
<b>Rates funding requirement</b>						
Deficit before tax	(10,536)	(9,449)	(12,782)	(1,958)	(25,464)	(23,506)
Add capital contributions	(119)	(3,129)	(215)	(13,583)	(1,180)	12,404
Rate funded debt/(debt repayment)	-	-	-	-	12,414	12,414
<b>Total rates funding requirement</b>	<b>(10,655)</b>	<b>(12,578)</b>	<b>(12,997)</b>	<b>(15,541)</b>	<b>(14,231)</b>	<b>1,311</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	(57)	(6,199)	(767)	(13,905)	(1,056)	(12,849)
Capital to improve level of service	(198)	(2,596)	(362)	(4,723)	(493)	(4,229)
Capital to replace existing assets	(2,725)	(1,369)	(2,780)	(218)	(1,802)	1,583
Less capital contributions	119	3,129	215	13,583	1,180	(12,404)
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	5,048	5,608	6,566	6,416	18,830	12,414
Less vested assets	(123)	(122)	(859)	(127)	(118)	8
Less asset sales	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	(12,414)	(12,414)
<b>Total loan funding requirement</b>	<b>2,064</b>	<b>(1,549)</b>	<b>2,014</b>	<b>1,027</b>	<b>4,127</b>	<b>(27,891)</b>
<b>Total funding requirement</b>	<b>(8,591)</b>	<b>(14,127)</b>	<b>(10,983)</b>	<b>(14,515)</b>	<b>(10,104)</b>	<b>(26,580)</b>

## Operating projects

### Stormwater

There were no operating projects separately budgeted for the year.

## Significant operating variations from Annual Plan

Wellington Water Limited (WWL) manages, maintains, and operates the stormwater (SW) activity on behalf of Council under a management services agreement. Net operating costs are unfavourable to the budget mainly due to reduced capital grant revenue linked to the deferral of the stormwater valley floor infrastructure project and increased depreciation costs following the asset revaluation undertaken as at 31 May 2024. This is partly offset by underspend on network operations and investigations managed by WWL.

## Capital projects acquisitions and renewals

### Stormwater

For the year ended 30 June	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
<b>Capital to meet additional demand</b>			
Stormwater development projects	635	-	635
Network upgrades SW growth	1,058	-	1,058
Stormwater valley floor infrastructure growth	12,212	1,056	11,156
<b>Capital to improve level of service</b>			
Dowse drive stormwater improvement	32	9	23
Network upgrades SW	3,104	92	3,012
Pump station upgrades SW	1,058	-	1,058
Stormwater consenting project	529	42	487
Stormwater network modelling	-	351	(351)
<b>Capital to replace existing assets</b>			
Control systems renewals SW	21	-	21
Network renewals SW	21	1,425	(1,404)
Pump station reactive renewals SW	176	377	(201)
<b>Total capital projects</b>	<b>18,846</b>	<b>3,351</b>	<b>15,495</b>

## Significant capital variations from Annual Plan

WWL manages the planning and delivery of the stormwater capital programme on behalf of Council under a management services agreement. WWL have been tasked with completing a large programme of capital works. The underspend in stormwater is largely due to the stormwater valley floor infrastructure project being delayed due to the change in the delivery plan and deferral of the Seaview Road upgrade.



# Para Solid waste

## Statement of service performance

### What we do

Council's role in solid waste management is important for keeping the community healthy, ensuring a high quality of life, and supporting a thriving environment.

The solid waste activity delivers on Council's waste management objectives by:

- operating Council's kerbside rubbish, recycling, and green waste collection service
- operating Silverstream landfill
- monitoring and managing all of Council's closed landfills
- investigating, trialling, and/or implementing new initiatives to reduce waste or improve resource recovery.

### Why and how we do it

Solid waste management is integral to maintaining a healthy, vibrant community. By actively participating in best practice waste management, we directly contribute to the overall wellbeing of our residents and the preservation of the environment.

Our commitment to waste minimisation and resource recovery reflects our dedication to creating a sustainable and eco-friendly community. Through the ownership and operation of the Silverstream landfill, we take a comprehensive approach to managing solid waste.

Note that some of Council's work to minimise waste and improve the recovery of resources is included in Council's sustainability and resilience activity, funded by waste levy funds received from the Ministry for the Environment. This is in support of Council's separate solid waste activity.

## Key performance indicators

### Solid waste

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
<b>Disposal/ landfills</b>						
<b>We are working to minimize the harmful effects of refuse</b>						
Number of resource consent-related infringement notices received from Greater Wellington Regional Council	Full compliance (0 notices)	0 notices	0 notices	0 notices	✓	
<b>Refuse services</b>						
<b>We want to reduce litter and the negative impacts it can have on our natural environment and on our community's health</b>						
Number of illegal dumping complaints	Previous year less 10% <296	New measure in 2024-25	New measure in 2024-25	214	✓	
<b>Recycling services</b>						
<b>We are looking at ways to reduce the amount of waste going to landfill</b>						
Tonnes of kerbside waste to landfill (tonnes per person)	Less than previous year	21,029 / 113,000 = 0.186	20,890 / 114,000 = 0.183	22,317 / 115,000 = 0.193	✗	The absolute amount and per capita amount of kerbside waste collected increased. Council does not have data on the causes of this, it is possible that factors such as changes to consumer choices impact the result. <sup>1</sup>

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
<b>Recycling services</b>						
Percentage of kerbside recycling that is contaminated and diverted to landfill	≤ 10%	16%	15%	14%	×	Kerbside contamination continues to reduce compared to previous years, as a result of Council's behaviour change programme and bin removal process. However, contamination still remains above the target level of 10%, this is likely due to a variety of reasons, including households lacking clarity on what is recyclable, and the limited ability for Council to identify and engage with households that are responsible for contamination. <sup>2</sup>
Tonnes of kerbside recycling collected	Previous year plus 2% (>5,237)	5,865	5,134	5,171	×	The amount of kerbside recycling collected increased slightly. While the target was missed, it is within 1% of the target. Note that the amount is lower compared to some previous years, which is likely the result of various factors, including supplier choices of the packaging they use for products, consumer choices, and economic activity. For example, while glass volumes (a heavy product) have reduced in recent years, aluminium volumes (a light product) have increased. Note that the removal of bins due to contamination may result in a reduction of collected material in the order of about 20t per quarter, which is not significant overall.
Overall resident satisfaction with Council's rubbish and recycling services	≥ 85%	New measure in 2024-25	New measure in 2024-25	78%	×	Resident feedback highlighted a desire for expanded rubbish and recycling services, including more flexible options and increased collection frequency for green waste. Feedback on operational issues such as bin damage, missed collections, and communication challenges also contributed to lower satisfaction.

1. Kerbside waste data was revised after discovering an error in the previously reported figures. This impacts data reported since November 2022.
2. Contamination is measured by way of scoop tests of truck loads processed at the recycling processing facility. At least four tests are conducted per week, with different collection routes covered by testing during the month, in order to obtain representative samples of the material collected.

## Prospective statement of comprehensive revenue and expense

### Solid waste

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024	2024	2024	2025	2025	2025
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	29,346	30,698	30,912	35,075	29,048	(6,027)
Operating subsidies	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-
Capital grants	-	-	-	500	498	(2)
Development and financial contributions	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-
Dividends from subsidiaries	-	-	-	-	-	-
Gain on property revaluations, sales, disposals	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-
Other revenue	-	-	67	30	100	70
<b>Total revenue</b>	<b>29,346</b>	<b>30,698</b>	<b>30,979</b>	<b>35,605</b>	<b>29,646</b>	<b>(5,959)</b>
<b>Expenditure</b>						
Employee costs	412	254	363	400	407	(7)
Operating costs	25,472	28,184	26,489	31,675	27,230	4,445
Support costs	862	958	678	1,024	587	437
Gain/(loss) on prop revals, sales, disposals	-	-	-	-	-	-
Finance cost	773	439	685	388	564	(175)
Depreciation	1,824	1,533	1,722	2,039	2,136	(96)
<b>Total expenditure</b>	<b>29,343</b>	<b>31,368</b>	<b>29,937</b>	<b>35,526</b>	<b>30,923</b>	<b>4,603</b>
<b>Surplus before tax</b>	<b>3</b>	<b>(670)</b>	<b>1,042</b>	<b>79</b>	<b>(1,277)</b>	<b>(1,356)</b>
<b>Total capital expenditure</b>	<b>2,557</b>	<b>10,743</b>	<b>8,715</b>	<b>11,141</b>	<b>8,718</b>	<b>2,423</b>
<b>Rates funding requirement</b>						
Surplus before tax	3	(670)	1,042	79	(1,277)	(1,356)
Add capital contributions	-	-	-	(500)	(498)	2
Rate funded debt/(debt repayment)	(10,427)	(11,534)	(13,174)	(12,875)	(11,544)	1,331
<b>Total rates funding requirement</b>	<b>(10,424)</b>	<b>(12,204)</b>	<b>(12,132)</b>	<b>(13,296)</b>	<b>(13,319)</b>	<b>(23)</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	-	-	-	-	-	-
Capital to improve level of service	(2,557)	(10,743)	(8,715)	(11,141)	(8,718)	(2,423)
Capital to replace existing assets	-	-	-	-	-	-
Less capital contributions	-	-	-	500	498	(2)
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	1,824	1,533	1,722	2,039	2,136	96
Less vested assets	-	-	-	-	-	-
Less asset sales	-	-	-	-	-	-
Less rate funded debt repayment	10,427	11,534	13,174	12,875	11,544	(1,331)
<b>Total loan funding requirement</b>	<b>9,694</b>	<b>2,324</b>	<b>6,181</b>	<b>4,274</b>	<b>5,460</b>	<b>(3,660)</b>
<b>Total funding requirement</b>	<b>(730)</b>	<b>(9,880)</b>	<b>(5,951)</b>	<b>(9,023)</b>	<b>(7,859)</b>	<b>(3,682)</b>

## Operating projects

### Solid waste

There were no operating projects separately budgeted for the year.

### Significant operating variations from Annual Plan

Revenue is unfavourable to the budget, mainly due to reduced commercial waste volumes at the landfill compared to the assumptions applied in the budget, driven by the economic downturn.

Expenditure is favourable to the budget, driven by reduced operating contract costs for kerbside collections, a favourable revaluation of Emissions Trading Units, and reduced Ministry for the Environment waste levy costs linked to lower waste volumes at the landfill. Support cost variance is due to these being allocated based on updated forecasts and actual service delivery.

## Capital projects

### Solid waste

For the year  
ended 30 June

	2024-25	Actual	Bud v Act Variance
	LTP Budget (Year 1)		
	2025 \$000	2025 \$000	2025 \$000
<b>Capital to improve level of service</b>			
Silverstream landfill stage 2 design & construction	7,010	7,305	(296)
Silverstream landfill asbestos cell	2,074	20	2,054
Silverstream landfill transfer station	517	-	517
Silverstream landfill EV charging station	1,540	1,392	147
<b>Total capital projects</b>	<b>11,141</b>	<b>8,718</b>	<b>2,423</b>

### Significant capital variations from Annual Plan

The capital underspend is mainly due to changes in project timing and priorities during the year. The Landfill Asbestos Cell project was paused, and funding was moved to 2025-26 to allow stage 2 landfill design and construction to go ahead first, due to limited contractor availability.

Council also approved a reallocation of some transfer station funding to build a new landfill heavy electric vehicle charging hub. This project started in 2023-24 and was completed in 2024-25. The remaining transfer station budget has been carried forward to 2025-26, its use will however depend on whether a privately funded resource recovery hub at Manor Park goes ahead.

# Whakauka me te Manawaroa

## Sustainability and resilience

### Statement of service performance

#### What we do

The sustainability and resilience activity is focused on changing the way we do things to improve climate outcomes across Council and for the community. This includes delivering on our Carbon Reduction Plan 2021–2031 and Council's actions in the Lower Hutt Climate Action Pathway. Council delivers on our climate change objectives by:

- providing advice to the Council on climate change-related projects (as a result of this, the new Te Ngaengae Pool achieved a Green Star<sup>1</sup> rating of 5, resulting in significantly lower operational emissions than the old pool)
- monitoring Council's and the city's carbon emissions, and managing and supporting projects to implement carbon reductions in line with Council's Carbon Reduction Plan 2021–2031 and the Lower Hutt Climate Action Pathway, such as the phasing out of fossil gas at all of Council's community facilities
- delivering the Low Carbon Acceleration Fund to support the city in reducing its emissions faster
- managing and supporting regional projects, in collaboration with neighbouring councils (including helping implement the Regional Emissions Reduction Plan)

The sustainability and resilience activity also covers Council's work to minimise waste and improve the recovery of resources, through activities and projects funded by waste levy funds received from the Ministry for the Environment. This is in support of Council's separate solid waste activity.

#### Why and how we do it

In order for Council's climate change actions to be meaningful, the Council and communities in Te Awa Kairangi ki Tai Lower Hutt, must ultimately align with good practice.

The sustainability and resilience activities enable the delivery of emission reductions, in line with Council's organisational zero carbon target. Council's carbon target was set in 2018, for base year 2016–17. It is a net target that currently applies to all scopes. While not certified, it was based on the accepted science at that time that emissions would need to reduce to net zero by 2050 to avoid significant impacts associated with climate change. In order to track progress, Council measures emissions associated with its facilities and fleet vehicles on a quarterly basis, and its comprehensive organisational emissions on an annual basis.<sup>2</sup>

#### Estimation uncertainty in greenhouse gas measurement

Quantifying greenhouse gas emissions is subject to inherent uncertainty. This is because the scientific knowledge and methodologies used to determine emissions factors and to calculate or estimate quantities of greenhouse gas sources are still evolving. In addition, greenhouse gas reporting and assurance standards continue to develop, which may affect comparability and interpretation of reported data.

Council has in place its Carbon Reduction Plan 2021–31, with a number of initiatives and actions to reduce carbon emissions. However, this plan is not sufficient to deliver on Council's organisational carbon target, and future updates to this plan with additional actions and associated funding will be required. This will need to include decisions on whether or not offsets will be required to achieve Council's target. For some current initiatives, such as the phase-out of fossil gas across Council facilities, funds have been allocated in Council's Long Term Plan and annual budgets in order to deliver on these. For other initiatives, it is expected that changes in management practice and policies rather than additional funds will result in the necessary change (e.g. fleet electrification, decarbonisation of contracted services).

With regard to waste minimisation, Council's Waste Management and Minimisation Plan 2023–2029 (read online at [hutt.city/wmmp](http://hutt.city/wmmp)), lists the associated objectives, initiatives, and actions to deliver on Council's desire to minimise waste, in support of Council's solid waste activity.

1. The Green Star rating scheme, run by the New Zealand Green Building Council, is a sustainability rating system for buildings, to measure their environmental impact and performance. Buildings are awarded star ratings up to 6 stars.
2. Further information on organisational boundaries, reporting scopes, emission inclusions and exclusions, and uncertainties, is available in Council's annual greenhouse gas inventory reports. The most recent version for 2023–24 is available on Council's website at [hutt.city/greenhousegasinventoryreport](http://hutt.city/greenhousegasinventoryreport). The full report for 2024–25 will be available in November 2025.

## Key performance indicators

### Sustainability and resilience

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	

#### Climate change

##### Council is responding to the impact of climate change and contributing to the goal of a carbon zero city by 2050

Emissions from Council-owned facilities (tCO <sub>2</sub> -e)*	≤1,987 30% reduction by 2024***	2,230	2,076	2,362**	×	Target not met despite Council's programme to phase out of fossil gas. Emissions associated with the use of fossil gas decreased compared to the previous year (due to heating plant changes), but emissions associated with electricity increased, as a result of an increase in electricity consumption by about 167,000kWh (e.g. Te Ngaengae Pool + Fitness opening) and changes and assumptions regarding the carbon intensity of New Zealand's electricity production for the 2024-25 financial year. Overall emissions are estimated to be 17% lower than compared to the baseline in 2016-17.
Emissions from Council-owned fossil fuel vehicles (tCO <sub>2</sub> -e)	≤61	79	69****	67	×	Emissions from vehicles have continued to decrease, in line with Council's transition to electric vehicles. While the target was missed, the result for 2024-25 is within 10% of the target.

#### Emergency management

##### Our city is prepared for an emergency and can respond appropriately

EOC resourcing levels maintained at least at WREMO competency level targets	Advanced - 6 Intermediate - 12 Foundation - 12	New measure in 2024-25	New measure in 2024-25	Advanced - 27 Intermediate - 5 Foundation - 16	✓	Four emergency management courses are available to staff: Foundation, Intermediate, Function, and Advanced. Staff are encouraged to progress through to the Advanced level, so they gain the knowledge, skills, and confidence needed to respond effectively in an emergency. This has resulted in higher numbers of staff completing training at Foundation and Advanced levels, with fewer at Intermediate. The variance reflects an intentional focus on building overall depth and capability at both the entry and advanced stages rather than maintaining equal numbers across each level.
---	--	------------------------	------------------------	--	---	--

\*tCO<sub>2</sub>-e refers to tonnes of carbon dioxide equivalent, a standard unit for measuring carbon footprints.

\*\*Emissions associated with electricity for Q3 and Q4 have been estimated because emission factors for electricity are not available for 6-12 months after the end of the quarter. As a result, overall emissions for the year are an estimate and may be updated in future.

\*\*\* Compared to the baseline in 2016-17.

\*\*\*\*Emissions data for 2023-24 were previously reported as 67tCO<sub>2</sub>-e, but some data were received after the annual report was finalised. As a result, data has been recalculated.

## Prospective statement of comprehensive revenue and expense

### Sustainability and resilience

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024	2024	2024	2025	2025	2025
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	119	118	80	122	65	(57)
Operating subsidies	-	1,400	1,772	2,000	2,075	75
Operating grants	-	-	-	-	205	205
Capital subsidies	-	-	-	-	-	-
Capital grants	-	255	44	-	-	-
Development and financial contributions	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Gain on prop disposals	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-
Other revenue	710	584	555	191	225	34
<b>Total revenue</b>	<b>829</b>	<b>2,357</b>	<b>2,451</b>	<b>2,313</b>	<b>2,570</b>	<b>257</b>
<b>Expenditure</b>						
Employee costs	374	936	910	1,174	1,224	(50)
Operating costs	1,570	2,131	2,167	2,854	2,459	395
Support costs	531	539	379	794	697	97
Gain/(loss) on prop revals, sales, disposals	-	-	-	-	-	-
Finance cost	18	77	85	187	123	64
Depreciation	15	34	124	111	132	(21)
<b>Total expenditure</b>	<b>2,508</b>	<b>3,717</b>	<b>3,665</b>	<b>5,120</b>	<b>4,635</b>	<b>485</b>
<b>Deficit before tax</b>	<b>(1,679)</b>	<b>(1,360)</b>	<b>(1,215)</b>	<b>(2,807)</b>	<b>(2,065)</b>	<b>742</b>
<b>Total capital expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>259</b>	<b>-</b>	<b>259</b>
<b>Rates funding requirement</b>						
Deficit before tax	(1,679)	(1,360)	(1,215)	(2,807)	(2,065)	742
Add capital contributions	-	(255)	(44)	-	-	-
Rate funded debt/(debt repayment)	-	-	-	-	21	21
<b>Total rates funding requirement</b>	<b>(1,679)</b>	<b>(1,615)</b>	<b>(1,259)</b>	<b>(2,807)</b>	<b>(2,044)</b>	<b>762</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	-	-	-	-	-	-
Capital to improve level of service	-	-	-	(259)	-	(259)
Capital to replace existing assets	-	-	-	-	-	-
Less capital contributions	-	255	44	-	-	-
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	15	34	124	111	132	21
Less vested assets	-	-	-	-	-	-
Less asset sales	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	(21)	(21)
<b>Total loan funding requirement</b>	<b>15</b>	<b>289</b>	<b>168</b>	<b>(147)</b>	<b>111</b>	<b>(259)</b>
<b>Total funding requirement</b>	<b>(1,664)</b>	<b>(1,326)</b>	<b>(1,091)</b>	<b>(2,954)</b>	<b>(1,933)</b>	<b>504</b>

## Operating projects

### Sustainability and resilience

For the year  
ended 30 June

	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
Waste minimisation projects	1,402	966	436

### Significant operating variations from Annual Plan

Net operating is close to budget at year end with the main favourable variance being from higher waste minimisation levy which is distributed by Ministry for the Environment, due to higher landfill volumes nationally partly offset by lower revenue for the Dowse project which has been carried over to 2024-25.

For the year  
ended 30 June

	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
Capital to improve level of service			
105 Western Hutt Road ERT Facility	259	-	259

### Significant operating variations from Annual Plan

105 Western Hutt Road ERT Facility has experienced extended resource consent approval and construction timelines, with key activities and completion now scheduled for late 2025.

# Ngā ratonga waeture

## Regulatory services

### Statement of service performance

#### What we do

Our statutory activities are essential for cultivating a clean, healthy, appealing, safe, and sustainable environment for residents and visitors. These activities encompass building and resource consents, environmental health, trade waste management, animal services, and parking control.

We ensure the safety of the community by ensuring that building standards are adhered to and by inspecting commercial premises to guarantee that building safety systems are maintained and that people can exit safely during an emergency. We also inspect cleanliness and hygienic practices to reduce the risk of food-borne illnesses and alcohol-related harm.

Additionally, we oversee health-related activities in industries such as tattoo studios and beauty therapy shops to mitigate potential health hazards.

We also address health nuisances and noise issues to maintain a healthy living environment for everyone.

#### Why we do it

Most of our functions are required through various pieces of legislation. While primarily focused on environmental wellbeing, these activities also contribute directly to economic, social, and community safety outcomes. They play a crucial role in establishing and maintaining standards, promoting health and safety, and ensuring the welfare of our community. They are also aligning with our commitment to a vibrant and secure city.

Our activities aim to protect public health and the environment. Through the trade waste function, we manage wastewater and chemical hazards, responding promptly to water pollution incidents. By registering commercial properties that discharge liquid waste and charging users accordingly, we cover the expenses associated with waste treatment and disposal and ensure the safety of our waterways and surroundings.

Our animal services activities focus on enforcing regulations to ensure the safety of residents and the welfare of animals.

Finally, our parking services promote safe and efficient parking, ensuring fair access to public car parking spaces and enhancing overall traffic management in the city.

## Key performance indicators

### Regulatory services

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	

#### Building consents

##### We need to ensure that new housing is safe and meets standards without delaying the process

Percentage of building consents processed within statutory timeframe	100% within 20 working days	74%	56%	82%	✘	Target not met. Statutory performance has improved, with June recording our highest result for the financial year at 93%
Code of compliance certificates issued within the statutory timeframe	100% within 20 working days	83%	53%	94%	✘	Our statutory timeframe performance for both consent and code of compliance certificates (CCC) processing increased significantly when compared to the previous financial year. The marked performance improvement is due to a number of improvement initiatives targeting improved reporting (PowerBI), improved monitoring (weekly meetings), improved follow up actions and investigations and learnings from consents and CCC's that went over time. With regard to CCC performance we also implemented a new "Quality Assurance" inspection. This inspection removed some of the checks that we previously did after CCC application to before we receive CCC application and hence speeded up the processing of CCC application processing.

#### Resource consent

Percentage of non-notified resource consents processed within statutory timeframes	100% within 20 working days	42%	77%	96%	✘	Non-notified resource consents achieved 96%, an improvement from 77% in the previous year.
--	-----------------------------	-----	-----	-----	---	--

#### Environmental health

##### We want a community where everyone feels safe

Existing food premises verified within time frames (one month of due date)	85% by due date	47%	98%	100%	✓	
Sale and supply of liquor (high-risk premises) inspected	95% checked	100%	100	100%	✓	
Noise control (excessive noise) complaints (%) investigated within 45 minutes	≥ 85%	79%	93%	93%	✓	

#### Animal control

Number of animal management community education programmes carried out	≥20 visits annually	38	114	150	✓	
--	---------------------	----	-----	-----	---	--

## Prospective statement of comprehensive revenue and expense

### Regulatory services

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024	2024	2024	2025	2025	2025
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	7,250	8,697	8,836	11,475	11,810	335
Operating subsidies	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Gain on prop disposals	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-
Other revenue	1,248	1,354	983	2,293	962	(1,332)
<b>Total revenue</b>	<b>8,498</b>	<b>10,051</b>	<b>9,819</b>	<b>13,768</b>	<b>12,771</b>	<b>(997)</b>
<b>Expenditure</b>						
Employee costs	6,997	9,556	10,472	11,786	10,736	1,050
Operating costs	1,874	2,354	6,058	3,892	6,051	(2,159)
Support costs	3,562	3,951	3,952	4,552	5,017	(466)
Gain/(loss) on prop revals, sales, disposals	-	-	23	-	81	(81)
Finance cost	16	184	203	444	337	107
Depreciation	83	90	289	(10)	379	(389)
<b>Total expenditure</b>	<b>12,532</b>	<b>16,135</b>	<b>20,996</b>	<b>20,664</b>	<b>22,602</b>	<b>(1,939)</b>
<b>Deficit before tax</b>	<b>(4,034)</b>	<b>(6,084)</b>	<b>(11,177)</b>	<b>(6,895)</b>	<b>(9,831)</b>	<b>(2,936)</b>
<b>Total capital expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Rates funding requirement</b>						
Deficit before tax	(4,034)	(6,084)	(11,177)	(6,895)	(9,831)	(2,936)
Add capital contributions	-	-	-	-	-	-
Rate funded debt/(debt repayment)	-	-	-	-	389	389
<b>Total rates funding requirement</b>	<b>(4,034)</b>	<b>(6,084)</b>	<b>(11,177)</b>	<b>(6,895)</b>	<b>(9,442)</b>	<b>(2,547)</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	-	-	-	-	-	-
Capital to improve level of service	-	-	-	-	-	-
Capital to replace existing assets	-	-	-	-	-	-
Less capital contributions	-	-	-	-	-	-
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	83	90	289	(10)	379	389
Less vested assets	-	-	-	-	-	-
Less asset sales	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	(389)	(389)
<b>Total loan funding requirement</b>	<b>83</b>	<b>90</b>	<b>289</b>	<b>(10)</b>	<b>(10)</b>	<b>-</b>
<b>Total funding requirement</b>	<b>(3,951)</b>	<b>(5,994)</b>	<b>(10,888)</b>	<b>(6,906)</b>	<b>(9,452)</b>	<b>(2,547)</b>

## **Operating projects**

### Regulatory services

There were no operating projects separately budgeted for the year.

## **Significant operating variations from Annual Plan**

Revenue is unfavourable due to lower revenue in resource and building consents, largely driven by market conditions impacting consenting and compliance activity. This is partly offset by higher dog registration and infringement fees and charges driven by larger volumes.

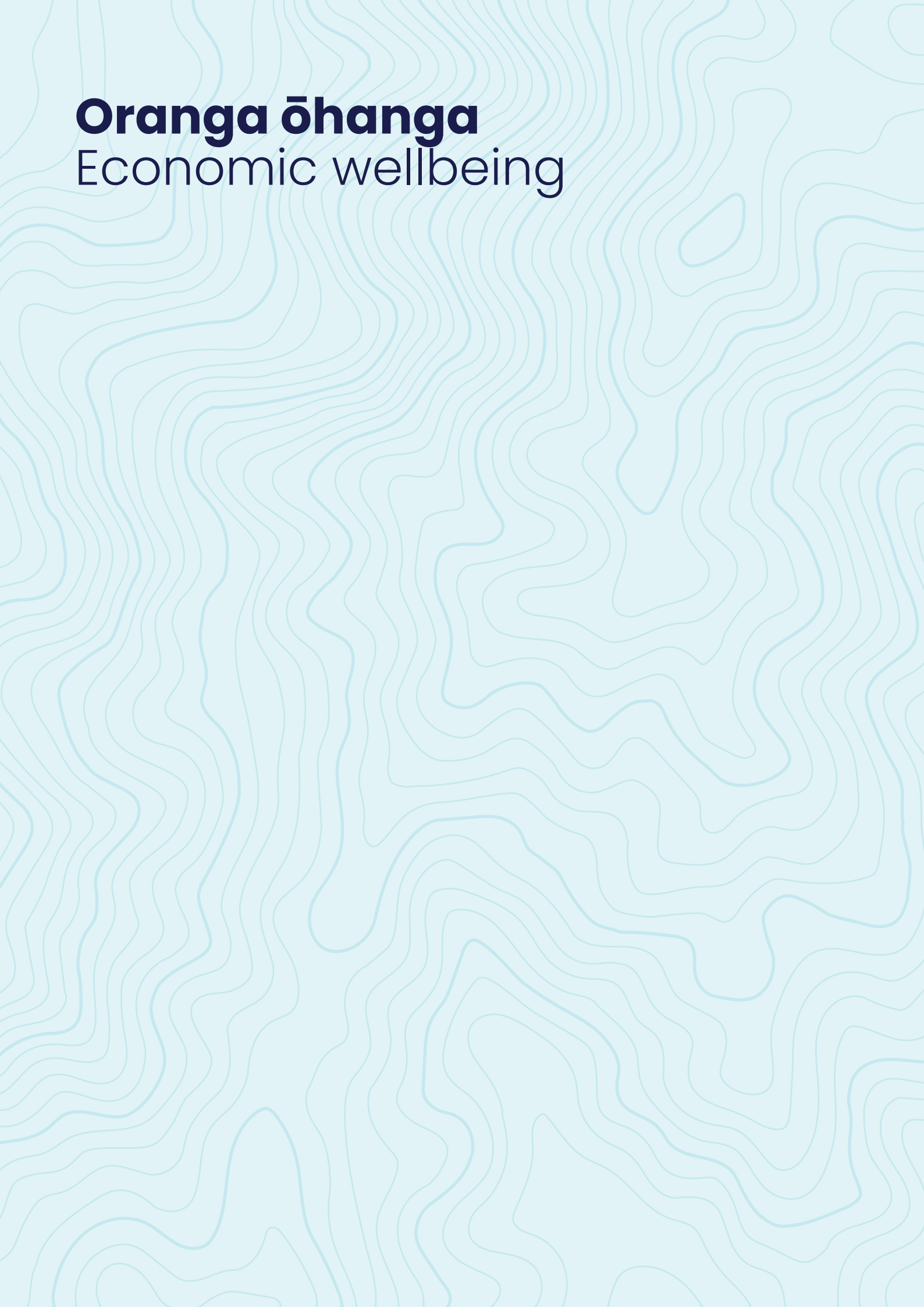
Employee costs are favourable due to vacancies not being filled and the Hutt City Council provision of animal services for Wellington City Council being discontinued, with the service transferred inhouse by Wellington City Council.

Operating costs are unfavourable due to the provision for building claims and associated legal costs. In addition, higher consulting costs in the resource consenting area reflect a surge in applications early in the year, following announced increases to development contributions. While a large portion of these consultancy costs is recoverable, there is a time lag between incurring the costs and recovering them through fees. These higher costs are partially offset by savings in other areas through a focus on improving productivity. Support cost variance is due to these being allocated based on updated forecasts and actual service delivery.

## **Capital projects acquisitions and renewals**

### Regulatory services

There were no capital projects planned or carried out during the year.



# **Oranga ōhanga** Economic wellbeing

# Ngā waka Transport

## Statement of service performance

### What we do

The transport team designs, builds, operates, maintains, and renews the transport network. Our focus prioritises road safety, encourages mode shift in transport choice, and improves travel options, with a specific emphasis on mitigating climate change and delivery of infrastructure projects in a timely manner. Our goal is to have a well-connected and modern transport system that accommodates all modes of transportation and ensures accessibility and connectivity throughout the city.

### Why we do it

Our commitment is to future-proof our growing city for future generations. We strive to establish a resilient and interconnected transport system that offers increased accessibility and encourages alternative modes of transport (for example, Tupua Horo Nuku). Our efforts in road and traffic asset management, maintenance contracts, road safety services, and active modes aim to provide well maintained roads, footpaths, and streetlights. This infrastructure facilitates efficient travel for motor vehicles, bicycles, and pedestrians, aligning with our vision of a vibrant and connected city. We are also investing in projects to improve the resilience of our networks in the face of a changing climate, such as Tupua Horo Nuku, which will increase the resilience of Marine Drive with a new sea wall and shared path.

## Key performance indicators

### Transport

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
<b>Road assets</b>						
<b>Our transport system is safe to travel on</b>						
Road condition index which measures the condition of the road surface	Hold or improve rating ≤4.2	4	4	4.1	✓	
The average quality of ride on a sealed local road network, measured by smooth travel exposure	Hold or improve rating ≥78%	70%	71%	64%	✗	Decrease in smooth travel exposure measure is linked to anomalies in the traffic count estimates used in the calculation. Several road sections have overly inflated traffic count estimates which artificially decreases the smooth travel exposure measure. Hutt City Council is working with the third-party software supplier to resolve and correct these anomalies.

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
<b>Roading maintenance</b>						
Percentage of sealed local road network that is resurfaced annually	≥2%	1.8%	2.7%	2.3%	✓	
Percentage of footpaths that fall within the service standard for footpath condition	≥80%	89%	98%	95%	✓	
Percentage of customer service requests relating to roads and footpaths which are responded to within the timeframe	80% within 7 days	New measure in 2024-25	New measure in 2024-25	19%	✗	The 19% reflects the number of service requests that were closed in seven days. The database does not enable reporting of the number of service requests that were responded to but not closed as further works are required to complete the request.
Kilometres of shared pathways and cycle lanes added	Hold or improve length	New measure in 2024-25	New measure in 2024-25	0.0km	Baseline year*	As per current methodology, only projects with formal completion confirmed via practical completion letters are counted toward this measure. This ensures consistency and avoids prematurely reporting incomplete works. No practical completion letters received.*
Kilometres of renewals for footpaths	Hold or improve length	New measure in 2024-25	New measure in 2024-25	2.6km	Baseline year*	

### Infrastructure contracts

#### Infrastructure contracts managed by Council contribute to social outcomes

Audit of contracts – number of contracts audited	12 of 12	67%	100% (7 of 7)	12 of 12	✓	
Audit of contracts – percentage of audited contract specifications that met contractual obligations	≥ 90%	79%	100%	90%	✓	

\*Target will be set for 2025-26

\*\*Tupua Horo Nuku and the Avalon and Taitā micromobility projects will be completed in 2025-26 and will be reported in the next Annual Report.

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
<b>Active modes</b>						
<b>We are working to strengthen our active transport network</b>						
Residents' satisfaction with footpath condition	≥ 80%	New measure in 2024-25	New measure in 2024-25	48%	×	Some residents noted improvements where footpaths had been recently repaired. Many highlighted safety concerns related to cracked, uneven, or obstructed paths, particularly for elderly and mobility-impaired users. Overgrown vegetation, bins, and parked cars were also noted as barriers to safe use.
Residents' satisfaction with on road cycleway condition	≥ 80%	36%	44%	36%	×	There was some appreciation for newly installed cycleways where users felt safe. Concerns remained about debris, poor surfacing, and a lack of physical separation from traffic. Several residents felt the infrastructure was disconnected and questioned the return on investment.
Residents' satisfaction with shared path condition	≥ 80%	45%	51%	46%	×	Shared paths were described positively in scenic or well-maintained areas, especially for family use. At the same time, residents raised concerns about maintenance, slippery surfaces, and safety conflicts between cyclists and pedestrians. There were also calls for better continuity between routes.
Residents' satisfaction with the availability of car parking to access services and facilities (does not include access to residences)	≥ 75%	45%	49%	45%	×	While parking availability was considered manageable in some suburban areas, most feedback reflected difficulty finding car parks in central Lower Hutt and Petone. Residents expressed dissatisfaction with paid parking systems and restrictive time limits. Some frustration was also directed at the removal of parking to accommodate other transport priorities.
<b>Road safety services:</b>						
The number of fatalities and serious injury crashes on the local road network	Previous year less 1%	26	35	26	✓	Hutt City Council has made a number of new road safety improvements across the city, which were designed to align with national Vision Zero principles, which has its core principle that no one is killed or seriously injured on our roads.

## Prospective statement of comprehensive revenue and expense

### Transport

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	4,792	5,516	5,761	7,505	7,417	(88)
Operating subsidies	4,901	4,482	6,372	8,150	6,239	(1,911)
Operating grants	-	-	-	-	-	-
Capital subsidies	14,201	20,455	10,063	28,117	15,986	(12,131)
Capital grants	3,000	18,652	15,745	9,620	7,147	(2,473)
Development and financial contributions	428	428	712	468	897	429
Interest earned	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Gain on prop disposals	-	-	-	-	-	-
Vested assets	540	537	1,561	555	566	11
Other revenue	546	557	468	576	450	(126)
<b>Total revenue</b>	<b>28,408</b>	<b>50,627</b>	<b>40,683</b>	<b>54,990</b>	<b>38,702</b>	<b>(16,288)</b>
<b>Expenditure</b>						
Employee costs	2,493	2,047	2,287	2,580	2,546	34
Operating costs	13,207	17,035	20,009	21,178	18,696	2,483
Support costs	3,264	4,414	4,855	4,320	3,937	383
Gain/(loss) on prop revals, sales, disposals	-	-	6	-	-	-
Finance cost	1,957	1,566	1,726	3,057	1,992	1,065
Depreciation	21,218	19,709	17,998	22,764	17,391	5,374
<b>Total expenditure</b>	<b>42,139</b>	<b>44,771</b>	<b>46,882</b>	<b>53,900</b>	<b>44,562</b>	<b>9,339</b>
<b>Deficit before tax</b>	<b>(13,731)</b>	<b>5,856</b>	<b>(6,198)</b>	<b>1,090</b>	<b>(5,860)</b>	<b>(6,950)</b>
<b>Total capital expenditure</b>	<b>30,839</b>	<b>66,460</b>	<b>41,950</b>	<b>69,647</b>	<b>48,293</b>	<b>21,354</b>
<b>Rates funding requirement</b>						
Deficit before tax	(13,731)	5,856	(6,198)	1,090	(5,860)	(6,950)
Add capital contributions	(17,629)	(39,535)	(26,520)	(38,205)	(24,030)	14,175
Rate funded debt repayment	-	-	-	-	(5,373)	(5,373)
<b>Total rates funding requirement</b>	<b>(31,360)</b>	<b>(33,679)</b>	<b>(32,719)</b>	<b>(37,115)</b>	<b>(35,263)</b>	<b>1,852</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	(2,031)	(1,226)	(676)	(4,368)	(171)	(4,197)
Capital to improve level of service	(19,982)	(54,962)	(31,999)	(51,049)	(35,281)	(15,768)
Capital to replace existing assets	(8,826)	(10,272)	(9,275)	(14,230)	(12,841)	(1,389)
Less capital contributions	17,629	39,535	26,520	38,205	24,030	(14,175)

For the year ended 30 June	2021-31	Annual	Actual	Budget	Actual	Bud v Act
	LTP	Plan				Variance
	(Year 3)		2024	2025	2025	2025
	\$000	\$000	\$000	\$000	\$000	\$000
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	21,218	19,709	17,998	22,764	17,391	(5,374)
Less vested assets	(540)	(537)	(1,561)	(555)	(566)	(11)
Less asset Sales	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	5,373	5,373
<b>Total loan funding requirement</b>	<b>7,468</b>	<b>(7,753)</b>	<b>1,007</b>	<b>(9,233)</b>	<b>(2,065)</b>	<b>(35,541)</b>
<b>Total funding requirement</b>	<b>(23,892)</b>	<b>(41,432)</b>	<b>(31,711)</b>	<b>(46,348)</b>	<b>(37,328)</b>	<b>(33,689)</b>

## Operating projects

### Transport

There were no operating projects separately budgeted for the year.

## Significant operating variations from Annual Plan

Revenue is unfavourable to budget largely due to reduced grants and subsidies. This was the result of updated funding advice from NZ Transport Agency Waka Kotahi and deferral of several major projects, including Cross Valley Connections, Micromobility, and Eastern Hutt Road Network Resilience. Reduced subsidies on deferred projects were mainly due to uncertainty around the NZ Transport Agency Waka Kotahi subsidies and prioritisation. These reductions were partly offset by a one-off unbudgeted funding for the Boulcott intersection works. Development contributions are favourable against budget due to higher volume than assumed for this activity. Overall operating costs are favourable to budget due to reprioritisation and reduction in repairs and maintenance costs related to the NZ Transport Agency Waka Kotahi subsidy reductions. Reduced depreciation and finance costs are largely related to the reduced capital spend. Support cost variance is due to these being allocated based on updated forecasts and actual service delivery.

## Capital projects acquisitions and renewals

### Transport

For the year ended 30 June	2024-25	Actual	Bud v Act
	LTP Budget		Variance
	(Year 1)	2025	2025
	\$000	\$000	\$000
<b>Capital to meet additional demand</b>			
Cross valley connections - growth	174	-	174
Cycling micro-mobility programme growth	487	-	487
Minor safety works growth	Note 1	1	1
Traffic safety improvements growth	Note 1	22	22
Local area traffic management growth	Note 1	2	2
Pedestrian crossing new growth	Note 1	1	1
Road network improvements - growth		182	171
Subdivisions road improvements	Note 1	3,500	-
<b>Road network improvements - growth</b>			
Cross valley connections	3,241	248	2,992
Reconstruction improvements	87	-	87
Broadband ducting	23	-	23
Land purchase for roads	11	-	11
Substandard rds upgrade	907	665	242
Cycling micromobility programme	7,376	1,451	5,925

For the year ended 30 June		2024-25		
		LTP Budget (Year 1)	Actual	Bud v Act Variance
		2025 \$000	2025 \$000	2025 \$000
Tupua Horo Nuku Eastern Bays		23,835	28,829	(4,995)
Traffic safety improvements		1,067	1,034	32
Local area traffic management	Note 1	107	-	107
Pedestrian crossings - new	Note 1	28	-	28
Led streetlighting	Note 1	1,009	-	1,009
Road network improvements		780	771	9
Bridge seismic strengthening Cuba St. overbridge		918	1,498	(580)
Network resilience - Eastern Hutt Road		10,660	286	10,374
Wainuiomata coast road rehabilitation		-	498	(498)
Transport speed review	Note 1	1,000	-	1,000
<b>Capital to replace existing assets</b>				
Area wide pavement treatment	Note 1	7,568	4,432	3,136
Pavement surfacing		2,698	3,770	(1,072)
Footpath resurfacing and replacement		446	745	(298)
Minor road and footpath construction		81	69	11
Road reconstruction		327	250	76
Wainuiomata Hill Rd safety seal	Note 1	753	588	165
Traffic signal replacement		185	25	160
Minor safety works	Note 1	54	5	49
Pedestrian crossing renewal	Note 1	34	-	34
Streetlight lantern replacement programme		256	424	(168)
Streetlight standard replacement		321	159	162
Carpark resurfacing		56	-	56
Pay & display extension		140	577	(437)
Transport resilience projects		1,313	-	1,313
Slip remediation		-	1,798	(1,798)
<b>Total capital projects</b>		<b>69,647</b>	<b>48,292</b>	<b>21,355</b>

## Significant capital variations from Annual Plan

The capital underspend compared to the approved budget is due to a mix of revised budget adjustments, underspends, and some overspends across projects. Following advice from NZ Transport Agency Waka Kotahi about reduced subsidies for capital and operating, Council approved a reduction in capital spend across a number of subsidised projects and in some instances reprioritised budgets.

Note 1: The individual projects are identified with the reference 'Note 1', with the total impact on capital being a reduction of \$9 million for 2024-25. Council approved revised budgets during the year to complete urgent work for several projects such as pavement surfacing, footpath resurfacing & replacement, bridge seismic strengthening Cuba St. Overbridge, Wainuiomata Coast road rehabilitation, and slip remediation. Pay & display extension project had an approved budget increase to install paid parking meters in Petone. It also incurred an overspend due to the urgent need to upgrade equipment to support card payments.

Cycling micromobility projects have been delayed due to an approved budget reduction following advice on removal of NZ Transport Agency Waka Kotahi subsidy funding, public engagement delays, and design changes related to the locations of raised pedestrian crossings. Budgets have been deferred to future years, with Council approval.

The Tupua Horo Nuku project is ahead of schedule and shows an overspend this year due to accelerated delivery. This will be balanced by lower spending in future years.

Network resilience Eastern Hutt Road and Cross Valley Connections projects have been delayed due to government changes in priorities and uncertainty around funding, requiring budget deferrals to later years which has been approved by Council.

# Whanake tāone

## City development

### Statement of service performance

#### What we do

Providing essential services that cater for the needs of residents, businesses, and visitors is crucial for the economic development of Te Awa Kairangi ki Tai Lower Hutt. The city development group oversees various activities, including urban design, business support and city growth, housing, and the District Plan. This multifaceted approach ensures a comprehensive strategy for the city's development and wellbeing.

#### Why we do it

Our commitment to enhancing the quality of life for residents drives our efforts. Easy access to recreational green spaces, Te Awa Kairangi Hutt River, and Te Whanganui a Tara Harbour contributes to our distinctive appeal. By supporting the business sector and promoting Te Awa Kairangi ki Tai Lower Hutt as a vibrant business location, we create a positive ripple effect, benefiting local enterprises and residents alike. Initiatives like placemaking, supported events, and collaborations not only add vibrancy to the city but also attract visitors. Collaborating with partners fosters better connectedness within our business community, facilitating skill development and capability enhancement for future growth. Overall, our work aims to create a thriving and interconnected community that contributes to the city's economic prosperity and cultural richness.

#### Key performance indicators

Not applicable. No KPI measures were selected as part of the 10 Year Plan for this activity area.

## Statement of comprehensive revenue and expenses

### City development

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024	2024	2024	2025	2025	2025
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	86	84	91	87	80	(7)
Operating subsidies	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Capital subsidies	9,898	5,977	1,256	12,231	-	(12,231)
Capital grants	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Gain on prop disposals	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-
Other revenue	-	-	111	-	304	304
<b>Total revenue</b>	<b>9,984</b>	<b>6,061</b>	<b>1,457</b>	<b>12,318</b>	<b>384</b>	<b>(11,934)</b>
<b>Expenditure</b>						
Employee costs	2,388	1,679	1,830	1,949	2,118	(168)
Operating costs	4,513	9,360	4,897	7,385	4,044	3,340
Support costs	2,118	2,309	2,319	2,870	2,713	157
Gain/(loss) on prop revals, sales, disposals	-	-	-	-	-	-
Finance cost	1,188	2,053	2,263	3,131	2,800	331
Depreciation	-	12	4	(7)	-	(7)
<b>Total expenditure</b>	<b>10,207</b>	<b>15,413</b>	<b>11,313</b>	<b>15,328</b>	<b>11,676</b>	<b>3,653</b>
<b>Deficit before tax</b>	<b>(223)</b>	<b>(9,352)</b>	<b>(9,856)</b>	<b>(3,010)</b>	<b>(11,292)</b>	<b>(8,281)</b>
<b>Total capital expenditure</b>	<b>43,951</b>	<b>30,574</b>	<b>16,211</b>	<b>32,003</b>	<b>3,484</b>	<b>28,519</b>
<b>Rates funding requirement</b>						
Deficit before tax	(223)	(9,352)	(9,856)	(3,010)	(11,292)	(8,281)
Add capital contributions	(9,898)	(5,977)	(1,256)	(12,231)	-	12,231
Rate funded debt/(debt repayment)	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(10,121)</b>	<b>(15,329)</b>	<b>(11,111)</b>	<b>(15,242)</b>	<b>(11,292)</b>	<b>3,950</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	-	(2,060)	(23)	-	-	-
Capital to improve level of service	(43,951)	(28,514)	(16,188)	(31,946)	(3,414)	(28,532)
Capital to replace existing assets	-	-	-	(57)	(70)	13
Less capital contributions	9,898	5,977	1,256	12,231	-	(12,231)
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	-	12	4	(7)	-	7
Less vested assets	-	-	-	-	-	-
Less asset sales	-	-	-	1,073	-	(1,073)
Less rate funded debt repayment	-	-	-	-	-	-
<b>Total loan funding requirement</b>	<b>(34,053)</b>	<b>(24,585)</b>	<b>(14,952)</b>	<b>(18,705)</b>	<b>(3,484)</b>	<b>(41,817)</b>
<b>Total funding requirement</b>	<b>(44,174)</b>	<b>(39,914)</b>	<b>(26,063)</b>	<b>(33,947)</b>	<b>(14,776)</b>	<b>(37,867)</b>

## Operating projects

### City development

For the year  
ended 30 June

	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
Development stimulus package	3,275	1,273	2,002
Urban growth – Wellington reg growth framework	453	303	150
Petone 2040	342	18	324
	<b>4,070</b>	<b>1,594</b>	<b>2,476</b>

### Significant operating variations from Annual Plan

Revenue is unfavourable to the budget, mainly due to reduced capital subsidies resulting from delays in the Te Wai Takamori o Te Awa Kairangi (RiverLink) project. Council's decision to defer the associated budgets to future years is reflected in the revised budget.

Expenditure is favourable to the budget, largely due to underspend on the Development Stimulus Incentives project, caused by delays in private developments outside Council's control. There are also delays in the District Plan and Petone 2040 projects. The unspent budgets are required in future years to complete these initiatives.

## Capital projects acquisitions and renewals

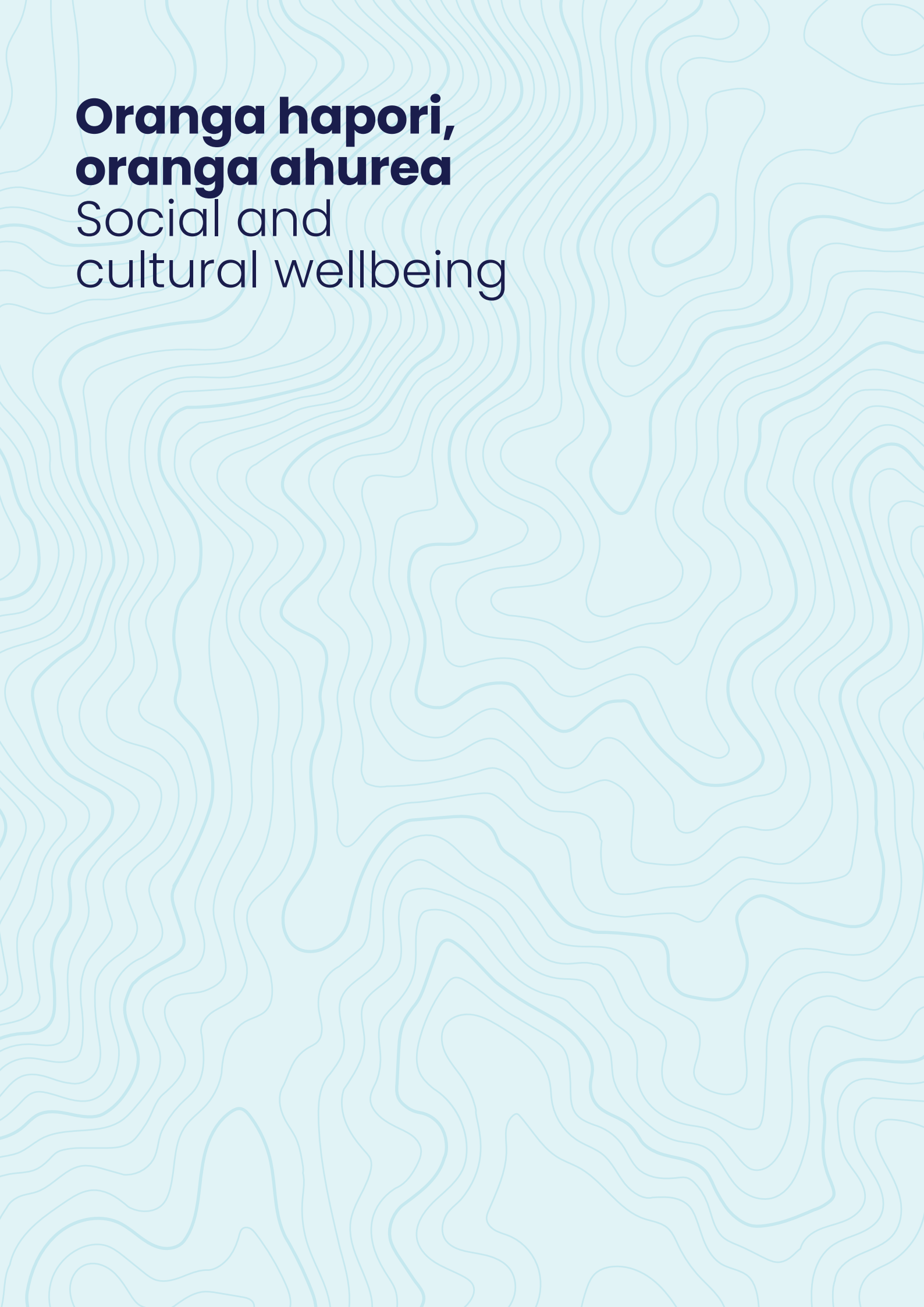
### City development

For the year  
ended 30 June

	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
<b>Capital to meet additional demand</b>			
Civic Events Centre renewal	57	70	(13)
<b>Capital to improve level of service</b>			
Petone 2040	458	-	458
Naenae Town Centre improvements	2,587	2,009	578
Wainuiomata Queen Street development	-	98	(98)
Te Wai Takamori o Te Awa Kairangi – RiverLink	28,901	1,306	27,595
<b>Total capital projects</b>	<b>32,003</b>	<b>3,484</b>	<b>28,519</b>

### Significant capital variations from Annual Plan

City development capital is under budget mainly due to delays in reaching Te Wai Takamori o Te Awa Kairangi (RiverLink) partners' agreement and finalisation of NZ Transport Agency Waka Kotahi funding, with consequent deferral of works. During the year, Council approved a budget rephasing from 2024-25 to later years. Other projects that have been delayed, resulting in underspends, include Petone 2040 and Naenae town centre improvements, with the unspent budgets having been deferred to 2025-26 to complete these projects.



**Oranga hāpori,  
oranga ahurea**  
Social and  
cultural wellbeing

# Hō mātou rangapū hapori me te mahi ngātahi

## Community partnering and support

### Statement of service performance

#### What we do

Ensuring the prosperity of our city hinges on the creation of secure, interconnected, healthy, inclusive, and resilient neighbourhoods and communities. Recognising the important role communities play in fostering a sense of belonging and purpose, Council is committed to supporting local groups to improve their overall wellbeing.

Through our hubs, recreation, and digital connection, community, and agency initiatives, we actively support wellbeing-focused services and programmes. Collaborative initiatives aimed at enhancing social and cultural wellbeing play a crucial role in fostering community connectedness and a sense of belonging.

Council's role is to oversee the implementation and ongoing review of the Homelessness Strategy for Te Awa Kairangi ki Tai Lower Hutt. We collaborate closely with partners and service providers to address homelessness effectively, with a particular focus on supporting individuals and families experiencing homelessness.

#### Why we do it

Our commitment to community wellbeing is seen through collaborative efforts with local communities to facilitate and support local initiatives. We want to help establish a collective community voice on specific issues and foster collaboration with groups and agencies across Te Awa Kairangi ki Tai Lower Hutt. Council facilities such as hubs contribute to the well-being of our people and the vitality of the city by:

- providing recreation opportunities that enhance individual health and wellbeing, including personal development and quality of life
- attracting visitors and therefore providing economic benefits to the district

A primary objective is to ensure that individuals and families facing homelessness have the necessary support and resources to secure stable housing. We prioritise prevention efforts to minimise the occurrence of homelessness and strive to create a community where everyone has access to safe and secure housing.

### Key performance indicators

#### Community partnering and support

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	

#### Housing

##### We are working to help people facing homelessness and housing hardship

Number of Te Awa Kairangi ki Tai Lower Hutt households assisted into more settled accommodation	≥50	50	50	50	✓	
Number of households provided with legal housing advice and advocacy	≥80	94	99	194	✓	The significant increase in 2024-25 is due to a change in reporting practice. For the current reporting period, both online client support and in person support were included in the count. This adjustment was made to ensure consistency and alignment with Council reporting standards. As a result, the higher figure reflects a more comprehensive capture of service delivery, and future reporting should remain consistent without such large discrepancies.

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
Number of households assisted by the homelessness prevention programme	≥80	93	191	103	✓	

## Community hubs

### We provide safe spaces for social, leisure, and educational activities

Number of neighbourhood hubs that met visitor number targets	9 of 9	0 of 3	9 of 9	7 of 9	✗	While total visits to neighbourhood hubs exceeded target by 10%, two sites were just under target.
Residents' satisfaction with neighbourhood hubs	≥ 80%	91%	88%	87%	✓	
Number of community wellbeing activities delivered by, or in partnership with, Council	≥3,000	New measure in 2024-25	New measure in 2024-25	7,141	✓	
Number of overall loans from hubs/libraries	≥790,000	New measure in 2024-25	New measure in 2024-25	966,524	✓	
Number of digital literacy programmes/activities delivered/enabled	≥100	New measure in 2024-25	New measure in 2024-25	348	✓	
Number of early years literacy programmes/activities delivered/enabled	≥800	New measure in 2024-25	New measure in 2024-25	1,510	✓	
Number of Neighbourhood Support member households	Previous year plus 10% (87 in Nov 2023) ≥96	New measure in 2024-25	New measure in 2024-25	322	✓	

## Statement of comprehensive revenue and expenses

### Community partnering and support

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	464	461	459	518	519	1
Operating subsidies	-	908	1,268	961	913	(48)
Operating grants	5	5	1	5	-	(5)
Capital subsidies	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Gain on prop disposals	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-
Other revenue	169	107	37	70	40	(30)
<b>Total revenue</b>	<b>638</b>	<b>1,482</b>	<b>1,765</b>	<b>1,554</b>	<b>1,472</b>	<b>(82)</b>
<b>Expenditure</b>						
Employee costs	3,229	4,125	4,088	4,299	4,168	131
Operating costs	4,389	4,212	4,501	4,426	4,525	(99)
Support costs	1,632	1,798	1,798	4,744	4,301	443
Gain/(loss) on prop revals, sales, disposals	-	-	8	-	-	-
Finance cost	103	247	272	657	380	277
Depreciation	1,837	1,447	1,470	2,000	1,507	493
<b>Total expenditure</b>	<b>11,190</b>	<b>11,829</b>	<b>12,138</b>	<b>16,125</b>	<b>14,881</b>	<b>1,244</b>
<b>Deficit before tax</b>	<b>(10,552)</b>	<b>(10,347)</b>	<b>(10,373)</b>	<b>(14,571)</b>	<b>(13,409)</b>	<b>1,162</b>
<b>Total capital expenditure</b>	<b>1,209</b>	<b>1,058</b>	<b>519</b>	<b>490</b>	<b>318</b>	<b>173</b>
<b>Rates funding requirement</b>						
Deficit before tax	(10,552)	(10,347)	(10,373)	(14,571)	(13,409)	1,162
Add capital contributions	-	-	-	-	-	-
Rate funded debt/(debt repayment)	-	-	-	-	(493)	(493)
<b>Total rates funding requirement</b>	<b>(10,552)</b>	<b>(10,347)</b>	<b>(10,373)</b>	<b>(14,571)</b>	<b>(13,903)</b>	<b>669</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	-	-	-	-	-	-
Capital to improve level of service	(743)	(594)	(99)	(5)	(116)	111
Capital to replace existing assets	(466)	(464)	(420)	(485)	(201)	(284)
Less capital contributions	-	-	-	-	-	-
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	1,837	1,447	1,470	2,000	1,507	(493)
Less vested assets	-	-	-	-	-	-
Less asset sales	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	493	493
<b>Total loan funding requirement</b>	<b>628</b>	<b>389</b>	<b>951</b>	<b>1,509</b>	<b>1,682</b>	<b>(172)</b>
<b>Total funding requirement</b>	<b>(9,924)</b>	<b>(9,958)</b>	<b>(9,422)</b>	<b>(13,062)</b>	<b>(12,220)</b>	<b>496</b>

## Operating projects

### Community partnering and support

There were no operating projects separately budgeted for the year.

## Significant operating variations from Annual Plan

Net operating is favourable against budget mainly due to staff vacancies in the first half of the financial year. Support cost variance is due to these being allocated based on updated forecasts and actual service delivery. Depreciation and finance cost underspend is linked to delays in the capitalisation of assets and lower capital spend.

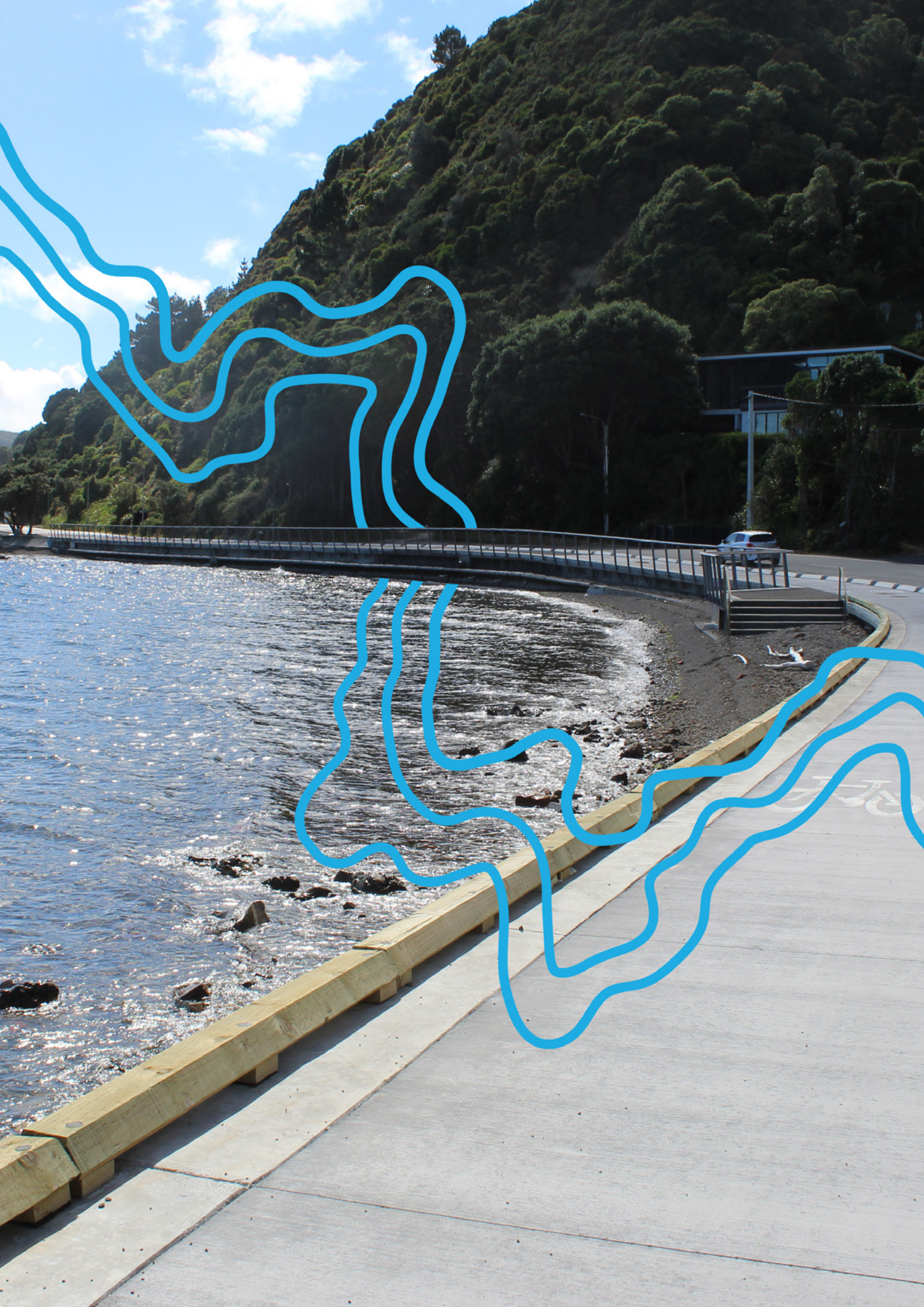
## Capital projects acquisitions and renewals

### Community partnering and support

For the year ended 30 June	2024-25	Actual	Bud v Act Variance
	LTP Budget (Year 1)		
	2025 \$000	2025 \$000	2025 \$000
<b>Capital to improve level of service</b>			
Community halls improvements	-	(19)	19
Community hubs - building improvements	5	(13)	18
Walter Nash Centre equipment and fitout	-	95	(95)
Walter Nash Centre furniture	-	53	(53)
<b>Capital to replace existing assets</b>			
Eastbourne Hall renewal	18	-	18
Epuni Hall renewal	34	61	(28)
Wainuiomata Memorial Hall renewal	1	-	1
Maungaraki Hall renewal	55	-	55
Walter Nash Centre renewal	3	62	(60)
Walter Nash indoor courts resurface floor and seating	-	52	(52)
Stokes Valley hub renewal	1	(3)	4
Wainuiomata hub renewal	15	-	15
Community hubs - furniture & equipment replacements	5	5	(0)
CCTV replacement	33	-	33
Community houses building renewal	72	8	64
Moerā Community Hall renewal	74	16	58
Treadwell Community Hall renewal	33	-	33
Hardwick-smith lounge renewal	137	-	137
Hutt art society renewal	5	-	5
<b>Total capital projects</b>	<b>490</b>	<b>318</b>	<b>173</b>

## Significant capital variations from Annual Plan

Capital expenditure underspend is mostly due to delays in projects which couldn't be delivered due to internal capacity and ongoing community engagement for some projects. The Walter Nash Centre projects are funded by budgets carried over from 2023-24 and reflected in approved revised budgets.



# Papa rēhia me ngā whenua tāpui

## Open spaces, parks, and reserves

### Statement of service performance

#### What we do

We are responsible for creating an attractive work and living environment in Te Awa Kairangi ki Tai Lower Hutt. The services we provide promote the social, economic, environmental, and cultural wellbeing of the community in line with the purpose of the Local Government Act. We do this by providing, developing, maintaining, and protecting open spaces, parks, reserves, sportsgrounds, and street gardens.

The areas we manage not only enhance the aesthetic appeal of our city but also serve as important venues for recreation; gatherings for formal and informal social connection; environmental sustainability and improvement; deliver culturally appropriate spaces; and provide an attractive environment to do business.

#### Why we do it

The primary reason for Council ownership and management of parks is to protect, conserve, maintain, and develop land to enhance habitat, provide recreation opportunities, and protect landscapes. These parks are both natural and developed. The provision of parks is also considered a fundamental requirement for the health and wellbeing of the community. The availability and presentation of open spaces affects the character of the city and way the community feels about their city and neighbourhoods. Further from the residential hubs Council's provision of open space is dominated by bush reserves, which contribute to indigenous biodiversity, landscape values, recreation opportunities, and the wellbeing of our community.

Council understands the positive impact of sport and recreation, access to natural spaces, and opportunities to meet with other people on the wellbeing of individuals, both in the physical and psychological context. We actively contribute to the development and maintenance of an extensive reserve network. These reserves not only foster a healthy natural environment but also serve as a platform for bringing people together for social activities. Through sportsgrounds, civic parks, neighbourhood parks, bush reserves, cemeteries, playgrounds, the foreshore, street trees, and gardens, we strive to create a pleasant and meaningful environment accessible to the entire community.

For example, in Council's bush reserves, we focus on creating connected native habitats that host a diverse range of native species with a focus on indigenous biodiversity. This collaborative effort aligns with the broader initiatives of entities such as Greater Wellington Regional Council and the Department of Conservation (DOC), collectively contributing to the preservation and enhancement of our natural heritage. On our sportsfields the focus is on keeping people fit and healthy whilst providing a high degree of social connection. Playgrounds provide the opportunity for multi-generational engagement between grandparents, parents, and their respective whānau. The horticultural parks and public artwork we maintain provide a sense of civic pride and cultural accessibility. Cemeteries and gardens of remembrance provide a reflective environment that respects those who have gone before and allows us to contemplate the wider implications of human existence.

#### Context

A total of 2,918 hectares of parkland is actively or passively managed by the Hutt City Council parks and reserves team. This equates to 26.1 hectares per 1,000 residents which is above the 2022 national median of 18.5 hectares per 1,000 residents. However, a high proportion of this is natural bush areas (2,569ha) and the urban parkland (actively maintained) is 373 hectares.

#### Asset summary

Parks and reserves is responsible for:

- 373ha of urban parkland
- 2,569ha of natural habitat
- 55 playgrounds
- 5 skate parks
- 8 basketball half courts
- 3 cemeteries
- 5,651 park trees
- 4 wharves including Petone and Days Bay
- 48 public toilets
- 393,282m<sup>2</sup> of gardens
- 54.83km of bush tracks
- Numerous quantities of park furniture

These are maintained under three main contracts:

- maintenance and operation of reserves, cemeteries, street and notable trees
- maintenance and operation of horticultural parks/gardens & community street gardens
- sportsground maintenance

It is also responsible for 415 leases, and approximately 25 stand-alone public art instalments.

## Reserves Investment Strategy

The Reserves Investment Strategy recognises the incredible opportunity we have to provide better quality green spaces to help address the effects of growth and intensification in our city. Within the strategy you'll find a proposed project list for the next 10 years. These projects will be funded through reserve financial contributions, enacted under the Resource Management Act and District Plan. Budgets allocated to each project are estimates only and may change based on further community feedback and design.

Officers are considering several transformative projects under the Reserves Investment Strategy which will be put in front of Council, including developments in Black Creek Reserve and Hugh Sinclair Park in Wainuiomata, as part of the Reserves Investment Strategy refocus.

## Key performance indicators

Open spaces, parks, and reserves

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
<b>Open spaces, parks, and reserves</b>						
<b>We provide leisure and recreational opportunities to our community</b>						
Number of days Council-owned/maintained grass sport fields are closed (due to maintenance or drainage issues)	≤ 20 days	23 days	20 days	15 days	✓	
Number of days Council-owned/maintained artificial turf sports fields are closed (due to maintenance or drainage issues)	≤ 10 days	3 days	Nil	2 days	✓	
Residents' satisfaction with sports fields	≥ 80%	86%	83%	80%	✓	
Residents' satisfaction with parks and reserves	≥ 80%	85%	83%	85%	✓	
Residents' satisfaction with playgrounds	≥ 80%	82%	81%	79%	✗	The playground renewals programme is continuing.

## Prospective statement of comprehensive revenue and expense

Open spaces, parks, and reserves

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024	2024	2024	2025	2025	2025
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	1,507	1,553	1,705	1,652	1,665	13
Operating subsidies	-	-	-	-	-	-
Operating grants	6	6	(4)	6	-	(6)
Capital subsidies	-	-	-	-	-	-
Capital grants	-	100	11	-	14	14
Development and financial contributions	635	2,500	3,849	3,000	3,771	771
Interest earned	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Gain on prop disposals	-	-	593	-	-	-
Vested assets	-	-	48	-	41	41
Other revenue	58	108	10	112	10	(102)
<b>Total revenue</b>	<b>2,206</b>	<b>4,267</b>	<b>6,211</b>	<b>4,770</b>	<b>5,500</b>	<b>730</b>
<b>Expenditure</b>						
Employee costs	831	969	614	1,093	966	127
Operating costs	11,725	15,554	15,953	16,564	16,275	290
Support costs	1,159	1,406	1,406	993	940	52
Gain/(loss) on prop revals, sales, disposals	-	-	-	-	655	(655)
Finance cost	894	669	737	1,730	1,090	640
Depreciation	5,979	3,397	3,356	3,818	3,668	149
<b>Total expenditure</b>	<b>20,588</b>	<b>21,995</b>	<b>22,066</b>	<b>24,197</b>	<b>23,595</b>	<b>602</b>
<b>Deficit before tax</b>	<b>(18,382)</b>	<b>(17,728)</b>	<b>(15,856)</b>	<b>(19,427)</b>	<b>(18,095)</b>	<b>1,332</b>
<b>Total capital expenditure</b>	<b>12,807</b>	<b>5,484</b>	<b>5,698</b>	<b>15,029</b>	<b>7,660</b>	<b>7,368</b>
<b>Rates funding requirement</b>						
Deficit before tax	(18,382)	(17,728)	(15,856)	(19,427)	(18,095)	1,332
Add capital contributions	(635)	(2,600)	(3,859)	(3,000)	(3,784)	(784)
Rate funded debt/(debt repayment)	-	-	-	-	(150)	(150)
<b>Total rates funding requirement</b>	<b>(19,017)</b>	<b>(20,328)</b>	<b>(19,715)</b>	<b>(22,427)</b>	<b>(22,029)</b>	<b>398</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	-	(1,400)	(1,358)	(7,750)	(4,040)	(3,710)
Capital to improve level of service	(1,090)	(953)	(2,235)	(3,138)	(1,816)	(1,322)
Capital to replace existing assets	(11,717)	(3,131)	(2,106)	(4,140)	(1,804)	(2,336)
Less capital contributions	635	2,600	3,859	3,000	3,784	784
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	5,979	3,397	3,356	3,818	3,668	(149)
Less vested assets	-	-	(48)	-	(41)	(41)
Less asset sales	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	150	150
<b>Total loan funding requirement</b>	<b>(6,193)</b>	<b>513</b>	<b>1,469</b>	<b>(8,211)</b>	<b>(99)</b>	<b>(6,624)</b>
<b>Total funding requirement</b>	<b>(25,210)</b>	<b>(19,814)</b>	<b>(18,245)</b>	<b>(30,638)</b>	<b>(22,128)</b>	<b>(6,227)</b>

## Operating projects

### Open spaces, parks, and reserves

There were no operating projects separately budgeted for in the year.

## Significant operating variations from Annual Plan

Revenue is favourable to budget at year end mainly due to reserve financial contributions which are higher than what was assumed in the budget. Expenditure is favourable to budget partly due to the completion of Point Howard Wharf demolition being under budget and reduced employee costs due to vacancies in the first half of the year. Depreciation and finance cost underspend is linked to delays in the capitalisation of assets and lower capital spend.

## Capital projects acquisitions and renewals

### Open spaces, parks, and reserves

For the year  
ended 30 June

	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
<b>Capital to meet additional demand</b>			
Reserve developments	7,750	3,965	3,785
Bell Park development	-	5	(5)
Black Creek Reserve development	-	31	(31)
Tree planting city wide	-	(8)	8
High Street Pomare Reserve development	-	45	(45)
<b>Capital to improve level of service</b>			
Parks & gardens protection bollards	10	74	(64)
Williams Park improvements	-	5	(5)
Sportsground drainage upgrades	-	-	-
Wainuiomata garden of remembrance	-	418	(418)
ECNZ track easement	-	2	(2)
Meadowbank Reserve development belmont	-	180	(180)
Manor park cycle trail	-	(7)	7
Valley floor review implementation	-	53	(53)
Mountain bike park	54	(23)	77
Minoh Friendship House improvements	1	2	(0)
Toilets upgrade	500	10	490
New cemetery development, Akatarawa Road	1,275	1	1,274
Decarbonisation energy conversion (parks)	218	1	217
Parks & reserve drainage improvements	1,080	1,105	(25)

For the year ended 30 June	2024-25		
	LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
<b>Capital to replace existing assets</b>			
Seats & bins	65	65	-
Parks buildings capital renewals	2,147	692	1,456
Avalon Park pavilion renewal	-	23	(23)
Parks hard surfaces renewal	852	388	464
Sportsground buildings renewal	-	(3)	3
Playgrounds	223	219	4
Petone Wharf	500	97	403
Track renewal	109	88	21
Parks signage & interpretation	33	-	33
Korohiwa bus barn renewal	10	-	10
Petone grandstand renewal	200	228	(28)
Point Howard Wharf	-	-	-
Other renewals projects	-	(1)	1
Naenae bowls renewal	1	-	1
Ricoh Sports Centre renewal	-	9	(9)
<b>Total capital projects</b>	<b>15,029</b>	<b>7,660</b>	<b>7,368</b>

### Significant capital variations from Annual Plan

Capital spend is under budget due to internal resourcing constraints across this activity. There has also been project rescoping for reserve development projects and deferred projects due to ongoing community engagement. Offsetting the underspend is a number of projects that Council approved to be actioned (such as bollards and protection), as well as a number of other smaller overspends for required unplanned works. Carryovers of the unspent budgets will be required to complete these projects in 2025-26.



# Ngā herengatanga, auahatanga, akoranga me ngā mahi a te rēhia

## Connectivity, creativity, learning, and recreation

### Statement of service performance

#### What we do

Council plays an important role in providing spaces and facilities that serve as hubs for connection, creativity, learning, and enjoyment. Our extensive network of swimming pools, fitness centres, art spaces, and museums form the beating heart of the communities they serve.

Council's aquatic team enhances community wellbeing through six facilities. Services include swimming pools, fitness suites, Swim City Swim School, and related programmes.

The facilities provide spaces where residents and visitors can relax, connect, improve fitness and health, build water confidence, learn to swim, and have fun!

#### Why we do it

Overall, our facilities contribute to enhanced social life, diversity, and wellbeing. They foster civic pride and promote strong community values. This focus on community strength and resilience ensures a sustainable and prosperous future for our city.

Council's focus on providing high-quality library services and museums stems from the belief that everyone should have access to information, knowledge, arts, and culture. By offering these resources, we aim to support and enrich individuals and the broader community.

Recognising the positive impact of recreation, sport, and fitness on people's lives, we ensure the provision of high-quality services at a cost that helps make them accessible for the entire community.

Aquatic and fitness facilities contribute to the wellbeing of our people and vitality of the city by:

- increasing social cohesion and people's sense of belonging and healthy communities that can result from the social interaction that occurs at aquatic facilities
- providing learn to swim programmes (particularly for children) which is considered a vital public service to promote safety and prevent accidental drowning

## Key performance indicators

Connectivity, creativity, learning, and recreation

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	

### Swimming pools and fitness

We provide our community with access to a leisure and recreational opportunities

Number of pools which met visitor number targets	5 of 5	2 of 5	3 of 5	2 of 5	✘	Pool attendance across all pools has been lower than last year. The main contributor to this has been a very cold summer affecting the first two months for the summer pools. The other contributing factor was the regional Cryptosporidium outbreak, where we closed certain pools for up to a week at a time. This included two weeks of the hydrotherapy pool which impacted Swim City numbers.
Number of fitness suite members	≥1,400	1,569	1,806	2,469	✓	Membership has increased significantly in the last period, reflecting a strong rise in demand for our services. The primary driver of this growth has been the opening of Te Ngaengae Pool + Fitness in December 2024.
Residents' satisfaction with pools	≥ 80%	88%	81%	80%	✓	

### Art spaces and museums

We enable access to arts and culture

Number of museums which met visitor number targets	2 of 2	1 of 2	1 of 2	2 of 2	✓	
Number of arts and culture programmes delivered at museums	≥200	New measure in 2024-25	New measure in 2024-25	344	✓	
Residents' satisfaction with museums	≥ 80%	92%	92%	92%	✓	

## Prospective statement of comprehensive revenue and expense

Connectivity, creativity, learning, and recreation

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	4,532	4,080	4,014	5,729	4,313	(1,416)
Operating subsidies	-	-	-	50	44	(6)
Operating grants	84	36	21	-	14	14
Capital subsidies	-	-	-	-	-	-
Capital grants	12,100	17,550	8,185	6,750	12,184	5,434
Development and financial contributions	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Gain on prop disposals	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-
Other revenue	969	722	860	998	1,019	21
<b>Total revenue</b>	<b>17,685</b>	<b>22,388</b>	<b>13,080</b>	<b>13,527</b>	<b>17,575</b>	<b>4,048</b>
<b>Expenditure</b>						
Employee costs	9,991	9,330	10,043	11,441	11,549	(107)
Operating costs	7,573	6,824	7,097	8,054	8,301	(247)
Support costs	6,474	7,720	7,720	7,480	6,720	759
Gain/(loss) on prop revals, sales, disposals	-	-	306	-	-	-
Finance cost	1,372	2,780	3,064	4,761	4,175	586
Depreciation	4,915	4,261	4,319	6,465	5,188	1,277
<b>Total expenditure</b>	<b>30,325</b>	<b>30,915</b>	<b>32,548</b>	<b>38,201</b>	<b>35,933</b>	<b>2,268</b>
<b>Deficit before tax</b>	<b>(12,640)</b>	<b>(8,527)</b>	<b>(19,468)</b>	<b>(24,675)</b>	<b>(18,359)</b>	<b>6,316</b>
<b>Total capital expenditure</b>	<b>30,474</b>	<b>30,673</b>	<b>25,676</b>	<b>18,336</b>	<b>15,479</b>	<b>2,857</b>
<b>Rates funding requirement</b>						
Deficit before tax	(12,640)	(8,527)	(19,468)	(24,675)	(18,359)	6,316
Add capital contributions	(12,100)	(17,550)	(8,185)	(6,750)	(12,184)	(5,434)
Rate funded debt/(debt repayment)	-	-	-	-	(1,277)	(1,277)
<b>Total rates funding requirement</b>	<b>(24,740)</b>	<b>(26,077)</b>	<b>(27,653)</b>	<b>(31,425)</b>	<b>(31,820)</b>	<b>(395)</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	-	-	-	-	-	-
Capital to improve level of service	(28,430)	(27,213)	(23,273)	(9,082)	(8,910)	(171)
Capital to replace existing assets	(2,044)	(3,460)	(2,403)	(9,254)	(6,569)	(2,685)
Less capital contributions	12,100	17,550	8,185	6,750	12,184	5,434
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	4,915	4,261	4,319	6,465	5,188	(1,277)
Less vested assets	-	-	-	-	-	-
Less asset sales	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	1,277	1,277
<b>Total loan funding requirement</b>	<b>(13,459)</b>	<b>(8,862)</b>	<b>(13,172)</b>	<b>(5,121)</b>	<b>3,170</b>	<b>2,577</b>
<b>Total funding requirement</b>	<b>(38,199)</b>	<b>(34,939)</b>	<b>(40,825)</b>	<b>(36,545)</b>	<b>(28,650)</b>	<b>2,182</b>

## **Operating projects**

Connectivity, creativity, learning, and recreation

There were no operating projects separately budgeted for the year.

## **Significant operating variations from Annual Plan**

Revenue is favourable mainly due to the timing of capital grant funding for the Te Ngaengae Pool rebuild, which was completed during the year. This is partly offset by lower-than-expected user charges, driven by reduced pool attendance and lower uptake in Learn-to-Swim programmes. Pool revenue and costs were also impacted by a Cryptosporidium outbreak, which contributed to further declines in attendance and increased cleaning and sanitation costs.

Support cost variance is due to these being allocated based on updated forecasts and actual service delivery. Depreciation and finance cost underspend is linked to delays in the capitalisation of assets and lower capital spend.

## Capital projects

Connectivity, creativity, learning, and recreation

For the year  
ended 30 June

	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
<b>Capital to improve level of service</b>			
Dowse Art Museum new artworks	54	73	(19)
Dowse Art Museum heat pump	910	5	905
Mckenzie pool renewals	50	8	42
Pools other improvement projects	136	127	9
Te Ngaengae Pool + Fitness Centre rebuild	3,211	7,802	(4,592)
Rfid robotic returns sorter	200	-	200
Libraries buildings improvements	50	47	3
Civic Events Centre improvements	50	60	(10)
Eastbourne Library/community hub building improvements	28	77	(49)
Naenae fitness suite equipment purchase	-	106	(106)
Wainuiomata Pool renewals	19	16	3
Decarbonisation energy conversion (huia pool)	3,884	591	3,293
Decarbonisation energy conversion (libraries)	490	-	490
War Memorial Library renewal	1	-	1
<b>Capital to replace existing assets</b>			
Dowse Art Museum carpets and soft furnishings gallery and office	20	5	15
Dowse Art Museum renewal	132	109	23
Dowse Art Museum gallery lighting	44	43	0
Petone Settlers Museum building & plant renewal	4	30	(26)
Other pool projects	4,856	4,185	671
Stokes Valley pool roof replacement	-	9	(9)
Furniture and equipment replacement programme libraries	350	119	231
Replace Library shelving	120	190	(70)
Libraries stock replacement	680	532	148
Little theatre renewal	28	14	14
Petone Library renewal	2,500	3	2,497
Moerā Library renewal	441	1,273	(832)
Eastbourne Pool renewals	10	16	(6)
Stokes Valley Pool renewals	43	40	3
Naenae Library renewal	3	-	3
Wainuiomata Library renewal	24	-	24
<b>Total capital projects</b>	<b>18,336</b>	<b>15,479</b>	<b>2,857</b>

### Significant capital variations from Annual Plan

Capital is underspent mainly due to delays in Huia Pool and Petone Library renewal projects which started in late 2024-25 and are expected to be completed in 2025-26. Complexity and capacity constraints have contributed to delays in projects for this activity with unspent budgets expected to be carried over to later years to complete these projects. Te Ngaengae Pool & Fitness rebuild overspend is related to timing changes and is offset by capital grant funding. Moerā library overspend is funded through contingent facilities management.

# Kāwanatanga, ko te rautaki me ngā kīwei o te kete

## Governance, strategy, and partnerships

### Statement of service performance

#### What we do

Council plays a crucial role in local democracy, defined by the Local Government Act 2002, and has two primary objectives:

- firstly, we are committed to enabling democratic local decision-making.
- secondly, we are dedicated to promoting the wellbeing of communities through a sustainable development approach.

Our aim is to empower diverse communities to participate actively in local decisions. This is how we ensure democratic processes are upheld and remain accountable to our community.

We provide elected members with the essential support and professional advice they need to make sound decisions for the city. Our dedication to democratic principles isn't just a legal requirement, but a representation of our aspirations for a city that's inclusive and promotes active public involvement.

#### Why we do it

Council's governance activities are driven by a commitment to enhancing the wellbeing of our communities both in the present and for future generations. The Local Government Act 2002 requires us to recognise and respect the principles of the Treaty of Waitangi, emphasising the Crown's responsibility to incorporate these principles. As a result, our partnership with Mana Whenua is essential in meeting our obligations and fostering a city where everyone thrives.

To achieve these goals, we engage in comprehensive governance-related services, strategic planning, policy development, and continuous monitoring and reporting. Our work aims not only to fulfil legal obligations but to create an inclusive, resilient environment that supports the diverse needs of our community members.

### Key performance indicators

Governance, strategy, and partnerships

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	

#### Democratic services

**Our community are provided with the information they require to participate in the democratic process**

Percentage of meetings and committee agendas made available to the public within statutory timeframes (four clear working days under Council's standing orders)	100%	99%	100%	100%	✓	
---	------	-----	------	------	---	--

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
	Residents' satisfaction with access to the decision-making process	≥ 80%	41%	39%	44%	
Residents feel they have enough information to participate in democratic process	≥ 80%	51%	48%	49%	×	Residents expressed concern about the accessibility and transparency of Council information, with many feeling excluded from the decision-making process. Feedback called for clearer communication, more inclusive engagement methods, and plain-language summaries of decisions and plans, as well as summaries that show how public feedback and how it's used.

## Prospective statement of comprehensive revenue and expense

Governance, strategy, and partnerships

For the year ended 30 June	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2024	2024	2024	2025	2025	2025
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>						
Rates income	-	-	-	-	-	-
User charges	-	-	-	-	-	-
Operating subsidies	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Gain on prop disposals	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
<b>Total revenue</b>	-	-	-	-	-	-
<b>Expenditure</b>						
Employee costs	1,154	1,146	1,108	1,398	1,320	78
Operating costs	1,850	1,972	1,878	2,188	1,876	312
Support costs	4,104	4,083	4,084	4,754	4,422	332
Finance cost	-	-	-	-	-	-
Depreciation	-	-	7	6	7	(1)
<b>Total expenditure</b>	<b>7,108</b>	<b>7,201</b>	<b>7,077</b>	<b>8,346</b>	<b>7,625</b>	<b>721</b>
<b>Deficit before tax</b>	<b>(7,108)</b>	<b>(7,201)</b>	<b>(7,077)</b>	<b>(8,346)</b>	<b>(7,625)</b>	<b>721</b>
<b>Total capital expenditure</b>	-	-	-	-	-	-

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
<b>Rates funding requirement</b>						
Deficit before tax	(7,108)	(7,201)	(7,077)	(8,346)	(7,625)	721
Add capital contributions	-	-	-	-	-	-
Rate funded debt repayment	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(7,108)</b>	<b>(7,201)</b>	<b>(7,077)</b>	<b>(8,346)</b>	<b>(7,625)</b>	<b>721</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	-	-	-	-	-	-
Capital to improve level of service	-	-	-	-	-	-
Capital to replace existing assets	-	-	-	-	-	-
Less capital contributions	-	-	-	-	-	-
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	-	-	7	6	7	1
Less vested assets	-	-	-	-	-	-
Less asset sales	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-
<b>Total loan funding requirement</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>6</b>	<b>7</b>	<b>1</b>
<b>Total funding requirement</b>	<b>(7,108)</b>	<b>(7,201)</b>	<b>(7,070)</b>	<b>(8,340)</b>	<b>(7,618)</b>	<b>722</b>

## Operating projects

### Governance, strategy, and partnerships

There were no operating projects separately budgeted for the year.

### Significant operating variations from Annual Plan

Total expenditure is favourable largely due to lower spend on Councillor expenses driven by a reduced number of hearings which are only scheduled as needed, employee costs for vacancies filled partway during the year, and savings in other operating costs. Support cost variance is due to these being allocated based on updated forecasts and actual service delivery.

## Capital projects

There were no capital projects planned or carried out during the year.

# Ratonga rangatōpū

## Corporate services

### Statement of service performance

Corporate services activities are related to Council's functions that support the delivery of our services and projects. These activities support the outcomes of all other activity areas.

### Key performance indicators

Not applicable. No KPI measures were selected as part of the 10 Year Plan for this activity area.

### Prospective statement of comprehensive revenue and expense

#### Corporate services

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
<b>Revenue</b>						
Rates income	149,365	96,274	96,735	113,131	113,989	858
Targeted rates income	-	60,538	61,474	71,903	73,280	1,377
User charges	(31)	236	96	273	(226)	(499)
Operating subsidies	-	-	-	-	-	-
Operating grants	-	11	422	11	-	(11)
Capital subsidies	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Interest earned	926	3,238	6,396	4,200	6,508	2,308
Dividends	217	204	207	104	107	3
Gain on prop disposals	-	-	87	-	-	-
Vested assets	-	-	-	-	-	-
Other revenue	385	400	380	407	424	17
Gain/(loss) on revaluation of financial instruments	-	-	-	-	-	-
<b>Total revenue</b>	<b>150,862</b>	<b>160,901</b>	<b>165,797</b>	<b>190,029</b>	<b>194,082</b>	<b>4,053</b>
<b>Expenditure</b>						
Employee costs	14,362	15,329	17,783	17,568	18,962	(1,394)
Operating costs	6,007	10,511	7,375	11,635	6,729	4,906
Support costs	(25,717)	(29,324)	(29,325)	(33,678)	(31,482)	(2,196)
Gain/(loss) on prop revals, sales, disposals	-	-	-	-	(57)	57
Gain/(loss) on revaluation of financial instruments	-	-	1,586	-	5,277	(5,277)
Finance cost	1,523	3,575	6,590	3,818	6,536	(2,718)
Depreciation	2,632	1,064	842	1,130	937	193
<b>Total expenditure</b>	<b>(1,193)</b>	<b>1,155</b>	<b>5,203</b>	<b>473</b>	<b>6,902</b>	<b>(6,430)</b>
<b>Surplus before tax</b>	<b>152,055</b>	<b>159,746</b>	<b>160,594</b>	<b>189,557</b>	<b>187,180</b>	<b>(2,377)</b>
<b>Total capital expenditure</b>	<b>4,648</b>	<b>3,982</b>	<b>1,746</b>	<b>4,278</b>	<b>1,573</b>	<b>2,705</b>

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Bud v Act Variance
	LTP (Year 3)			LTP Budget (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
<b>Rates funding requirement</b>						
Surplus before tax	152,055	159,746	160,594	189,557	187,180	(2,377)
Add capital contributions	-	-	-	-	-	-
Rate funded debt/(debt repayment)	30,116	34,030	34,480	36,545	33,583	(2,961)
<b>Total rates funding requirement</b>	<b>182,171</b>	<b>193,776</b>	<b>195,073</b>	<b>226,101</b>	<b>220,763</b>	<b>(5,338)</b>
<b>Loan funding requirement</b>						
Capital to meet additional demand	-	-	-	-	-	-
Capital to improve level of service	(3,296)	(2,619)	(1,017)	(2,856)	(933)	(1,923)
Capital to replace existing assets	(1,350)	(1,363)	(729)	(1,422)	(641)	(782)
Less capital contributions	-	-	-	-	-	-
Less UHCC capital contributions	-	-	-	-	-	-
Less depreciation	2,632	1,064	842	1,130	937	(193)
Less vested assets	-	-	-	-	-	-
Less asset sales	438	436	-	451	-	(451)
Less rate funded debt repayment	(30,116)	(34,030)	(34,480)	(36,545)	(33,583)	2,961
<b>Total loan funding requirement</b>	<b>(31,692)</b>	<b>(36,512)</b>	<b>(35,383)</b>	<b>(39,242)</b>	<b>(34,220)</b>	<b>(387)</b>
<b>Total funding requirement</b>	<b>150,479</b>	<b>157,264</b>	<b>159,690</b>	<b>186,859</b>	<b>186,544</b>	<b>(5,726)</b>

## Operating projects

For the year ended 30 June	2024-25	Actual	Bud v Act Variance
	LTP Budget (Year 1)		
	2025 \$000	2025 \$000	2025 \$000
Go Digital programme	5,543	2,739	2,804

## Significant operating variations from Annual Plan

Revenue is favourable to budget at year end largely due to higher targeted rates and interest income. Employee costs are unfavourable to budget mainly due reallocation of costs from operating to employee costs to support the Go Digital programme and a higher provision for annual leave. Operating costs are favourable largely due to the transfer of costs in the Go Digital programme partly to offset employee costs with the balance of the budget carried over for deferred projects to 2025-26. Results include the loss of \$5.3 million due to the revaluation of financial instruments linked to the financial markets volatility. Higher interest cost is largely offset by higher interest revenue. Support cost variance is due to these being recovered based on revised budgets to reflect updated forecasts and actual service delivery.

## Capital projects acquisitions and renewals

### Corporate services

For the year  
ended 30 June

	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
<b>Capital to improve level of service</b>			
Other (IT) projects	57	57	-
Facilities seismic strengthening	1,772	-	1,772
Vehicle purchase	828	647	181
IT CCTV	200	229	(29)
<b>Capital to replace existing assets</b>			
Pavilion renewal	33	32	2
Civic administration building renewal	7	-	7
System renewal	120	100	20
Hardware – IT infrastructure	532	499	34
Contingent facilities management fund	718	10	708
Defibrillators	11	-	11
<b>Total capital projects</b>	<b>4,278</b>	<b>1,574</b>	<b>2,705</b>

### Significant capital variations from Annual Plan

Capital spend is under budget mainly due to an underspend on the facilities seismic strengthening project. This is for seismic strengthening of the War Memorial Library, which has been rescheduled to follow the Petone Library works to help manage service level impacts across the library network.

There is also an underspend on the Contingent Facilities Management Fund, largely due to the deferral of the Dowse roof repairs to 2025–26.





**Ngā ringaringa me ngā  
waewae o te kaunihera**  
Subsidiaries  
and Associates

# Seaview Marina Limited

## Extent to which Council's policies and objectives in regard to ownership and control of the organisation have been implemented.

Council's objective for this company is for it to own and operate Seaview Marina.

## Nature and scope of its activities

Council expects the company to own and operate Seaview Marina as a facility for the enjoyment of the Te Awa Kairangi ki Tai Lower Hutt community without compromising its commercial objectives and environmental responsibilities.

## Key performance indicators

### Seaview Marina Limited

Measure	Target	Actual
	2024-25	2024-25
<b>Financial</b>		
Deliver the total annual budgeted income	Achieve 100% of the total budgeted income	<b>Not achieved</b> 96.8% due to lower than planned marina berth occupancy rates
Deliver the total annual budgeted net surplus	Net surplus within budget	<b>Achieved</b> Mainly due to unfilled staff positions. Additionally, the \$3.4M loan was not drawn down, resulting in finance expenses coming in below budget
Achieve the prescribed return on equity <sup>1</sup>	Achieve greater than or equal to 1.0%	<b>Achieved</b> 1.9% Primarily due to positive return in the current year
Manage capital expenditure <sup>2</sup>	Complete within capital budget	<b>Achieved</b> Primarily due to deferred pier refurbishment

Measure	Target	Actual
	2024-25	2024-25
<b>Relationship and communication</b>		
Client service & customer needs <sup>4</sup>	80% satisfaction in the bi-annual survey	<b>Not achieved</b> 78.3% Mainly attributable to significant price increases and long-running repair time frames
Special interest messages	Complete four messages per annum	<b>Achieved</b> 31 customer messages
Meet all shareholder reporting deadlines	Reporting deadlines for 2024-25	<b>Achieved</b> All reporting deadlines met
<b>Risk management and human resources</b>		
Notifiable health and safety incidents	None	<b>Not achieved</b> 2 notifiable health and safety incidents
Staff satisfaction	Achieve 85% staff satisfaction	<b>Achieved</b> Staff Satisfaction of 92%
<b>Marketing</b>		
Implement a marketing strategy to improve occupancy rates <sup>3</sup>	Berth occupancy equal or greater than 80%	<b>Achieved</b> Average occupancy 80% (nearest whole %)
<b>Non-financial</b>		
To provide financial or non-financial support to at least 3 charitable (non-profit) ventures with a marine focus during any given year	Support to at least three organisations	<b>Achieved</b> <ul style="list-style-type: none"> <li>• Sailability</li> <li>• Petone fishing competition</li> <li>• Blue September (Prostate Cancer Foundation) via regional news</li> </ul>
<b>Environmental</b>		
Reduce direct emissions	Perform analysis to establish annual baseline emissions from fossil fuelled vehicles, plant, and equipment	<b>Achieved</b> Completed an initial analysis to define Seaview Marina's emissions. Further work is required to identify all emission sources and establish an appropriate baseline

1. Calculated as net surplus before tax excluding losses or gain arising from the revaluation.
2. ROE is calculated as the net surplus/ (deficit) before tax excluding losses or gains arising from the revaluation of similar assets within an asset class, divided by the opening balance of equity at the start of the year. March 2022 saw an occupancy high of 89%. More recent wider pricing pressure has seen occupancy decline to 82% in February 2023, where it has hovered since. Occupancy strategies can be expected to return previous high occupancy levels at a gradual rate.
3. Seaview Marina Limited (SML) carefully choose the appropriate information to report on performance. This includes measures that show how SML helps the community, how SML operates daily, and how SML is aligning with longer-term strategic objectives. In cases where the way SML report things internally are different from external requirements, SML explained those differences. When deciding what to include, SML followed the rules in PBE FRS 48, which guide how to choose, measure, and present performance information. SML also listened to feedback from people who use the marina. The goal is to make the report clear, fair, and useful for everyone reading it.
4. Seaview Marina Ltd conducted its biannual customer satisfaction survey using SurveyMonkey, an online survey platform. The survey was distributed to 1,119 customers, with 88 completed responses received (8% response rate). The survey measured satisfaction across key service areas including facilities, customer service, and overall experience. The reported satisfaction score was 78.3%, slightly below the target of 80%. The margin of error and comparability to prior years have been considered, and the methodology, sample size, and response rate are disclosed to support transparency and informed interpretation of results.

# Urban Plus Limited

Urban Plus Ltd (UPL) Group is 100% owned by Hutt City Council. The Urban Plus Ltd Group consists of Urban Plus Ltd and its 100% owned subsidiaries UPL Development Ltd and UPL Ltd Partnership.

## Extent to which Council’s policies and objectives in regard to ownership and control of the organisation have been implemented.

Council’s objective for this company is for it to own and operate a portfolio of rental housing and develop property in preparation for sale or lease. The company’s activities include property development, rental property management, provision of strategic property advice to Council and the purchase of surplus property.

## Nature and scope of its activities

UPL was established in 2007 as a specialist property company charged with supporting the objectives of Council by providing housing outcomes for Te Awa Kairangi ki Tai Lower Hutt. UPL has managed and invested into its portfolio of social housing ever since it took ownership of the portfolio from Council in 2007. UPL also provides specialist property services and advice to Council and is involved in a range of development activities.

UPL’s primary focus has been on delivering social housing for low-income elderly and releasing affordable and market housing for sale. Council’s expectation is that UPL continues the delivery of wider housing outcomes and benefits.

## Key performance indicators

### Urban Plus Limited

Measure	Target	Achieved
	2024-25	2024-25
<b>Rental housing</b>		
1.1 Capital expenditure within budget	Capital \$5,849,064	<b>Achieved</b> \$618,063 89% under budget Mainly due to the start date of civil and construction phase for 12 Hollard Grove being rescheduled to July 2025.
1.2 Operational expenditure within budget <sup>1</sup>	Operating \$1,719,552	<b>Not achieved</b> 3% over budget Due to a number of vacant units undergoing refurbishment before being re-tenanted.
1.3 Net surplus before depreciation and tax and after finance expenses as a proportion of the net book value of residential land and buildings at the start of the year greater than 2.25% <sup>2</sup>	2.25%	<b>Not achieved</b> 0.76% The target of 2.25% has been set for many years. It is not achievable due to the age of the properties which require a lot of maintenance especially after tenants moved out.
1.4 Tenant satisfaction with the provision of the company’s rental housing greater than or equal to 90% <sup>3</sup>	90%	<b>Achieved</b> 94%
1.5 Percentage of total housing units occupied by low-income elderly greater than or equal to 90% <sup>4</sup>	90%	<b>Not achieved</b> 80.77% identified NZ National Superannuation as their primary source of income. The existing tenants at previously acquired properties have lowered this percentage. <sup>4</sup>

Measure	Target	Achieved
	2024-25	2024-25
1.6 Annual rental increases to be no greater than \$50 per week per unit	No greater than \$50 per week per unit	<b>Achieved</b> Rent increase \$11 per week per unit
1.7 Increase the portfolio size to 220 units by December 2025	220 units by December 2025	<b>Not achieved</b> UPL has 187 units (not including 38 Britannia St). Due to delays in starting 12 Hollard Grove project. The measure will change in 2025-26 SOI to 10 units per year.
1.8 Any rental housing units purchased and not already utilising electricity or renewable sources of energy for space heating, water heating, and cooking facilities, shall be converted to utilise only electricity or renewable sources of energy within 5 years of acquisition	Convert all purchased units that do not already do so, to utilise only electricity or renewable sources of energy for space heating, water heating, and cooking facilities within 5 years of acquisition	<b>N/A</b> No units in the existing portfolio utilise non-renewable energy sources. No units acquired during 2024-25 utilise non-renewable energy sources.
1.9 New rental housing units constructed by UPL to utilise only electricity or renewable sources of energy for space heating, water heating, and cooking facilities	All units constructed by UPL to utilise only electricity or renewable sources of energy for space heating, water heating, and cooking facilities	<b>Achieved</b>

#### Property Development

1.10 Capital expenditure within budget	Capital \$27,958,346	<b>Achieved</b> \$19,924,803 29% under budget The start date of the construction phase for the Cambridge Terrace project was rescheduled to 2 months later and the \$3.6M land payment was not expected to happen until the new financial year. The commencing of Colson/Hollard Grove project has been delayed due to public consultation regarding the reserve land, which takes time. As a result, the land transfer from UPL Limited and UPL DL for this project has not taken place. Additionally, the civil and construction phase of the Tawhai St, Stanley, and Tama projects caught up in the current year after being delayed in the prior year. The Brook St project was ahead of the budget last year, however, the budget was set in the current year.
1.11 Operational expenditure within budget	Operating \$2,084,096	<b>Achieved</b> \$1,963,510 6% under budget
1.12 All new developments shall only utilise electricity or renewable sources of energy for space heating, water heating, and cooking facilities	All new developments shall only utilise electricity or renewable source of energy for space heating, water heating and cooking facilities	<b>Achieved</b>

Measure	Target	Achieved
	2024-25	2024-25
1.13 All new housing units (standalone house or townhouse) shall achieve a certified Homestar design rating of at least six stars 5	All new housing units to achieve a Homestar rating of at least six stars	<b>N/A</b> No projects received Homestar design rating accreditation within this financial year.
1.14 A pre-tax return of not less than 15% on development costs including contingency on housing released to market as 'affordable' (except where the board and shareholder agree otherwise to achieve specified objectives)	Not less than 15%	<b>Not achieved</b> Overall 12.08% The pre tax return was not achieved due to a reduction in property values and slow sales, increased holding costs.
1.15 Value of divestment to Community Housing Provider (or socially likeminded organisations) set at each project's Development Cost (includes contingency and GST) plus a margin of no greater than 12.5% (except where the board and shareholder agree otherwise to achieve specified objectives)	Not greater than 12.5%	<b>Achieved</b> 5.54% Board approved a reduced sales price.
1.16 Long-term public rental accommodation pre-tax returns at no less than (or equal to) 3.0% after depreciation	Not less than or equal to 3.0%	<b>Not achieved</b> 5 new units at 17a Britannia St have a pre-tax return after depreciation of 0.93% due to incurring higher depreciation charges than budgeted.
<b>Professional property advice</b>		
1.17 Achieve a market return on additional services provided to the shareholder	Achieve a market return on additional services provided to the shareholder	<b>N/A</b> Additional services were not charged to the shareholder during 2024-25.

1. Operating expenditure before depreciation and tax expense and finance cost.
2. Calculated as net surplus plus depreciation, over the opening value of residential land and buildings.
3. This measure is from a survey of tenants who on a 5-point rating scale, with 3 being 'neutral', rated their satisfaction as satisfied or better. There was a response rate of 45.6% from the 182 surveys sent.
4. Information on the existing tenants at 38 Britannia St are not included in the calculation as this property has leased out to Wellington City Mission.
5. Homestar is an independent rating tool for assessing the health, efficiency, and sustainability of homes. Homestar built ratings are achieved after assessments completed once projects obtain practical completion.

## Key performance indicators

### UPL Developments Limited

Measure	Target	Achieved
	2024-25	2024-25
Undertake, negotiate, and execute tender processes for and on behalf of the partnership and 'parent' company as required	Undertake, negotiate, and execute tender processes for and on behalf of the partnership and 'parent' company as required	<b>Achieved</b> UPL officers completed the tender process for the Cambridge Terrace project. The Hollard Grove development was awarded to one of our pre-approved project services contractors on 2 July 2025. The negotiation process was undertaken in the 2024-25 financial year.
Facilitate civil and construction contracts for and on behalf of the partnership and 'parent' company as required	Facilitate civil and construction contracts for and on behalf of the partnership and 'parent' company as required	<b>Achieved</b> UPL officers are responsible for the oversight of property developments. They engage external engineers to tender and manage site work contracts before building starts. UPL development managers then manage the building contracts.
Facilitate the payment of contract progress claims for board approved contracts and payments to other suppliers engaged to provide services or goods to defined development projects	Facilitate the payment of contract progress claims for board approved contracts and payments to other suppliers engaged to provide services or goods to defined development projects	<b>Achieved</b> Facilitated the payment of contract progress claims for the Brook St, Tama St, Stanley, Cambridge Tce, and Tawhai St developments, as well as payments to other suppliers engaged to provide services or goods on this property development project.
Capital expenditure within budget <sup>1</sup>	\$32,548,134	<b>Achieved</b> \$19,100,045 41% under budget Mainly due to the start date of the construction phase for the Cambridge Terrace project was rescheduled to 2 months later and the \$3.6M land payment was not expected to happen until the new financial year. The commencing of Colson/Hollard Grove project has been delayed due to public consultation regarding the reserve land, which takes time. As a result, the land transfer from UPL Limited and UPL DL for this project has not taken place. Additionally, the civil and construction phase of the Tawhai, Stanley, and Tama projects caught up in the current year after being delayed in the prior year.
Operational expenditure within budget <sup>2</sup>	\$230,465	<b>Achieved</b> \$185,359 20% under budget This is predominantly due to the market/agency fee for Tama St not being incurred this financial year, as there have been no sales. Additionally, the management fee is higher than budgeted due to holding unsold units.
All new developments shall only utilise electricity or renewable sources of energy for space heating, water heating, and cooking facilities	All new developments shall only utilise electricity or renewable sources of energy for space heating, water heating, and cooking facilities	<b>Achieved</b>
All new housing units (standalone house or townhouse) shall achieve a certified Homestar design rating of at least 6 stars <sup>3</sup>	All new housing units (standalone house or townhouse) shall achieve a certified Homestar design rating of at least 6 stars	<b>Achieved</b> All projects that were consented in the year to 30 June 2025 achieved a Homestar design rating of at least 6 stars.
A pre-tax return of not less than 15% on development costs including contingency on housing released to market as 'affordable' (except where the board and shareholder agree otherwise to achieve specified objectives)	15%	<b>Not achieved</b> Overall, 12.08% The pre tax return was not achieved due to a reduction in property values, slow sales, and increased holding costs.

Measure	Target	Achieved
	2024-25	2024-25
Value of divestment to community housing providers (or socially likeminded organisations) set at each project's development cost (includes contingency and GST) plus a margin of no less than 12.5% (except where the board and shareholder agree otherwise to achieve specified objectives)	12.5%	<b>Not achieved</b> 5.54% Board approved a reduced sales price.
Long term public rental accommodation pre-tax returns at no less than (or equal to) 3.0% after depreciation	3.0%	<b>Not achieved</b> 5 new units at 17a Britannia St have a pre-tax return after depreciation of 0.93% due to incurring higher depreciation charges than budgeted.
Act as general partner when a limited partnership structure is utilised for development projects	Act as general partner when a limited partnership structure is utilised for development projects	<b>Achieved</b>

1. Calculated as net surplus plus depreciation, over the opening value of residential land and buildings.
2. Operating expenditure before depreciation and tax expense.
3. Homestar is an independent rating tool for assessing the health, efficiency, and sustainability of homes. Homestar built ratings are achieved after assessments completed once projects obtain practical completion.

## Key performance indicators

### UPL Limited Partnership

Measure	Target	Achieved
	2024-25	2024-25
Develop land in a manner which maximises its value at a level of risk appropriate for the investment of funds	Develop land in a manner which maximises its value at a level of risk appropriate for the investment of funds	<b>Achieved</b>
To perform business undertakings in common with UPL with a view to profit from development projects for the purposes of funding elderly housing portfolio and meeting the shareholder's wider key priority outcomes	Perform business undertakings in common with UPL with a view to profit from development projects for the purposes of funding elderly housing portfolio and meeting the shareholder's wider key priority outcomes	<b>Achieved</b>
Capital expenditure within budget <sup>1</sup>	\$4,208,204	<p><b>Achieved</b></p> <p>\$3,050,910</p> <p>The projects were ahead of budget last year; however, the budget was set in the current year.</p> <p>Additionally, holding costs of approx. \$90k are expected to be incurred in the next financial year for the remaining unsold units.</p>
Operational expenditure within budget <sup>2</sup>	\$186,188	<p><b>Not achieved</b></p> <p>\$334,133</p> <p>Due to unbudgeted agency fee for 55 Britannia St, resulting from the decision to move from community housing provider to the open market after the budget had been set.</p> <p>The agency fee for Brook St was budgeted to be incurred across the 2023-24 and 2024-25 financial years. However, since there were no sales in 2023-24, 80% of this cost is being incurred in the current financial year, with the remaining 20% expected in the next financial year when sales occur.</p>
All new developments shall only utilise electricity or renewable sources of energy for space heating, water heating, and cooking facilities	All new developments shall only utilise electricity or re-newable sources of energy for space heating, water heating and cooking facilities	<p><b>Achieved</b></p> <p>All consented projects utilise electricity or renewable sources of energy for space heating, water heating and cooking facilities.</p>
All new housing units (standalone house or town-house) shall achieve a certified Homestar design rating of at least 6 stars <sup>3</sup>	All new housing units (standalone house or townhouse) shall achieve a certified Homestar design rating of at least 6 stars	<p><b>N/A</b></p> <p>There were no new development projects submitted for accreditation within this financial year.</p>
A pre-tax return of not less than 15% on development costs including contingency on housing released to market as 'affordable' (except where the board and shareholder agree otherwise to achieve specified objectives)	15%	<p><b>Not achieved</b></p> <p>Overall 12.08%</p> <p>The pre tax return was not achieved due to a reduction in property values and slow sales, increased holding costs.</p>

Measure	Target	Achieved
	2024-25	2024-25
Value of divestment to community housing providers (or socially-likeminded organisations) set at each project's development cost (includes contingency and GST) plus a margin of no less than 12.5% (except where the board and sShareholder agree otherwise to achieve specified objectives)	12.5%	<p><b>Not achieved</b></p> <p>5.54%</p> <p>Board approved a reduced sales price.</p>
Long-term public rental accommodation pre-tax returns at no less than (or equal to) 3.0% after depreciation <sup>4</sup>	3.0%	<p><b>Not achieved</b></p> <p>Five new units at 17a Britannia St have a pre-tax return after depreciation of 0.93% due to incurring higher depreciation charges than budgeted.</p>

1. Capital expenditure relates to expenditure on property development projects. These properties are developed for sale and held as inventory rather than being capitalised at completion. This expenditure includes interest expenses.
2. Operational expenditure excludes cost of commercial development sales.
3. Homestar is an independent rating tool for assessing the health, efficiency, and sustainability of homes.
4. Returns are specific to each project's (board approved) business case where long-term market rentals are developed. Future rents are set per independent annual review.



# Wellington Water Limited

## **Extent to which Council's policies and objectives in regard to ownership and control of the organisation have been implemented.**

Council's objective for this company is for it to manage the provision of water services to Te Awa Kairangi ki Tai Lower Hutt and other shareholding councils.

## **Nature and scope of its activities**

Council expects the company to manage, for the long-term, the water, wastewater, and stormwater assets of the shareholding councils and to operate as a successful business, managed on a non-profit basis.

Note: key performance measures are also reported in the relevant activity sections of this Annual Report (water supply, wastewater and stormwater). The performance results that follow are key metrics extracted from the Wellington Water Limited (WWL) 2024–25 Annual Report.

## **Wellington Water Limited performance measurement systems**

The following notes relate to performance measures outlined on pages 46, 51 and 55 of the Annual Report.

We outsource the management of our three waters infrastructure to WWL. This includes the gathering of information to support the reporting of council performance measures in these areas.

WWL's Annual Report received an unmodified audit opinion from Audit New Zealand on the financial statements and a qualified opinion in respect of performance information. The qualified opinion is in respect of two matters, being the accuracy of determining water loss and the recording of complaints. In respect of water loss calculations, a change in methodology more accurately assesses water loss for the 30 June 2025 financial year but cannot be directly compared with the previous year. With the recording of complaints (in Council terminology requests for service), there is concern that Council does not adequately record multiple requests for the same issue. This matter will be addressed as part of the Go Digital programme when the Confirm system is replaced, which is expected to occur in October 2025.

# Hō mātou pūtea

Our finances

# 3



# Tauākī Tūtohu

## Statement of compliance

The Council of Hutt City Council hereby confirms that all the statutory requirements in relation to the annual report, as outlined in the Local Government Act 2002, have been complied with.



**Campbell Barry**

Koromatua o Te Awa Kairangi ki Tai  
Mayor of Lower Hutt

7 October 2025



**Jo Miller**

Tumu Whakarae  
Chief Executive

7 October 2025

# Pūrongo Kaitātari Kaute

## Independent Auditor's report

### To the readers of Hutt City Council Group's annual report for the year ended 30 June 2025

The Auditor-General is the auditor of Hutt City Council (the Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Debbie Bradfield, using the staff and resources of Audit New Zealand, to carry out the audit on his behalf.

We have audited the annual report of the Group in accordance with the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the Council has complied with the requirements of schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations).

We refer to this information as "the disclosure requirements" in our report.

### Opinion on the audited information

#### **Unmodified opinion on the audited information, excluding the statement of service provision**

In our opinion:

- the financial statements of the Group on pages 124 to 198:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2025; and
    - the results of its operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the statements comparing actual capital expenditure to budgeted capital expenditure for each group of activities of the Group for the year ended 30 June 2025 on pages 206 to 220, have been prepared, in all material respects, in accordance with clause 24 of schedule 10 to the Act;

- the funding impact statement for each group of activities of the Group for the year ended 30 June 2025 on pages 206 to 218 has been prepared, in all material respects, in accordance with clause 26 of schedule 10 to the Act; and
- the funding impact statement of the Group for the year ended 30 June 2025 on page 219 has been prepared, in all material respects, in accordance with clause 30 of schedule 10 to the Act.

#### **Qualified opinion on the statement of service provision**

In our opinion, except for the possible effects of the matters described in the *Basis for our opinion on the audited information* section of our report, the Group's statement of service provision for the year ended 30 June 2025 (referred to as "Our Performance") on pages 39 to 48, 51 to 52, 55 to 56, 60 to 61, 64 to 65, 68 to 69, 73 to 75, 79, 83 to 84, 88 to 89, 94 to 95, 99 to 101.

- provides an appropriate and meaningful basis to enable readers to assess the Group's actual service provision for each group of activities; determined in accordance with generally accepted accounting practice in New Zealand;
- fairly presents, in all material respects, the Group's actual levels of service for each group of activities, including:
  - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
  - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.

### Report on the disclosure requirements

We report that:

- the Council has complied with the information disclosure requirements of Part 3 of schedule 10 to the Act for the year ended 30 June 2025; and
- the Council's disclosures about its performance against benchmarks required by Part 2 of the Regulations for the year ended 30 June 2025 are complete and accurate.

## Date

We completed our work on 7 October 2025. This is the date on which we give our opinion on the audited information and our report on the disclosure requirements.

## Basis for our opinion on the audited information and the disclosure requirements

### **Statement of service provision: Our work was limited with respect to several performance measures as described below**

The Council is required to report against the performance measures set out in the Non-Financial Performance Measure Rules 2024 (the Rules) made by the Secretary for Local Government. These include mandatory performance measures relating to:

- The total number of complaints received about water supply, wastewater, and stormwater.
- The average quality of ride on the sealed local road network, measured by smooth travel exposure.
- The percentage of customer service requests relating to roads and footpaths which are responded to within a specified timeframe.

These performance measures are important as they are indicative of the quality of service provided to the community.

We identified significant issues with these performance measures as described below. As a result of these issues, our work was limited and there were no practicable audit procedures we could apply to obtain assurance over the reported results for these performance measures.

### **The total number of complaints received about water supply, wastewater, and stormwater**

The Department of Internal Affairs has issued guidance to assist local authorities in applying the Rules, including how to count complaints. The Council has not been counting complaints in accordance with this guidance and the method of recording was likely to have understated the actual number of complaints received for these performance measures.

Our opinion on these performance measures was also qualified in the 2024 performance year.

### **The average quality of ride on the sealed local road network, measured by smooth travel exposure**

Reported performance of this performance measure is based on surveys of road roughness and traffic volumes. The traffic volumes are based on actual counts of certain roads and the use of these counts

to estimate traffic volumes on the rest of the sealed local road network.

We were unable to obtain assurance over the reliability of estimated traffic volumes used in the calculation of this performance measure. This was because the actual traffic counts used as an input to estimated traffic volumes are not sufficiently up to date, with only a small portion of the road network having counts in the last four years.

In addition, as described on page 73, Council identified certain anomalies in its estimations of traffic volumes which are yet to be resolved.

Therefore, the Council does not have sufficiently reliable data to calculate the average quality of ride on the sealed local road network measured by smooth travel exposure. The actual quality of ride on the sealed local road network may differ materially from the result reported.

### **The percentage of customer service requests relating to roads and footpaths which are responded to within a seven-day timeframe**

The Council did not maintain sufficient appropriate evidence to support the time taken to respond to customer service requests relating to roads and footpaths.

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information* issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor for the audited information and the disclosure requirements* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information and our report on the disclosure requirements.

## Emphasis of matters

Without further modifying our opinion, we draw attention to the following disclosures.

### **Uncertainty over the fair value of three waters assets**

Note 14 on pages 157 to 158 of the financial statements which outlines the significant uncertainties over the fair value of three waters assets as at 30 June 2024 and 30 June 2025. The fair value of these assets has been affected by increased costs of construction over the last few years. The review of procurement arrangements and changes to the region's water services delivery model could lead to future changes in construction costs, which increases the uncertainty over the estimated fair value of these assets.

### **Inherent uncertainties in the measurement of greenhouse gas emissions**

The Group has chosen to include a measure of its greenhouse gas (GHG) emissions in its performance information. In considering the public interest in climate change related information, we draw attention to page 64 of the annual report, which outlines the inherent uncertainties in the reported GHG emissions. Quantifying GHG emissions is subject to inherent uncertainties because the scientific knowledge and methodologies to determine the emissions factors and processes used to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards.

### **Future of water delivery**

Note 1, Critical judgements in applying accounting policies and note 31 of the financial statements outline that in response to the Government's Local Water Done Well reforms, the Council has decided to establish a multi-owned water organisation with Porirua City, Upper Hutt City, Wellington City and Greater Wellington Regional Councils to deliver water, wastewater and stormwater services from 1 July 2026. The financial impact of this decision is unknown because details of the exact arrangements are still to be considered.

## Responsibilities of the Council for the audited information and the disclosure requirements

The Council is responsible for preparing the audited information and the disclosure requirements in accordance with the Act.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the audited information and the disclosure requirements that are free from misstatement, whether due to fraud or error.

In preparing the audited information and the disclosure requirements the Council is responsible for assessing its ability to continue as a going concern.

## Responsibilities of the auditor for the audited information and the disclosure requirements

### Responsibilities for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the Council's long-term plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

- We evaluate whether the statement of service provision includes all groups of activities that we consider are likely to be material to the readers of the annual report.
- We evaluate whether the measures selected and included in the statement of service provision for groups of activities present an appropriate and meaningful basis that will enable readers to assess the Group's actual performance. We make our evaluation by reference to generally accepted accounting practice in New Zealand.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Group.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Group audited information. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Responsibilities for the disclosure requirements

Our objective is to provide reasonable assurance about whether the Council has complied with the disclosure requirements. To assess whether the Council has met the disclosure requirements we undertake work to confirm that:

- the Council has made all of the disclosures required by Part 3 of schedule 10 to the Act and Part 2 of the Regulations; and
- the disclosures required by Part 2 of the Regulations accurately reflect information drawn from the Group's audited information and, where applicable, the Council's long-term plan and annual plans.

Our responsibilities for the audited information and for the disclosure requirements arise from the Public Audit Act 2001.

### Other information

The Council is responsible for the other information included in the annual report. The other information

comprises all the information included in the annual report other than the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information, and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the audited information and our report on the disclosure requirements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Independence

We are independent of the Group in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit and our report on the disclosure requirements, we have performed a limited assurance engagement related to the Council's debenture trust deed, which is compatible with those independence requirements.

Other than these engagements, we have no relationship with, or interests in, the Group.



### Debbie Bradfield

Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand

# Tauākī pūtea

## Financial statements

### Statement of comprehensive revenue and expenses

For the year ended  
30 June 2025

	Notes	Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2025 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Revenue</b>						
Rates	3.	187,269	185,034	158,209	186,780	157,790
Fees, charges, and metered water supply	4.	63,281	69,707	58,567	69,217	64,104
Development and financial contributions	4.	8,576	7,918	8,798	8,575	8,798
Subsidies and grants	4.	46,273	82,469	45,300	46,273	45,300
Finance income	5.	6,508	4,200	6,396	4,230	5,225
Other revenue	4.	9,114	8,728	10,942	9,278	10,917
Revenue from the sale of commercial developments		-	-	-	23,246	-
Gain on revaluation of financial instruments	6.	-	-	-	-	-
Gain on disposal	6.	-	-	354	-	299
<b>Total revenue</b>		<b>321,021</b>	<b>358,056</b>	<b>288,566</b>	<b>347,599</b>	<b>292,433</b>
<b>Expenses</b>						
Employee costs	7.	54,043	53,688	49,499	55,916	51,293
Other expenses	8.	157,407	175,273	147,968	181,941	151,285
Finance costs	5.	28,023	27,453	21,663	28,023	21,666
Loss on disposal	6.	680	-	-	683	-
Loss on revaluation of financial instruments	6.	5,277	-	1,586	5,277	1,586
Depreciation and amortisation costs	14–16.	89,596	67,286	54,607	91,235	55,845
<b>Total expense</b>		<b>335,026</b>	<b>323,700</b>	<b>275,323</b>	<b>363,075</b>	<b>281,675</b>
Share of associate's surplus/(deficit)	17.	-	-	-	(83)	807
<b>Surplus/(deficit) before tax</b>		<b>(14,005)</b>	<b>34,356</b>	<b>13,243</b>	<b>(15,559)</b>	<b>11,565</b>
Income tax expense/(benefit)	9.	(90)	-	97	(148)	548
<b>Surplus/(deficit) after tax (attributed to Hutt City Council)</b>		<b>(13,915)</b>	<b>34,356</b>	<b>13,146</b>	<b>(15,411)</b>	<b>11,017</b>
<b>Other comprehensive revenue and expenses</b>						
<i>Items that will not be reclassified to surplus/(deficit)</i>						
Gain/(losses) on property revaluations	24.	-	-	1,421,624	-	1,423,554
Deferred tax on revaluation	9.	-	-	-	-	(1,753)
<b>Total other comprehensive revenue and expenses</b>		<b>-</b>	<b>-</b>	<b>1,421,624</b>	<b>-</b>	<b>1,421,801</b>
<b>Total comprehensive revenue and expenses (attributed to Hutt City Council)</b>		<b>(13,915)</b>	<b>34,356</b>	<b>1,434,770</b>	<b>(15,411)</b>	<b>1,432,818</b>

The budget figure for "Rates" has increased by \$1.4M and "Fees, charges, and meters water supply" has decreased by \$1.4M to reflect the reclassification of rates penalties referred to in notes 3 and 4.

Explanations of the major variances against budget are provided in note 29.

The accompanying notes form an integral part of these financial statements.

## Statement of changes in equity

For the year ended  
30 June 2025

	Notes	Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2025 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Balance at 1 July</b>		<b>3,039,527</b>	<b>1,801,273</b>	<b>1,604,757</b>	<b>3,097,136</b>	<b>1,664,318</b>
Total comprehensive revenue and expenses for the year		(13,915)	34,356	1,434,770	(15,411)	1,432,818
<b>Balance at 30 June</b>	24.	<b>3,025,612</b>	<b>1,835,629</b>	<b>3,039,527</b>	<b>3,081,725</b>	<b>3,097,136</b>

Explanations of the major variances against budget are provided in note 29.

The accompanying notes form an integral part of these financial statements.

## Statement of financial position

As at 30 June 2025

	Notes	Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2025 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	10.	31,119	15,095	30,456	53,545	40,665
Debtors and other receivables	11.	36,680	21,264	47,316	34,781	47,376
Inventories	13.	2,789	2,981	2,250	26,760	27,188
Derivative financial instruments	12.	-	-	3	-	3
Prepayments		12,631	5,639	7,983	12,896	8,257
Accrued interest		8	266	59	9	66
Other financial assets	18.	-	-	-	-	-
Non-current assets held for sale		-	1,303	-	-	-
<b>Total current assets</b>		<b>83,226</b>	<b>46,548</b>	<b>88,067</b>	<b>127,991</b>	<b>123,555</b>
<b>Non-current assets</b>						
Property, plant, and equipment	14.	3,334,524	2,158,718	3,253,427	3,403,789	3,323,671
Intangible assets	15.	539	1,138	628	540	629
Assets under construction	14.	164,545	210,148	201,611	166,457	203,461
Investment property		-	-	-	3,734	3,734
Derivative financial instruments	12.	324	5,609	4,092	324	4,092
Non-current receivable		1,048	964	1,083	1,048	1,083
Investment in associate	17.	200	200	200	1,305	1,388
Other financial assets	18.					
- Investment in subsidiaries and other similar entities		76,891	76,397	62,254	16,646	12,009
- Investment in other entities		455	455	455	455	455
<b>Total other financial assets</b>		<b>77,346</b>	<b>76,852</b>	<b>62,709</b>	<b>17,101</b>	<b>12,464</b>
<b>Total non-current assets</b>		<b>3,578,526</b>	<b>2,453,629</b>	<b>3,523,750</b>	<b>3,594,298</b>	<b>3,550,522</b>
<b>Total assets</b>		<b>3,661,752</b>	<b>2,500,177</b>	<b>3,611,817</b>	<b>3,722,289</b>	<b>3,674,077</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Borrowings	20.	80,000	61,794	40,000	80,000	40,000
Creditors and other payables	19.	36,355	26,692	36,806	36,680	37,296
Employee entitlements	21.	5,831	5,206	5,335	5,968	5,457
Provisions - current	22.	534	-	-	534	-
Income tax payable	9.	-	-	97	-	97
Other liabilities	23.	9,182	6,506	8,437	9,506	8,762
<b>Total current liabilities</b>		<b>131,902</b>	<b>100,198</b>	<b>90,675</b>	<b>132,668</b>	<b>91,612</b>

As at 30 June 2025

	Notes	Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2025 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Non-current liabilities</b>						
Borrowings	20.	491,700	555,292	470,700	491,700	470,700
Employee entitlements	21.	458	372	442	511	492
Derivative financial instruments	12.	1,589	663	84	1,589	84
Provisions - non current	22.	10,491	8,023	10,390	10,491	10,390
Deferred tax liability	9.	-	-	-	3,605	3,663
<b>Total non-current liabilities</b>		<b>504,328</b>	<b>564,350</b>	<b>481,616</b>	<b>507,896</b>	<b>485,329</b>
<b>Total liabilities</b>		<b>636,140</b>	<b>664,548</b>	<b>572,291</b>	<b>640,564</b>	<b>576,942</b>
<b>Net assets (assets minus liabilities)</b>		<b>3,025,612</b>	<b>1,835,629</b>	<b>3,039,527</b>	<b>3,081,725</b>	<b>3,097,136</b>
<b>Equity</b>						
Accumulated funds	24.	705,261	763,399	721,205	716,314	733,754
Reserves	24.	2,320,351	1,072,230	2,318,322	2,365,411	2,363,382
<b>Total equity (attributable to Hutt City Council)</b>		<b>3,025,612</b>	<b>1,835,629</b>	<b>3,039,527</b>	<b>3,081,725</b>	<b>3,097,136</b>

Explanations of the major variances against budget are provided in note 29.

The accompanying notes form an integral part of these financial statements.

## Statement of cash flows

For the year ended  
30 June 2025

	Notes	Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2025 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Cash flows from operating activities</b>						
<b>Cash was provided from:</b>						
Receipts from rates and levies – Council		183,694	183,622	154,050	183,205	153,631
Receipts from rates and levies – Greater Wellington Regional Council *		54,986	40,225	45,712	54,986	45,712
Receipts from user charges and other income		136,520	169,194	110,907	145,693	104,168
Receipts from sales of commercial developments		-	-	-	23,246	-
Interest received		6,152	4,200	6,137	3,880	4,963
Dividends		107	104	207	7	7
Net GST received from Inland Revenue **		3,012	-	-	3,012	-
		<b>384,471</b>	<b>397,345</b>	<b>317,013</b>	<b>414,029</b>	<b>308,481</b>
<b>Cash was applied to:</b>						
Payments to employees		(53,547)	(53,717)	(48,668)	(55,386)	(50,439)
Payments to suppliers		(160,418)	(178,281)	(156,734)	(164,746)	(160,102)
Purchase of inventory held for commercial development		-	-	-	(20,497)	-
Interest paid		(26,635)	(27,453)	(18,858)	(26,635)	(18,861)
Net GST paid to Inland Revenue **		-	-	(137)	-	(137)
Rates and levies passed to Greater Wellington Regional Council *		(52,565)	(40,225)	(44,665)	(52,565)	(44,665)
		<b>(293,165)</b>	<b>(299,676)</b>	<b>(269,062)</b>	<b>(319,829)</b>	<b>(274,204)</b>
<b>Net cash flows from operating activities</b>		<b>91,307</b>	<b>97,669</b>	<b>47,951</b>	<b>94,201</b>	<b>34,277</b>
<b>Cash flows from investing activities</b>						
<b>Cash was provided from:</b>						
Receipts from sale of property, plant and equipment		295	1,524	614	295	957
Other investment receipts		820	-	11,480	820	11,480
		<b>1,115</b>	<b>1,524</b>	<b>12,094</b>	<b>1,115</b>	<b>12,437</b>
<b>Cash was applied to:</b>						
Purchase of property, plant, and equipment		(143,483)	(209,592)	(178,084)	(144,160)	(181,248)
– less Upper Hutt City Council capital contribution		5,774	9,814	3,500	5,774	3,500
Purchase of intangible assets		-	(556)	-	-	-
Other payments and investments		(15,050)	(14,400)	(5,250)	(5,050)	(5,250)
		<b>(152,759)</b>	<b>(214,734)</b>	<b>(179,834)</b>	<b>(143,436)</b>	<b>(182,998)</b>
<b>Net cash flows from investing activities</b>		<b>(151,644)</b>	<b>(213,210)</b>	<b>(167,740)</b>	<b>(142,321)</b>	<b>(170,561)</b>

**For the year ended  
30 June 2025**

	Notes	Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2025 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Cash flows from financing activities</b>						
<b>Cash was provided from:</b>						
Proceeds from borrowings		101,000	162,958	210,000	101,000	210,000
<b>Cash was applied to:</b>						
Repayment of borrowings		(40,000)	(50,454)	(70,000)	(40,000)	(70,000)
<b>Net cash flows from financing activities</b>						
		<b>61,000</b>	<b>112,504</b>	<b>140,000</b>	<b>61,000</b>	<b>140,000</b>
Net increase/(decrease) in cash, cash equivalents, and bank overdrafts		663	(3,037)	20,211	12,880	3,716
Cash, cash equivalents, and bank overdrafts at the beginning of the year		30,456	18,132	10,245	40,665	36,949
<b>Cash, cash equivalents, and bank overdrafts at the end of the year</b>	10.	<b>31,119</b>	<b>15,095</b>	<b>30,456</b>	<b>53,545</b>	<b>40,665</b>

\* Hutt City Council acts as a collection agency for Greater Wellington Regional Council by including additional rates in its own billing processes. Once collected the monies are passed to Greater Wellington Regional Council.

\*\* The GST (net) component of operating activities reflects the net GST paid and received with Inland Revenue. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

Explanations of the major variances against budget are provided in note 29.

The accompanying notes form an integral part of these financial statements.

## Reconciliation of surplus after tax with cash flows from operating activities

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Surplus after tax</b>	<b>(13,915)</b>	<b>13,146</b>	<b>(15,411)</b>	<b>11,017</b>
<b>Add/(less) non-cash items:</b>				
Depreciation and amortisation	89,596	54,607	91,235	55,845
Share of associates (surplus)/deficit	-	-	83	(807)
Net bad debts/impairment expense	714	221	651	269
(Gain)/Loss on revaluation of financial instruments	5,277	1,586	5,277	1,586
Landfill provision	635	(113)	635	(113)
Vested assets	(1,479)	(3,912)	(1,479)	(3,912)
Income tax expense	(90)	97	(148)	548
<b>Add/(less) movements in working capital:</b>				
(Increase)/decrease in accounts receivable and other assets	4,752	(16,302)	7,825	(29,309)
Increase/(decrease) in creditors	4,083	(5,127)	3,898	(4,971)
Increase/(decreased) in provisions and other liabilities	1,241	3,622	1,255	3,775
Increase in deferred tax liability	(187)	126	(303)	648
<b>Add/(less) items classified as investing activities:</b>				
Surplus on sale of property, plant and equipment and other movements	680	-	683	(299)
<b>Net cash inflows from operating activities</b>	<b>91,307</b>	<b>47,951</b>	<b>94,201</b>	<b>34,277</b>

## Reconciliation of borrowing cash flows from financing activities

	Council and Group			2025 \$000
	2024 \$000	Cash Flows \$000	Non-Cash changes \$000	
	<b>Opening</b>	<b>Movements</b>	<b>Movements</b>	<b>Closing</b>
Current borrowing	40,000	(80,000)	40,000	80,000
Non-current borrowing	470,700	141,000	(40,000)	491,700
<b>Total liabilities from financing activities</b>	<b>510,700</b>	<b>61,000</b>	<b>-</b>	<b>571,700</b>

The accompanying notes form an integral part of these financial statements.

# Āpiti hanga tauākī pūtea

## Notes to the financial statements

### 1. Statement of accountings policies

#### Reporting entity

Hutt City Council (the Council) is a territorial local authority established under the Local Government Act 2002 (LGA), and is domiciled and operates in New Zealand. Council was first formed as Lower Hutt City Council on 1 November 1989 by the amalgamation of five local authorities. The name was changed to the Hutt City Council by a special Act of Parliament on 8 October 1991. The relevant legislation governing the Council's operations included the LGA and the Local Government (Rating) Act 2002.

The Group consists of the ultimate parent, Hutt City Council and its subsidiaries, Seaview Marina Ltd and Urban Plus Ltd Group (both 100% owned). The Urban Plus Ltd Group consists of Urban Plus Ltd and its 100% owned subsidiaries UPL Development Ltd and UPL Ltd Partnership. Council 17% equity share of its associate Wellington Water Limited is equity accounted into the group's financial statements. The Council's subsidiaries are incorporated and domiciled in New Zealand.

Council and the Group provide local infrastructure, local public services, and provides regulatory functions to the community. Council does not operate to make a financial return.

The reporting date of Council, subsidiaries, and the associate is 30 June.

The Council has designated itself and the group as public benefit entities (PBEs) for the purposes of complying with generally accepted account practices (GAAP).

The financial statements of Council and Group are for the year ended 30 June 2025. The financial statements were authorised for issue by council on 7 October 2025.

#### Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

#### Statement of compliance

The financial statements of Council and Group have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014, which includes the requirement to comply with NZ GAAP.

The financial statements have been prepared in accordance with and comply with Tier 1 PBE Accounting Standards.

#### Presentation currency and rounding

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest thousand dollars (\$'000) other than the remuneration and the severance payments (disclosed in note 7) which are rounded to the nearest dollar.

#### Standards issued and not effective and not early adopted

Standards and amendments issued but not yet effective that have not been early adopted and that are relevant to Council and Group are:

2024 Omnibus Amendment to PBE Standards (amendments to PBE IPSAS 1)

This amendment clarifies the principles for classifying a liability as current or noncurrent, particularly in relation to loan covenants. This amendment is effective for the years ended 30 June 2027. These amendments are not expected to have a significant impact.

#### PBE IFRS 17 Insurance Contracts

PBE IFRS 17 establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts and will replace PBE IFRS 4.

This statement is effective for the year ended 30 June 2027. This standard is not expected to have a significant impact.

#### New or amended standards adopted

*Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)*

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1 Presentation of Financial Reports) has been adopted in the preparation of these financial statements. The amendment changes the required disclosures for fees relating to services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories. This new disclosure is included in note 8.

## Other changes in accounting policies

There have been no other changes in accounting policies.

## Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

### Basis of consolidation

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the group on a line-by-line basis. All intragroup balances, transactions, revenue, and expenses are eliminated on consolidation.

The consolidated financial statements are prepared using accounting policies for like transactions and other events in similar circumstances. The consolidation of an entity begins from the date when Council obtains control of the entity and ceases when Council loses control of the entity.

Control over an entity is determined when Council has exposure, or rights, to variable benefits from its involvement with the entity and has the ability to affect the nature or amount of those benefits through its power over the other entity. Council considers all relevant facts and circumstances in assessing whether it has power over another entity. For example, the ability to appoint or remove a majority of the entity's governance and management, binding arrangements the Council enters into, group voting rights, and pre-determination mechanisms. Council reassesses whether or not it controls another entity if facts and circumstances change.

### Foreign currency transactions

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into NZ\$ (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit in the statement of comprehensive revenue and expenses.

### Goods and services tax (GST)

Items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received, from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### Budget figures

The budget figures presented in these financial statements are those approved by Council in its 10 Year Plan 2024-2034. The budget figures have been prepared in accordance with NZ GAAP using accounting policies adopted by Council for the preparation of these financial statements.

These figures are approved by Council at the beginning of the year, after a period of consultation with the public as part of the community planning process.

The budget figures do not include budget information relating to the controlled organisations or associates. These figures do not include any additional expenditure subsequently approved by Council outside the Annual Plan process.

## Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- estimating the fair value of land, buildings, and Infrastructural assets: refer to note 14: Property, plant, and equipment
- estimating the retirement and long service leave obligations: refer to note 21: Employee entitlements
- estimating the Holiday's Act Compliance provisions: refer note 21: Employee entitlements
- estimating the landfill aftercare provisions: refer to note 22: Provisions.

## Critical judgements in applying accounting policies

The New Zealand Government is implementing a water services reform programme 'Local Water Done Well' that is intended to ensure all New Zealanders have safe, clean, and affordable water services. The Government believes this will be achieved by establishing new subsidiaries to take on the delivery of drinking water, wastewater, and stormwater services across New Zealand. Hutt City Council continues to recognise its three waters assets at 30 June 2025 in accordance the accounting policies set out in note 14. There has been no adjustment in these financial statements to reflect the expected future transfer of assets to the new water entity. It is expected central government will develop details around the mechanism for the transfer of the water assets. As further details are established this may require adjustments to Council's three water assets either in respect of disclosure or measurement. Also refer to note 31.

## 2. Summary revenue and expenditure for group of activities

### Accounting policy

The cost of service for each significant activity of Council has been derived using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

There have been no changes to the cost allocation methodology during the year.

### Breakdown of summary revenue and expenditure for group of activities

	Council		
	Actual	Budget	Actual
	2025 \$000	2025 \$000	2024 \$000
<b>Revenue</b>			
<b>Environmental wellbeing</b>			
Water supply	9,242	7,959	7,825
Wastewater	7,769	7,490	7,732
Stormwater	1,310	13,732	1,095
Solid waste	29,646	35,605	30,979
Sustainability and resilience	2,570	2,313	2,451
Regulatory services	12,771	13,768	9,819
<b>Economic wellbeing</b>			
Transport	38,702	54,990	40,683
City development	384	12,318	1,457
<b>Social and cultural wellbeing</b>			
Community partnering and support	1,472	1,554	1,765
Open spaces, parks, and reserves	5,500	4,770	6,211
Connectivity, creativity, learning, and recreation	17,575	13,527	13,080
Governance, strategy, and partnerships	-	-	-
Corporate Services	6,811	6,408	7,260
<b>Total activity revenue</b>	<b>133,752</b>	<b>174,434</b>	<b>130,357</b>
General rates	113,988	111,719	96,735
Targeted rates	73,281	71,903	61,474
<b>Total revenue</b>	<b>321,021</b>	<b>358,056</b>	<b>288,566</b>

The prior year comparative figure for revenue from corporate services has been reduced by \$1.7 million and general rates has increased by \$1.7M to reflect the reclassification of rates penalties as outlined in note 3.

	<b>Council</b>		
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	2025 \$000	2025 \$000	2024 \$000
<b>Expenditure</b>			
<b>Environmental wellbeing</b>			
Water supply	53,022	47,228	35,617
Wastewater	51,904	42,901	34,329
Stormwater	26,774	15,690	13,877
Solid waste	30,923	35,526	29,937
Sustainability and resilience	4,635	5,120	3,665
Regulatory services	22,602	20,664	20,996
<b>Economic wellbeing</b>			
Transport	44,562	53,900	46,882
City development	11,676	15,328	11,313
<b>Social and cultural wellbeing</b>			
Community partnering and support	14,881	16,125	12,138
Open spaces, parks, and reserves	23,595	24,197	22,066
Connectivity, creativity, learning, and recreation	35,933	38,201	32,548
Governance, strategy, and partnerships	7,625	8,346	7,077
Corporate services	6,894	474	4,878
<b>Total activity expenditure</b>	<b>335,026</b>	<b>323,700</b>	<b>275,323</b>
<b>Total operating expenditure</b>	<b>335,026</b>	<b>323,700</b>	<b>275,323</b>
<b>Surplus/(deficit) before tax</b>	<b>(14,005)</b>	<b>34,356</b>	<b>13,243</b>

### 3. Rates revenue

#### Accounting policy

Rates revenue is measured at fair value.

General rates and targeted rates (excluding water-by-meter) are recognised at the start of the financial year to which the rates resolution relates. They are recognised as the amounts due. Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivable and subsequent recognition of interest revenue.

Rates arising from late payment penalties are recognised as revenue when rates become overdue.

Revenue from water-by-meter (charged on usage) is not considered to be a rate in terms of this policy. Water-by-meter is included in note 4.

Rates remissions are recognised as a reduction of rates revenue when Council has received an application that satisfies its Rates Remission Policy.

Rates collected on behalf of Greater Wellington Regional Council (GWRC) are not recognised in the financial statements, as in this case the Council is acting as an agent for the GWRC.

## Breakdown of rates and further information

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
General rates	118,013	100,071	117,524	99,652
Targeted rates attributable to activities:				
– Water supply (excluding metered water supply rates)	28,568	22,877	28,568	22,877
– Wastewater	31,229	26,279	31,229	26,279
– Recycling	4,742	4,587	4,742	4,587
– Refuse collection	7,971	7,080	7,971	7,080
– Green waste collection	606	493	606	493
– Jackson Street programme	165	158	165	158
Rate penalties*	2,102	1,721	2,102	1,721
Rates adjustment (internal rates)	(5,481)	(4,531)	(5,481)	(4,531)
Rates remissions	(646)	(526)	(646)	(626)
<b>Total rates (excluding metered water supply rates)</b>	<b>187,269</b>	<b>158,209</b>	<b>186,780</b>	<b>157,790</b>

\* Rates penalties have been reclassified from fees and charges (note 4) to rates revenue in the current year. The prior year comparatives have been restated to include \$1.7 million of rates penalties.

Council is required by the LGFA Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates income. The Multi-Issuer Deed defines annual rates income as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received by Council from other authorities for services provided by that council for which those other local authorities rate. The annual rates income for the Council for the year ended 30 June 2025 for the purposes of the LGFA Guarantee and Indemnity Deed disclosure is reflected in the table above.

## Rates remissions

Council's rate remission policy (set out in detail in the 10 Year Plan 2024–2034) allows Council to remit rates in certain situations, for example: land used for sport or community purposes or land protected for historical or cultural purposes.

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Rates remissions:				
– Pan remissions	462	380	462	380
– Penalty remissions	107	89	107	89
– Sports bodies and other	62	48	62	48
– Remission of targeted rates	15	6	15	6
– Special circumstances	-	3	-	3
<b>Total rates remissions</b>	<b>646</b>	<b>526</b>	<b>646</b>	<b>526</b>

## 4. User charges and subsidies received

### Accounting policy

User charges and subsidies revenue are measured at fair value. Specific accounting policies for significant revenue items are explained below.

#### **Rental revenue**

Rental revenue arising from operating leases or rental agreements on properties is accounted for on a straight-line basis over the lease or rental term.

#### **Water-by-meter**

Revenue from water-by-meter is recognised on an accrual basis on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

#### **Parking fees and fines**

The Group recognises revenue from fines (such as traffic and parking infringements) when the notice of infringement or breach is issued. The fair value of this revenue is determined based on the probability of collecting fines, which is estimated by considering the history of fines over the preceding two-year period.

#### **Building and resource consent revenue (regulatory revenue)**

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

#### **Entry fees**

Entry fees are fees charged to users of the Council's local facilities such as pools and gymnasiums. Revenue for entry fees is recognised upon entry to such facilities.

#### **Landfill fees (solid waste collection and disposal)**

Fees for disposing of waste at Council's landfills is recognised as waste is disposed by users.

#### **NZ Transport Agency Waka Kotahi subsidies**

Council receives funding assistance from NZ Transport Agency Waka Kotahi, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. These subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

#### **Other grants received**

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when the conditions of the grant are satisfied.

#### **Development and financial contributions**

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service or an equivalent service for which the contribution was charged.

#### **Vested assets**

For assets received for no or nominal consideration, the asset is recognised at its fair value when Council obtains control over the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset. The fair value of vested assets is usually determined by reference to the cost for the developer of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

#### **Sales of goods**

Revenue from the sale of goods is recognised when a product is sold to the customer.

## Breakdown of user charges and subsidies received

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Fees, charges, and metered water supply</b>				
Rent	3,215	2,872	9,181	8,438
Water-by-meter	5,915	4,385	5,880	4,354
Parking fees	3,577	2,216	3,577	2,216
Service and entry fees	4,389	4,376	4,394	4,376
Solid waste collection and disposal	29,085	31,069	29,085	31,069
Other user charges	1,175	497	1,175	497
Regulatory revenue	12,040	10,150	12,040	10,150
Penalties*	3,885	3,002	3,885	3,002
<b>Total fees, charges, and metered water supply</b>	<b>63,281</b>	<b>58,567</b>	<b>69,217</b>	<b>64,104</b>
<b>Subsidies and grants</b>				
Waka Kotahi subsidies	21,061	17,692	22,369	17,692
Other grants	25,212	27,608	23,904	27,608
<b>Total subsidies and grants</b>	<b>46,273</b>	<b>45,300</b>	<b>46,273</b>	<b>45,300</b>
<b>Development and financial contributions</b>				
Development contributions	4,805	4,949	4,804	4,949
Reserve financial contributions	3,711	3,849	3,771	3,849
<b>Total development and financial contributions</b>	<b>8,576</b>	<b>8,798</b>	<b>8,575</b>	<b>8,798</b>
<b>Other revenue</b>				
Dividends	107	207	7	7
Vested assets	1,479	3,912	1,479	3,912
Petrol tax	388	398	388	398
Sale of goods	842	601	1,207	958
Miscellaneous revenue	2,315	2,415	2,214	2,233
Upper Hutt City Council levy	3,983	3,409	3,983	3,409
<b>Total other revenue</b>	<b>9,114</b>	<b>10,942</b>	<b>9,278</b>	<b>10,917</b>

\* Rates penalties have been reclassified from fees and charged (note 4) to rates revenue in the current year. The prior year comparatives have been restated to include \$1.7 million of rates penalties.

There are no unfulfilled conditions or other contingencies attached to NZ Transport Agency Waka Kotahi and other subsidies recognised.

Included in 'Other grants' to June 2025, is \$12.2 million (2024: \$6.9 million) funding for Naenae Pool and Fitness Centre and \$5.7 million (2024: \$12.3 million) funding for Eastern Bay Shared Pathway.

## 5. Finance income and finance costs

### Accounting policy

Interest / finance income is recognised using the effective interest method.

Borrowing / finance costs are recognised as an expense in the financial year in which they are incurred.

Borrowing costs consist of interest and other costs that the council and group incur in connection with the borrowing of funds. Council and Group have chosen not to capitalise borrowing costs directly attributable to the acquisition, construction, or production of assets.

### Breakdown of finance income and finance costs

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Finance income</b>				
Interest revenue				
– call and term deposits	3,708	4,140	4,230	5,225
– related party loans	2,800	2,256	-	-
<b>Total finance income</b>	<b>6,508</b>	<b>6,396</b>	<b>4,230</b>	<b>5,225</b>
<b>Finance costs</b>				
Interest expense				
– interest on borrowings	27,504	21,138	27,504	21,141
– discount unwind on provisions (note 22)	519	525	519	525
<b>Total finance costs</b>	<b>28,023</b>	<b>21,663</b>	<b>28,023</b>	<b>21,666</b>
<b>Net finance costs</b>	<b>21,515</b>	<b>15,267</b>	<b>23,793</b>	<b>16,441</b>

## 6. Gains and losses

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Non-financial instruments</b>				
Property, plant, and equipment gains/(losses) on disposal	(680)	354	(683)	299
<b>Total non-financial instruments gains/(losses)</b>	<b>(680)</b>	<b>354</b>	<b>(683)</b>	<b>299</b>
<b>Financial instruments</b>				
Gains/(Losses) on held for derivative financial instruments:				
– interest rate swaps	(5,277)	(1,586)	(5,277)	(1,586)
<b>Total financial instruments gains/(losses)</b>	<b>(5,277)</b>	<b>(1,586)</b>	<b>(5,277)</b>	<b>(1,586)</b>
<b>Total gains/(losses)</b>	<b>(5,957)</b>	<b>(1,232)</b>	<b>(5,960)</b>	<b>(1,287)</b>

## 7. Employee costs

### Accounting policy

Salaries and wages are recognised as an expense as employees provide services.

### Superannuation schemes

#### Defined contribution schemes

Employer contributions to KiwiSaver, the government superannuation fund, are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Salaries and wages	50,583	44,679	52,313	46,358
Defined contribution plan employer contributions	1,422	1,278	1,470	1,320
Increase/(decrease) in employee entitlements/liabilities (refer note 21)	512	872	529	854
Other employee costs	1,526	2,670	1,604	2,761
<b>Total employee costs</b>	<b>54,043</b>	<b>49,499</b>	<b>55,916</b>	<b>51,293</b>

The Chief Executive received the following remuneration:

	2025			2024		
	Salary \$	Post Employment Benefits \$	Total Remuneration \$	Salary \$	Post Employment Benefits \$	Total Remuneration \$
Chief Executive	446,089	13,350	459,439	423,087	12,659	435,746

Total remuneration includes any non-financial benefits provided to the Chief Executive.

### Employee staffing levels and remuneration

	Council		Group	
	2025	2024	2025	2024
Full-time equivalent salaried employees	528	507	542	519
Full-time equivalent waged and temporary employees	46	31	46	31
<b>Total full time equivalent</b>	<b>574</b>	<b>538</b>	<b>588</b>	<b>550</b>
<b>Total number of staff</b>	<b>720</b>	<b>674</b>	<b>734</b>	<b>686</b>

Definition: One full-time equivalent employee is a person in an employment relationship with Hutt City Council or Group employed to work 40 hours per week for the year.

## The number of employees earning per annum

	Council		Group	
	2025	2025	2024	2024
<b>Salary range</b>				
\$220,000 - \$459,999	6	6	7	8
\$180,000 - \$219,999	7	9	5	5
\$160,000 - \$179,999	6	7	6	9
\$140,000 - \$159,999	24	25	25	26
\$120,000 - \$139,999	49	50	49	50
\$100,000 - \$119,999	74	74	74	74
\$80,000 - \$99,999	121	126	94	96
\$60,000 - \$79,999	165	169	151	154
Less than \$60,000	268	268	263	264
<b>Total</b>	<b>720</b>	<b>734</b>	<b>674</b>	<b>686</b>

Total remuneration includes any non-financial benefits provided to employees.

## Transactions with key management personnel

Key management personnel include the Chief Executive and executive members of the Corporate Leadership Team as noted below. The disclosures for elected members is included in note 8..

	Council & Group	
	2025 \$000	2024 \$000
<b>Key management personnel costs</b>		
Salary and other short term benefits	1,492	1,478
Post-employment benefits	45	44
<b>Total key management personnel costs</b>	<b>1,537</b>	<b>1,522</b>
<b>Total full time equivalent</b>	<b>5</b>	<b>5</b>

## Severance payments

Severance payments include any consideration (monetary and non-monetary) provided to any employee in respect of the employee's agreement to the termination of their employment with council. Severance payments exclude any final payment of salary, holiday pay, and superannuation contributions or other contractual entitlement.

	Council		Group	
	2025 \$	2024 \$	2025 \$	2024 \$
Severance payments	-	33,795	-	33,795
Number of employees	-	2	-	2

In accordance with Schedule 10, Section 33 of the Local Government Act 2002, council is required to disclose the number of employees who received severance payments during the year and the amount of each severance payment made.

The value of the severance payments for the current year was \$0 (2024: \$3,750 and \$30,045).

## 8. Operating costs

### Accounting policy

#### Grants

The Council's grants awarded have no substantive conditions attached.

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as an expense when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where council has no obligation to award on receiving the grant application and are recognised as an expense when approved by council and the approval has been communicated to the applicant.

#### Operating leases

An operating lease is a lease that does not transfer all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Auditors' fees – Audit New Zealand on behalf of the Auditor General				
– for auditing the financial statements and service performance – current year	299	286	421	383
– additional fee for auditing the financial statements and service performance – prior year	-	-	19	-
– for auditing the requirements under the debenture trust deed	7	5	7	5
– for auditing the Long Term Plan 2024-2034	2	123	2	123
Auditors' fees – other auditors	20	27	20	41
Impairment of receivables	1,777	1,019	1,785	1,066
Directors' fees	-	-	167	184
Entertainment	29	9	29	9
Grants	4,019	5,334	4,019	5,334
Insurance	5,669	4,611	6,236	5,145
Cost of goods sold	928	1,353	22,111	1,640
Legal services	673	480	702	495
Other specialist services	11,412	15,593	11,598	15,729
Councillors remuneration	1,097	1,064	1,106	1,063
Minimum lease payments under operating leases	503	588	665	745
Operational contracts	37,075	34,543	37,243	34,786
Maintenance	13,019	14,570	14,103	15,677
GWRC bulk water charges	18,297	14,309	18,297	14,309
Energy costs	4,929	3,527	5,009	3,591
Other expenses	57,653	50,527	58,402	50,960
<b>Total operating costs</b>	<b>157,407</b>	<b>147,968</b>	<b>181,941</b>	<b>151,285</b>

The Remuneration Authority is responsible for setting the remuneration levels for elected members. Elected representatives received the following remuneration:

	Council			Group		
	2025			2024		
	Remuneration \$	Directors' fees \$	Total remuneration \$	Remuneration \$	Directors' fees \$	Total remuneration \$
<b>Mayor and councillors</b>						
C Barry**	165,126	-	165,126	164,046	-	164,046
T Lewis	99,746	14,960	114,706	96,253	14,960	111,213
G Barratt	63,572	-	63,572	61,345	-	61,345
J Briggs	85,482	-	85,482	82,489	-	82,489
K Brown	85,482	14,960	100,442	82,489	14,960	97,449
B Dyer	85,482	-	85,482	82,489	-	82,489
S Edwards	85,482	-	85,482	82,489	-	82,489
A Mitchell	85,482	-	85,482	82,489	-	82,489
K Morgan	65,639	-	65,639	63,340	-	63,340
C Parkin	65,639	-	65,639	63,340	-	63,340
N Shaw	77,522	-	77,522	74,807	-	74,807
T Stallinger	68,739	-	68,739	66,746	-	66,746
G Tupou	63,572	-	63,572	61,345	-	61,345
<b>Total</b>	<b>1,096,965</b>	<b>29,920</b>	<b>1,126,885</b>	<b>1,063,667</b>	<b>29,920</b>	<b>1,093,587</b>
<b>Total number of representatives</b>	<b>13</b>	<b>2</b>	<b>13</b>	<b>13</b>	<b>2</b>	<b>13</b>

Due to the difficulty in determining the full-time equivalent for councillors this figure is taken as the number of councillors.

Directors' fees: Councillors are appointed to the boards of subsidiaries (Seaview Marina Ltd and Urban Plus Ltd).

\*\* The Mayor's total remuneration includes the value of benefit from receiving a vehicle.

Councillors can claim a childcare allowance of up to \$6,000 per child under 14 as a contribution towards expenses incurred by the member for childcare provided while the member is engaged on local authority business. They are eligible to claim a communications allowance of \$800 for private internet use and \$500 for private mobile phone use.

Council has three Community Boards – Petone, Eastbourne, and Wainuiomata. Remuneration paid to the elected members of these Community Boards is as follows:

	2025 \$	2024 \$
<b>Eastbourne Community Board:</b>		
B Moss (Chair)	14,971	14,434
M Gibbons	7,485	7,217
E Keddell	7,485	7,217
N Spedding	7,485	7,217
F Vickers	7,485	7,217
<b>Total</b>	<b>44,911</b>	<b>43,302</b>
<b>Petone Community Board:</b>		
M Fisher (Chair)	17,822	17,185
S Freeman	8,911	8,592
M Henderson	8,911	8,592
S Kuresa	8,911	8,592
M Roberts*	5,482	8,592
K Yung	8,911	8,592
<b>Total</b>	<b>58,948</b>	<b>60,145</b>
<b>Wainuiomata Community Board:</b>		
T A Puketapu (Chair)	18,774	18,102
L Bingley	9,387	9,051
D Chrisp	9,387	9,051
L Clark	9,387	9,051
T Harker	9,387	9,051
G Sue	9,387	9,051
<b>Total</b>	<b>65,709</b>	<b>63,357</b>

A home-based technology allowance of \$45 per month will be provided to the Chairs of the Eastbourne, Petone, and Wainuiomata Community Boards.

\* Currently on ACC

## 9. Taxation

### Accounting policy

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustment to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surplus will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction affects neither accounting surplus nor taxable surplus.

Current tax and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Current tax and deferred tax is recognised against the surplus or deficit for the period, except when it relates to a business combination, or to transactions recognised in other comprehensive revenue and expenses or directly in equity.

## Breakdown of taxes and other information

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Components of tax expense</b>				
Current tax expense	7	97	7	97
Adjustments to current tax in prior years	(97)	-	(97)	(3)
Adjustments to deferred tax in prior years	-	-	96	-
Deferred tax expense	-	-	(154)	454
<b>Tax expense/(benefit)</b>	<b>(90)</b>	<b>97</b>	<b>(148)</b>	<b>548</b>
<b>Relationship between tax expense and accounting surplus</b>				
Net surplus/(deficit) before tax	(14,005)	13,243	(15,559)	11,565
Tax at 28%	(3,922)	3,708	(4,357)	3,238
Plus/(less) tax effect of:				
Non-deductible expenditure	-	-	(2)	5
Non-taxable revenue	4,047	(3,611)	4,158	(3,461)
Group loss offset	(118)	-	-	-
Prior period adjustment	(97)	-	(2)	(3)
Removal of tax depreciation on buildings	-	-	-	510
Deferred tax adjustment	-	-	55	259
<b>Tax expense/(benefit)</b>	<b>(90)</b>	<b>97</b>	<b>(148)</b>	<b>548</b>
<b>Deferred tax asset/(liability)</b>		Property, plant, and equipment	Other provisions	Deferred tax asset/ (liability)
<b>Council</b>				
<b>Balance at 30 June 2023</b>	-	-	-	-
<b>Balance at 30 June 2024</b>	-	-	-	-
<b>Balance at 30 June 2025</b>	-	-	-	-
<b>Group</b>				
<b>Balance at 30 June 2023</b>	(1,515)	57	-	(1,458)
Charged to surplus or deficit	(613)	7	152	(454)
Charged to equity	(1,751)	-	-	(1,751)
<b>Balance at 30 June 2024</b>	<b>(3,879)</b>	<b>64</b>	<b>152</b>	<b>(3,663)</b>
Charged to surplus or deficit	222	(12)	(152)	58
Charged to equity	-	-	-	-
<b>Balance at 30 June 2025</b>	<b>(3,657)</b>	<b>52</b>	<b>-</b>	<b>(3,605)</b>

Generally, local authorities are exempt from taxation except for income derived from any subsidiary or port activity per section CW 39 of the Income Tax Act 2007.

## 10. Cash and cash equivalents

### Accounting policy

Cash and cash equivalents comprise of cash at bank, cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value. Overdrafts are included in note 20.

### Breakdown of cash and cash equivalents and further information

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Cash at bank and on hand	29,207	28,439	51,633	38,472
Retention trust account	1,912	2,017	1,912	2,193
<b>Cash and cash equivalents</b>	<b>31,119</b>	<b>30,456</b>	<b>53,545</b>	<b>40,665</b>

The carrying value of cash at bank and term deposits with maturities less than three months approximate their fair value. Although cash and cash equivalents are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated allowance is trivial. The total value of cash and cash equivalents within restricted reserves that can only be used for specified purposes, (as outlined in the relevant trust deeds) is \$61,000 (2024: \$59,000), as shown in note 24. Retention trust account held in relation to construction contracts resulting from legislation changes introduced in the Contractions Contract (Retention Money) Amendment Act 2023. This balance is not available for Council/Group general operations. Cash, cash equivalents noted above, and bank overdrafts (note 20) are included for the purposes of the statement of cash flows.

## 11. Debtors and other receivables

### Accounting policy

Debtors and other receivables are initially measured at their face value, less an allowance for expected credit losses (ECL).

Council and Group apply the simplified ECL model of recognising lifetime ECL for short-term receivables. In measuring ECLs, receivables have been grouped into rates receivables and other receivables and assessed in a collective basis because they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established on a historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Rates are written-off:

- when remitted in accordance with the Council's rate remission policy; and
- in accordance with the write-off criteria of section 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2022.

Other receivables are considered to be uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected. Indicators that there are no reasonable expectations of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

## Breakdown of debtors and other receivables and further information

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Rates receivable	13,849	9,888	13,849	9,888
Other receivables:				
– Amounts due from related parties (note 26)	2,372	448	–	–
– GST receivable	1,852	4,864	1,852	4,864
– Other receivables	19,780	32,575	20,258	33,151
<b>Total other receivables</b>	<b>24,004</b>	<b>37,887</b>	<b>22,110</b>	<b>38,015</b>
<b>Gross debtors and other receivables</b>	<b>37,853</b>	<b>47,775</b>	<b>35,959</b>	<b>47,903</b>
Less allowance for credit losses	(1,173)	(459)	(1,178)	(527)
<b>Total debtors and other receivables</b>	<b>36,680</b>	<b>47,316</b>	<b>34,781</b>	<b>47,376</b>
<b>Total receivables comprise of:</b>				
Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and charges that are partly subsidised by rates	31,925	44,838	32,398	45,346
Receivables from exchange transactions – this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates	4,755	2,478	2,383	2,030
	<b>36,680</b>	<b>47,316</b>	<b>34,781</b>	<b>47,376</b>

### Fair value

Debtors and other receivables are non-interest bearing and receipts are normally on 30-day terms, therefore the carrying value of debtors and other receivables approximates their fair value.

### Expected credit losses

#### Rates receivable

Council seldom provides for any expected credit losses on rates receivable, as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payments. If payment has not been made within three months of the court's judgement Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the effect of discounting is material.

The Chief Executive has not approved the write-off of any rates receivable during the year as prescribed by Section 90a and 90 B of the LG(R)A 2002 (2024: \$nil).

### Other receivables

The carrying amount of receivables that would otherwise be past due or impaired, whose terms have been renegotiated, is \$nil (2024: \$nil).

The ageing profile of receivables as at 30 June is detailed below:

	2025			2024		
	Gross \$000	Losses \$000	Net \$000	Gross \$000	Losses \$000	Net \$000
<b>Rates receivable – Council</b>						
Not past due	-	-	-	-	-	-
Past due 1-60 days	10,703	-	10,703	8,118	-	8,118
Past due 61-120 days	-	-	-	-	-	-
Past due >120 days	3,146	-	3,146	1,770	-	1,770
<b>Total</b>	<b>13,849</b>	<b>-</b>	<b>13,849</b>	<b>9,888</b>	<b>-</b>	<b>9,888</b>
<b>Rates receivable – Group</b>						
Not past due	-	-	-	-	-	-
Past due 1-60 days	10,703	-	10,703	8,118	-	8,118
Past due 61-120 days	-	-	-	-	-	-
Past due >120 days	3,146	-	3,146	1,770	-	1,770
<b>Total</b>	<b>13,849</b>	<b>-</b>	<b>13,849</b>	<b>9,888</b>	<b>-</b>	<b>9,888</b>
<b>Other receivables – Council</b>						
Not past due	17,032	-	17,032	33,497	-	33,497
Past due 1-30 days	1,172	-	1,172	1,102	-	1,102
Past due 31-60 days	771	-	771	1,280	-	1,280
Past due >60 days	5,029	(1,173)	3,856	2,008	(459)	1,549
<b>Total</b>	<b>24,004</b>	<b>(1,173)</b>	<b>22,831</b>	<b>37,887</b>	<b>(459)</b>	<b>37,428</b>
<b>Other receivables – Group</b>						
Not past due	15,015	-	15,015	33,390	-	33,390
Past due 1-30 days	1,205	-	1,205	1,124	-	1,124
Past due 31-60 days	779	-	779	1,301	-	1,301
Past due >60 days	5,112	(1,241)	3,871	2,200	(527)	1,673
<b>Total</b>	<b>22,110</b>	<b>(1,178)</b>	<b>20,870</b>	<b>38,015</b>	<b>(527)</b>	<b>37,488</b>
<b>Total receivables – Council</b>	<b>37,853</b>	<b>(1,173)</b>	<b>36,680</b>	<b>47,775</b>	<b>(459)</b>	<b>47,316</b>
<b>Total receivables – Group</b>	<b>35,959</b>	<b>(1,178)</b>	<b>34,781</b>	<b>47,903</b>	<b>(527)</b>	<b>47,376</b>

All receivables greater than 30 days in age are considered to be past due.

The expected credit losses have been calculated based on expected losses for Council's pool of debtors. Expected losses have been determined based on an analysis of Council's losses in previous periods, and review of specific debtors as detailed below:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Individual impairment	1,173	459	1,178	527
Collective impairment	-	-	-	-
<b>Total expected credit losses</b>	<b>1,173</b>	<b>459</b>	<b>1,178</b>	<b>527</b>

Individually impaired receivables have been determined to be impaired because of the significant financial difficulties being experienced by the debtor and all appear in over 60 days past due. Indications include the debtor being in liquidation or being more than one year overdue.

Movements in the allowance for expected credit losses of receivables are as follows:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
At 1 July	459	238	527	258
Additional allowance made during the year	714	221	720	269
Allowance reversed during the year	-	-	(69)	-
Receivables written-off during the period	-	-	-	-
<b>At 30 June</b>	<b>1,173</b>	<b>459</b>	<b>1,178</b>	<b>527</b>

Council and Group hold no collateral as security or other credit enhancements over receivables that are either past due or uncollectable.

## 12. Derivative financial instruments

### Accounting policy

As explained further in note 25C, Council activities expose it to a variety of financial instruments risks, including interest rate risks. Council and Group have a series of policies to manage the risk associated with financial instruments and seeks to minimise exposure from their treasury activities.

Derivative financial instruments are used to manage exposure to interest-rate risks arising from the Council's financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value at each balance date. As the council and group do not designate their derivative financial instruments as hedging instruments for accounting purposes, the associated gains or losses on derivatives are recognised within surplus or deficit.

The full fair value of a non-hedge-accounted foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date; otherwise, foreign exchange derivatives are classified as non-current. The portion of the fair value of a non-hedge-accounted interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

Derivatives are carried as current or non-current assets when their fair value is positive and as current or non-current liabilities when their fair value is negative, depending on the maturity of the instrument.

### Breakdown of derivative financial instruments

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Current asset portion</b>				
Interest rate swaps – held for hedging	-	3	-	3
<i>Total current asset portion</i>	-	3	-	3
<b>Non-current asset portion</b>				
Interest rate swaps – fair value through surplus or deficit	324	4,092	324	4,092
<i>Total non-current asset portion</i>	324	4,092	324	4,092
<b>Total derivative financial instrument assets</b>	<b>324</b>	<b>4,095</b>	<b>324</b>	<b>4,095</b>
<b>Non-current liability portion</b>				
Interest rate swaps – fair value through surplus or deficit	1,589	84	1,589	84
<i>Total non-current liability portion</i>	1,589	84	1,589	84
<b>Total derivative financial instrument liabilities</b>	<b>1,589</b>	<b>84</b>	<b>1,589</b>	<b>84</b>
<b>Total derivative financial instruments</b>	<b>(1,265)</b>	<b>4,011</b>	<b>(1,265)</b>	<b>4,011</b>

### Fair value

The fair value of interest rate swaps has been determined using a discounted cash flows valuation technique based on quoted market prices. The interest rates swaps were independently valued at 30 June 2025 by Hedgebook Limited.

### Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts for council and group were \$167 million (2024: \$133 million). At 30 June 2025, the fixed interest rates of interest rate swaps vary from 1.82% to 4.99% (2024: 1.82% to 5.09%).

## 13. Inventories

### Accounting policy

Inventory (except commercial property developments) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost, adjusted when applicable, for any loss of service potential.

Inventory (except commercial property developments) held for distribution or consumption in the provision of services that are supplied on a commercial basis are measured at the lower of cost adjusted and net realisable value.

Commercial property developments are recorded at the lower of cost and net realisable value (selling price less costs to complete and sale costs). Cost is allocated using Weighted Average method. Any write-downs to net realisable value are expensed in the net surplus/(deficit) for the year.

Cost is allocated using the first-in-first-out (FIFO) method, which assumes that inventories that were purchased first are distributed or used first.

Inventories acquired through a non-exchange transaction are measured at fair value at the date of acquisition.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

When land held for the development and future resale is transferred from property, plant, and equipment to inventory, the fair value of the land at the date of transfer is its deemed cost. Costs directly attributed to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant, and equipment.

Emission trading units are held for consumption based on landfill emissions and are valued at net realisable value based on market rates at balance date.

### Breakdown of inventory and further information

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Commercial inventories held for sale:</b>				
Diesel	-	-	7	11
Emission trading units	2,624	2,114	2,624	2,114
Inventory	165	136	165	136
Commercial property developments	-	-	23,964	24,927
<b>Total inventories</b>	<b>2,789</b>	<b>2,250</b>	<b>26,760</b>	<b>27,188</b>

No inventories are pledged as security for liabilities (2024: \$nil). However, some inventories are subject to retention of title clauses. Commercial inventories are valued at cost, as there are no impairments of inventories.

## 14. Property, plant, and equipment

### Accounting policy

Property, plant, and equipment consist of:

**Operational assets** – these include land, buildings, landfill post-closure, site improvements, library books, plant and equipment, collection items and motor vehicles.

**Restricted assets** – restricted assets are mainly parks and reserves owned by council and group that provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

**Infrastructure assets** – infrastructure assets are fixed-utility systems owned by council and group. Each asset class (roading assets, water assets, stormwater assets, and wastewater assets) includes all items that are required for the network to function. For example, sewerage reticulation includes reticulation piping and sewer pump stations.

Land (infrastructure, operational and restricted, except land under roads) and collections are measured at fair value. Buildings, site improvements, and other infrastructure assets are measured at fair value less accumulated depreciation and impairment losses. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

#### Revaluation

Land (excluding land under roads), buildings, site improvements, infrastructural assets, and collection assets are revalued with sufficient regularity to ensure their carrying amount does not differentiate materially from fair value and at least every three years.

Revaluation of property, plant, and equipment is accounted for on a class-by-class basis.

The net revaluation results are credited or debited to other comprehensive revenue and expenses and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expenses but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expenses.

The fair value of land, buildings, site improvements, and collection assets is their market value. The fair value of the roading, water assets, stormwater assets and wastewater assets is measured using the depreciated replacement cost. Fair value is assessed by an independent registered valuer.

#### Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the council and group and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through non-exchange transactions, it is recognised at its fair value as at the date of acquisition.

#### Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the council and group and the cost of the item can be measured with reliability.

The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

#### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

#### Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment (other than land, land under roads, and art collections), at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

	Years	Percentages
<b>Operational assets</b>		
Site improvements	2 – 48	2.04 – 50.00
Buildings	2 – 78	1.28 – 50.00
Landfill assets (including plant and infrastructure not associated with the network)	28 – 343	0.29 – 28.00
Library books	7	14.28
Plant and equipment	3 – 160	0.62 – 33.00
Vehicles	3 – 5	20.00 – 28.00
Wharves	30 – 42	2.41 – 3.33
Piers and berths	3 – 80	1.25 – 33.33
Breakwaters	85	1.16
<b>Infrastructure assets</b>		
Stormwater assets	9 – 51	1.94 – 9.22
Water supply assets	15 – 26	3.88 – 6.66
Wastewater assets (including treatment plant)	4 – 239	0.42 – 24.10
Roading network	Over 2.8 years	0.00 – 35.20
Seawalls	53	1.89

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end. In respect of revalued assets, the useful life is adjusted to a rate recommended by the independent valuer as at the date of the revaluation.

#### *Service concessions arrangements – Upper Hutt City Council's interest in the bulk wastewater system*

The Hutt Valley and Wainuiomata bulk wastewater system is managed by council. Upper Hutt City Council (UHCC) pays an annual levy to the council based on an apportionment formula equating to between 29% and 33% of the funding requirements. While UHCC does not have legal ownership of the bulk wastewater system, it is entitled to a share of the proceeds from any sale of the assets.

UHCC's interest in the bulk wastewater system assets is deducted from the value of property, plant and equipment recognised in the statement of financial position. Funding contributions from UHCC are recognised as revenue in the surplus or deficit if the contributions are for the operation of the bulk wastewater system. Funding contributions for capital work are recognised as an increase in UHCC's interest in the bulk wastewater system assets.

The service concession arrangement assets consist of the wastewater treatment plant located at Seaview which is jointly owned by UHCC and council but operated by Veolia Water under a 10 year agreement effective from June 2020. The contract

has two rights of renewal for further subsequent terms of three and two years respectively. These assets are included in the infrastructure, building and site improvement assets and are valued consistently with other assets within the class.

The carrying value of these service concession assets for council and group is \$82.4M (2024: \$79.0M).

#### *Impairment of property, plant, and equipment*

Property, plant, and equipment assets that have a finite useful life are reviewed for indicators of impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expenses and increased that asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of assets was previously recognised in surplus or deficit, a reversal of the impairment loss is also recognised in surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in surplus or deficit.

#### *Value in use for non-cash-generating assets*

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach to measure value in use depends on the nature of the impairment and availability of information.

### *Value in use for cash-generating assets*

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

## **Critical accounting estimates and assumptions**

### *Estimating the fair value of land, buildings, and infrastructure*

There are a number of estimates and assumptions used when performing depreciated replacement cost valuations over infrastructural assets. These include:

- the physical deterioration and condition of an asset: for example, Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets that are not visible: for example, stormwater, wastewater, and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets
- estimating any obsolescence or surplus capacity of an asset
- estimates of the replacement cost of the asset are based on recent construction contracts in the region for modern equivalent assets, from which unit rates are determined. Unit rates have been applied to components of the network based on size, material, depth, and location. If recent contract cost information is considered out of date, it is indexed using Statistics New Zealand's Capital Goods Price Index (based on the March quarter index) for civil constructions to convert them to current dollar value at the valuation date
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Revenue and Expenses. To minimise this risk Council's infrastructural asset useful lives have been determined with reference to the New Zealand Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, and deterioration and condition modelling are also carried out regularly as

part of the Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

### *Operational and restricted land and buildings and site improvements*

The most recent independent valuations for Council's land and buildings effective 31 May 2024, was performed by Peter Erceg and Chris McCashin (MPINZ), of Aon Risk Solutions.

For the purposes of the market value for financial reporting purposes assessment, we have valued each property in its entirety; being the total value of the land and improvements together. This total value has then been apportioned amongst the different components forming the improvements and the land. As many of the improvements, such as reserves, fall over several parcels of land, where applicable, we have treated these parcels as contingent and provided a single value for the amalgamated land component.

The land component of the valuation has been derived from market-based evidence based on its highest and best with reference to sales of comparably zoned land in surrounding areas. Adjustments have been made to land values where there is a designation against the land or the use of the land is restricted because of reserve status. Restrictions on Council's ability to sell land would not normally impair the value of land because council has operational use of the land for the foreseeable future and will substantially receive the full benefits of outright ownership.

Specialised buildings which are generally used for operational purposes i.e. amenities and hall buildings, are rarely sold separately, with the result that there is little or no comparable sales information available. In this scenario, the best indication of the assets' fair value is the depreciated replacement cost approach which is the current replacement cost of the asset less, where applicable, accumulated depreciation, to reflect the age of the asset.

We have utilised the straight-line method of depreciation with assets' ages and remaining lives estimated. Assets' replacement costs are based on the replacement with modern equivalent assets with adjustments for appropriate obsolescence. For Council's earthquake prone buildings, the estimated earthquake strengthening costs have been deducted from the depreciated replacement cost.

Key valuation assumptions for operational land, buildings and site improvements include:

- land and buildings were mainly valued based on recent equivalent sales information and market evidence
- where no market existed for the buildings, ODRC was used with allowance for the building's age, condition and configuration

A comparison of the carrying value of buildings valued using depreciated replacement cost and buildings valued using market-based evidence is as follows:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Operational Buildings				
Depreciated replacement cost	211,588	148,223	211,588	148,223
Market-based evidence	7,527	7,527	47,895	48,731
<b>Total carrying value of operational buildings</b>	<b>219,115</b>	<b>155,750</b>	<b>259,483</b>	<b>196,954</b>
<b>Total carrying value of restricted buildings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

*Infrastructural asset classes: water, wastewater, and stormwater*

The most recent independent valuations for waste, storm and water infrastructural assets was performed by Thrainn Viggooson and Jaime Cable (MPINZ), of WSP, and the valuation is effective as at 31 May 2024.

The market value for financial reporting purposes was calculated using the optimised depreciated replacement cost (ODRC) approach. This is based on the current replacement cost of modern equivalent replacement assets (MERA) that is adjusted for over-design, over-capacity and/or redundant assets, less an allowance for depreciation.

Council, through Wellington Water Limited (WWL), provided established asset groupings and further to these groupings, asset component classifications levels. WSP have used Council asset groupings and asset component levels to establish a level of valuation. Physical inspections of a sample of all asset types were undertaken. During the site inspections, and whilst at the WWL offices, the valuer systematically inspected and documented each asset type, including key technical details, age, life, and the assets' remaining useful lives.

Development of replacement costs of the piping services, water infrastructure assets, storage tanks, and reservoirs have been valued by using normalised / standardised rates based on modern equivalent asset costs, in particular metre rates per diameter or the like. Using standardised costs allowed a realistic balance between extreme positions of valuing on a "whole of system approach" and requiring precise asset detail.

The ages of the subject assets have, in general, been comprehensively documented and as a result, the ages of a considerable portion of the assets have been accurately recorded. During site visits ages

of the assets were determined through council's documentation, Geographic Information System, and staff knowledge.

Key valuation assumptions for water, wastewater and stormwater include:

- construction costs based on unit rates reflect the costs of replacing assets
- useful lives of assets are calculated based on information provided by WWL
- the capital goods price index (CGPI) was used where indexation where appropriate
- due to most assets being below ground, the valuer did not complete physical asset inspections and relied on data provided by Hutt City Council's three waters provider WWL
- the Council's 3 waters data is under continuous improvement as better information is obtained in the maintenance and replacement of these assets, this work is in progress and further improvements are required. As part of completing the valuation the expert valuer therefore applies professional judgement to aspects of the data where required. The Council's water data has a reliable confidence level
- the expert valuer also applies professional judgement in determining asset replacement rates, the valuer makes these judgement based on consideration of recent replacement costs, knowledge of the network and other information available at the time of the valuation

#### *Significant uncertainty around unit rates and on cost*

In June 2024, a comprehensive revaluation of the three waters assets was completed by WSP New Zealand, that had a significant increase in the fair value of the assets. The unit rates underlying the valuations were based on current contract costs and reflected high costs of construction within contracts procured by WWL in recent years. However, as disclosed in last year's annual report, there was uncertainty whether a planned review of WWL's procurement processes and future changes to the region's water services delivery model, could lead to changes in construction costs. This increased the uncertainty over the estimated fair value of the three water assets as at 30 June 2024.

This financial year, a fair value assessment has been completed by WSP New Zealand over the three waters assets.

A significant amount of uncertainty is still present in regard to the long-term sustainability of the high unit rates currently derived from WWL contracts.

Since the 2024 valuation, WWL have commissioned two independent reviews (AECOM and Deloitte) and have been working on organisational improvements to achieve better value for money for the Wellington regional ratepayers.

The organisational improvements have included:

- resetting their contractual arrangement with their project delivery (consultant and contractor) panels to have direct relationships with all sub-contractors working on our projects. This increases WWL's oversight of the work, reduces double handling, allows us to get the right contractor, and saves on contract management costs
- reset the focus and scope of their set up with frontline network maintenance and operational Alliance partner, including implementing a new performance framework and increasing efficiencies
- increased commercial tension across their project delivery panels – more work is being put out to open tender for competitive bidding
- developed and implemented value-focused key performance indicators and measures for all their contractors and consultants

While these changes are anticipated to yield efficiencies and lower unit rates and on-costs, the extent of efficiencies that will be gained from organisational and commercial changes at WWL is not yet known and their impact has not yet been reflected in recent contract costs. Therefore, there remains uncertainty as to whether the changes

above will have a significant impact on future unit rates and on-costs, compared to the rates used in the latest valuation as at 30 June 2025.

The conclusion of the fair value assessment as at 30 June 2025 was to maintain the unit rates from the previous year's revaluation, resulting in no adjustments to the closing book values. This was on the basis that the carrying value of the three water assets remained materially consistent with fair value.

Additionally, the potential impact of future changes to the region's water services delivery model as a result of the Government's Local Water Done Well reform continues to place uncertainty over the fair value of three waters assets as at 30 June 2025. The proposed changes to the region's water services delivery model are discussed further in note 31.

*Infrastructural asset classes: roading (excluding land under roads).*

The most recent independent valuations for roading assets (excluding land under roads) was performed by Peter Erceg (MPINZ), of Aon Risk Solutions, and the valuation is effective as at 31 May 2024.

The market value for financial reporting purposes was calculated using the optimised depreciated replacement cost (ODRC) approach. This is based on the current replacement cost of modern equivalent replacement assets (MERA) that is adjusted for over-design, over-capacity and/or redundant assets, less an allowance for depreciation.

Key valuation assumptions for roads include:

- unit rates for road construction were based on current construction rates applicable to the asset type. Where there was no current contracted unit rate information available, the most recent rates were used and indexed for the impact of inflation
- useful lives were determined considering the age, condition information held on these assets and the asset's future service potential

### Council's most recent estimate of the replacement cost of infrastructural asset is:

	2025 \$000	Valuation Date	2024 \$000	Valuation Date
Wastewater	2,359,246	1 May 2025	565,500	31 May 2022
Wastewater treatment plant	140,409	1 May 2025	119,300	31 May 2022
Stormwater	2,423,699	1 May 2025	561,800	31 May 2022
Water supply	1,287,283	1 May 2025	313,800	31 May 2022
Roading (excluding land under roads)	1,157,840	31 May 2024	1,096,400	31 May 2022
	<b>7,368,477</b>		<b>2,656,800</b>	

### Collection items

Painting and works on paper were independently valued as at 31 May 2024 by Ben Ashley (AAA) of Aon Risk Solutions.

The collections are valued at fair value, being an amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Fair value is considered as representing the best estimate of the intrinsic cultural or heritage value of an asset.

Determination of fair value has been made by reference to observable prices in an active market (be it primary retail or secondary auction market) for the same or similar asset. If there is no active market, fair value is determined by other market based evidence adjudged by the valuer as active and knowledgeable participants in the market.

Key valuation assumptions for collection items – works of art – include:

- works of art were valued based on equivalent sales information and market evidence

#### *Assets held by subsidiaries*

Seaview Marina Limited assets consist of non-specialised properties and are valued at fair value using market based evidence. We have utilised two methods. Firstly, the capitalisation of income method of valuation where a yield is applied to an income to assess a market value. In addition we have used the comparable sales method to value. This method considers the sales of similar or substitute properties and related market data and establishes a value estimate by processes involving comparison. In general, the subject property is compared with sales of similar properties that have been transacted in the open market. Where required, adjustments for required structural maintenance and earthquake strengthening costs were applied. The most recent independent valuation was performed by independent valuers Peter Erceg and Chris McCashin (MPINZ) of Aon Risk Solutions and the valuation is effective as at 31 May 2024.

Urban Plus flats and other non-specialised properties are valued at fair value using market based evidence. We have utilised two methods. Firstly, the

capitalisation of income method of valuation where a yield is applied to an income to assess a market value. In addition we have used the comparable sales method to value. This method considers the sales of similar or substitute properties and related market data and establishes a value estimate by processes involving comparison. In general, the subject property is compared with sales of similar properties that have been transacted in the open market. Where required, adjustments for required structural maintenance and earthquake strengthening costs were applied. The most recent independent valuation was performed by Peter Erceg and Chris McCashin (MPINZ) of Aon Risk Solutions and the valuation is effective as at 31 May 2024.

### **Critical judgements in applying accounting policies**

#### *Classification of pensioner housing properties*

The council and group own a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for a service delivery objective as part of the council's social housing policy. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

### **Assets under construction**

Property, plant and equipment in the course of construction by class of asset is detailed below:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Wastewater system	36,988	33,275	36,988	33,275
Stormwater system	5,707	7,134	5,707	7,134
Water supply system	34,359	28,719	34,359	28,719
Roading network	46,017	30,372	46,017	30,372
Landfills	1,100	93	1,100	93
Land and site improvements	34,302	35,637	34,302	35,637
Buildings	4,552	63,850	6,461	63,850
Other	1,520	2,531	1,523	4,381
<b>Total assets under construction</b>	<b>164,545</b>	<b>201,611</b>	<b>166,457</b>	<b>203,461</b>

<b>Council 2025</b>	Cost/ valuation \$000	Accumulated depreciation and impairment charges \$000	Carrying amount \$000	Current year additions \$000	Vested assets \$000	Current year disposals \$000	Category adjustments to cost \$000
<b>Operational assets</b>							
Land	72,382	-	72,382	-	-	(623)	-
Site improvements	35,352	(157)	35,196	9,338	-	(8)	-
Buildings	156,232	(482)	155,750	70,175	-	(146)	-
Landfill assets	65,041	(11,058)	53,983	7,711	-	-	-
Library books	7,310	(4,286)	3,024	428	-	-	-
Plant and equipment	21,044	(9,768)	11,275	2,922	-	-	-
Vehicles	3,409	(1,287)	2,122	634	-	(596)	-
Wharves	9,232	(1,180)	8,052	-	-	-	-
Breakwaters	5,435	(5)	5,430	-	-	-	-
<b>Total</b>	<b>375,437</b>	<b>(28,223)</b>	<b>347,214</b>	<b>91,208</b>	<b>-</b>	<b>(1,373)</b>	<b>-</b>
<b>Collection assets</b>							
Public art collections	2,428	-	2,428	-	-	-	-
Other collection items	17,512	-	17,512	89	-	-	-
Petone Settlers	281	-	281	-	-	-	-
<b>Total collections</b>	<b>20,221</b>	<b>-</b>	<b>20,221</b>	<b>89</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total operational assets</b>	<b>395,658</b>	<b>(28,223)</b>	<b>367,435</b>	<b>91,297</b>	<b>-</b>	<b>(1,373)</b>	<b>-</b>
<b>Infrastructural assets</b>							
Wastewater system	728,689	(1,926)	726,763	19,873	304	-	-
Wastewater treatment plant	36,510	(241)	36,269	5,271	-	-	-
Less UHCC share in HVS assets	(79,318)	241	(79,077)	(5,774)	-	-	-
<b>Total</b>	<b>685,881</b>	<b>(1,926)</b>	<b>683,955</b>	<b>19,370</b>	<b>304</b>	<b>-</b>	<b>-</b>
Land	32,229	-	32,229	-	-	-	-
Land under roads	146,801	-	146,801	-	179	-	-
Stormwater system	929,176	(1,541)	927,635	4,777	118	-	-
Water supply system	359,455	(1,192)	358,263	21,587	449	-	-
Roading network	528,547	(1,380)	527,167	33,038	388	-	-
Seawalls	6,104	(9)	6,095	-	-	-	-
<b>Total infrastructural assets</b>	<b>2,688,193</b>	<b>(6,048)</b>	<b>2,682,145</b>	<b>78,772</b>	<b>1,438</b>	<b>-</b>	<b>-</b>
<b>Restricted assets</b>							
Land	203,848	-	203,848	31	41	-	-
<b>Total restricted assets</b>	<b>203,848</b>	<b>-</b>	<b>203,848</b>	<b>31</b>	<b>41</b>	<b>-</b>	<b>-</b>
<b>Total property, plant and equipment</b>	<b>3,287,699</b>	<b>(34,271)</b>	<b>3,253,427</b>	<b>170,100</b>	<b>1,479</b>	<b>(1,373)</b>	<b>-</b>

Revaluation surplus/Impair charges to revaluation reserves \$000	Accumulated depreciation on disposals \$000	Accumulated depreciation on revaluation \$000	Current year impairment charges \$000	Category adjustments to depreciation \$000	Current year depreciation \$000	Cost/valuation \$000	Accumulated depreciation and impairment charges \$000	Carrying amount \$000
-	-	-	-	-	-	71,759	-	71,759
-	2	-	-	-	(2,082)	44,682	(2,237)	42,446
-	29	-	-	-	(6,693)	226,261	(7,146)	219,115
-	-	-	-	-	(1,748)	72,752	(12,806)	59,946
-	-	-	-	-	(789)	7,738	(5,075)	2,663
-	-	-	-	-	(2,181)	23,966	(11,949)	12,016
-	367	-	-	-	(473)	3,447	(1,393)	2,054
-	-	-	-	-	(224)	9,232	(1,404)	7,828
-	-	-	-	-	(63)	5,435	(68)	5,367
-	<b>398</b>	-	-	-	<b>(14,253)</b>	<b>465,272</b>	<b>(42,078)</b>	<b>423,194</b>
-	-	-	-	-	-	2,428	-	2,428
-	-	-	-	-	-	17,601	-	17,601
-	-	-	-	-	-	281	-	281
-	-	-	-	-	-	<b>20,310</b>	-	<b>20,310</b>
-	<b>398</b>	-	-	-	<b>(14,253)</b>	<b>485,582</b>	<b>(42,078)</b>	<b>443,504</b>
-	-	-	-	-	(23,732)	748,866	(25,658)	723,208
-	-	-	-	-	(2,998)	41,781	(3,239)	38,542
-	-	-	-	-	2,532	(85,092)	2,773	(82,319)
-	-	-	-	-	<b>(24,198)</b>	<b>705,555</b>	<b>(26,124)</b>	<b>679,431</b>
-	-	-	-	-	-	32,229	-	32,229
-	-	-	-	-	-	146,980	-	146,980
-	-	-	-	-	(18,830)	934,071	(20,371)	913,700
-	-	-	-	-	(14,878)	381,491	(16,070)	365,421
-	-	-	-	-	(17,232)	561,973	(18,612)	543,361
-	-	-	-	-	(115)	6,104	(124)	5,980
-	-	-	-	-	<b>(75,253)</b>	<b>2,768,403</b>	<b>(81,301)</b>	<b>2,687,102</b>
-	-	-	-	-	-	203,920	-	203,920
-	-	-	-	-	-	<b>203,920</b>	-	<b>203,920</b>
-	<b>398</b>	-	-	-	<b>(89,506)</b>	<b>3,457,905</b>	<b>(123,379)</b>	<b>3,334,525</b>

**Council 2024**

	Cost/ valuation \$000	Accumulated depreciation and impairment charges \$000	Carrying amount \$000	Current year additions \$000	Vested assets \$000	Current year disposals \$000	Category adjustments to cost \$000
<b>Operational assets</b>							
Land	57,105	-	57,105	328	-	(150)	-
Site improvements	31,478	(1,639)	29,840	4,390	-	-	1,924
Buildings	147,486	(5,654)	141,832	2,295	-	(322)	-
Landfill assets	55,822	(9,759)	46,063	9,258	-	(39)	-
Library books	9,886	(6,802)	3,084	745	-	(3,321)	-
Plant and equipment	27,152	(15,175)	11,976	2,879	-	(7,063)	(1,924)
Vehicles	2,964	(1,120)	1,844	835	-	(390)	-
Wharves	11,814	(3,283)	8,531	-	-	(2,582)	-
Breakwaters	5,247	(64)	5,183	-	-	-	-
<b>Total</b>	<b>348,954</b>	<b>(43,496)</b>	<b>305,458</b>	<b>20,730</b>	<b>-</b>	<b>(13,867)</b>	<b>-</b>
<b>Collection assets</b>							
Public art collections	2,284	-	2,284	-	-	-	-
Other collection items	15,212	-	15,212	58	-	-	-
Petone Settlers	241	-	241	1	-	-	-
<b>Total collections</b>	<b>17,737</b>	<b>-</b>	<b>17,737</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total operational assets</b>	<b>366,691</b>	<b>(43,496)</b>	<b>323,195</b>	<b>20,789</b>	<b>-</b>	<b>(13,867)</b>	<b>-</b>
<b>Infrastructural assets</b>							
Wastewater system	236,551	(8,897)	227,654	59,552	535	-	-
Wastewater treatment plant	39,246	(2,336)	36,910	-	-	-	-
Less UHCC share in HVS assets	(51,830)	1,904	(49,926)	(3,500)	-	-	-
<b>Total</b>	<b>223,967</b>	<b>(9,329)</b>	<b>214,638</b>	<b>56,052</b>	<b>535</b>	<b>-</b>	<b>-</b>
Land	25,057	-	25,057	1	-	-	-
Land under roads	146,469	-	146,469	-	332	-	-
Stormwater system	289,287	(5,869)	283,418	622	859	-	-
Water supply system	126,200	(5,691)	120,509	15,594	909	-	-
Roading network	517,020	(17,910)	499,110	28,709	1,229	-	-
Seawalls	4,814	(89)	4,725	1	-	-	-
<b>Total infrastructural assets</b>	<b>1,332,814</b>	<b>(38,888)</b>	<b>1,293,926</b>	<b>100,979</b>	<b>3,864</b>	<b>-</b>	<b>-</b>
<b>Restricted assets</b>							
Land	144,046	-	144,046	16	48	-	-
<b>Total restricted assets</b>	<b>144,046</b>	<b>-</b>	<b>144,046</b>	<b>16</b>	<b>48</b>	<b>-</b>	<b>-</b>
<b>Total property, plant and equipment</b>	<b>1,843,551</b>	<b>(82,384)</b>	<b>1,761,167</b>	<b>121,784</b>	<b>3,912</b>	<b>(13,867)</b>	<b>-</b>

Revaluation surplus/Impair charges to revaluation reserves \$000	Accumulated depreciation on disposals \$000	Accumulated depreciation on revaluation \$000	Current year impairment charges \$000	Category adjustments to depreciation \$000	Current year depreciation \$000	Cost/valuation \$000	Accumulated depreciation and impairment charges \$000	Carrying amount \$000
15,099	-	-	-	-	-	72,382	-	72,382
(2,440)	-	3,535	-	(252)	(1,801)	35,352	(157)	35,196
6,773	26	10,742	-	-	(5,596)	156,232	(482)	155,750
-	39	-	-	-	(1,338)	65,041	(11,058)	53,983
-	3,321	-	-	-	(805)	7,310	(4,286)	3,024
-	7,034	-	-	252	(1,879)	21,044	(9,768)	11,275
-	252	-	-	-	(419)	3,409	(1,287)	2,122
-	2,582	-	-	-	(479)	9,232	(1,180)	8,052
188	-	119	-	-	(60)	5,435	(5)	5,430
<b>19,620</b>	<b>13,254</b>	<b>14,396</b>	<b>-</b>	<b>-</b>	<b>(12,377)</b>	<b>375,437</b>	<b>(28,223)</b>	<b>347,214</b>
144	-	-	-	-	-	2,428	-	2,428
2,242	-	-	-	-	-	17,512	-	17,512
39	-	-	-	-	-	281	-	281
<b>2,425</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,221</b>	<b>-</b>	<b>20,221</b>
<b>22,045</b>	<b>13,254</b>	<b>14,396</b>	<b>-</b>	<b>-</b>	<b>(12,377)</b>	<b>395,658</b>	<b>(28,223)</b>	<b>367,435</b>
432,051	-	17,745	-	-	(10,774)	728,689	(1,926)	726,763
(2,736)	-	4,321	-	-	(2,226)	36,510	(241)	36,269
(23,988)	-	(3,706)	-	-	2,043	(79,318)	241	(79,077)
<b>405,327</b>	<b>-</b>	<b>18,360</b>	<b>-</b>	<b>-</b>	<b>(10,957)</b>	<b>685,881</b>	<b>(1,926)</b>	<b>683,955</b>
7,171	-	-	-	-	-	32,229	-	32,229
-	-	-	-	-	-	146,801	-	146,801
638,408	-	10,894	-	-	(6,566)	929,176	(1,541)	927,635
216,752	-	11,146	-	-	(6,647)	359,455	(1,192)	358,263
(18,411)	-	34,341	-	-	(17,811)	528,547	(1,380)	527,167
1,289	-	164	-	-	(84)	6,104	(9)	6,095
<b>1,250,536</b>	<b>-</b>	<b>74,905</b>	<b>-</b>	<b>-</b>	<b>(42,065)</b>	<b>2,688,193</b>	<b>(6,048)</b>	<b>2,682,145</b>
59,738	-	-	-	-	-	203,848	-	203,848
<b>59,738</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>203,848</b>	<b>-</b>	<b>203,848</b>
<b>1,332,319</b>	<b>13,254</b>	<b>89,301</b>	<b>-</b>	<b>-</b>	<b>(54,442)</b>	<b>3,287,699</b>	<b>(34,271)</b>	<b>3,253,427</b>

<b>Group 2025</b>	Cost/ valuation \$000	Accumulated depreciation and impairment charges \$000	Carrying amount \$000	Current year additions \$000	Vested assets \$000	Current year disposals \$000	Category adjustments to cost \$000
<b>Operational assets</b>							
Land	72,382	-	72,382	-	-	(623)	-
Site improvements	35,352	(157)	35,196	9,338	-	(8)	-
Buildings	156,232	(482)	155,750	70,175	-	(146)	-
Landfill assets	65,041	(11,058)	53,983	7,711	-	-	-
Library books	7,310	(4,286)	3,024	428	-	-	-
Plant and equipment	21,044	(9,768)	11,275	2,922	-	-	-
Vehicles	3,409	(1,287)	2,122	634	-	(596)	-
Wharves	9,232	(1,180)	8,052	-	-	-	-
Breakwaters	5,435	(5)	5,430	-	-	-	-
Seaview marina	21,676	(1,035)	20,641	157	-	(15)	-
Piers and berths	6,468	(2,473)	3,995	58	-	(1)	-
Urban Plus land	24,940	-	24,940	-	-	-	-
Urban Plus buildings	20,644	(81)	20,563	421	-	-	-
Urban Plus other assets	138	(35)	103	27	-	-	-
<b>Total</b>	<b>449,303</b>	<b>(31,847)</b>	<b>417,455</b>	<b>91,871</b>	<b>-</b>	<b>(1,389)</b>	<b>-</b>
<b>Collection Assets</b>							
Public art collection	2,428	-	2,428	-	-	-	-
Other collection items	17,512	-	17,512	89	-	-	-
Petone Settlers	281	-	281	-	-	-	-
<b>Total collections</b>	<b>20,221</b>	<b>-</b>	<b>20,221</b>	<b>89</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total operational assets</b>	<b>469,524</b>	<b>(31,847)</b>	<b>437,676</b>	<b>91,960</b>	<b>-</b>	<b>(1,389)</b>	<b>-</b>
<b>Infrastructural assets</b>							
Wastewater system	728,689	(1,926)	726,763	19,873	304	-	-
Wastewater treatment plant	36,510	(241)	36,269	5,271	-	-	-
Less UHCC share in HVS assets	(79,318)	241	(79,077)	(5,774)	-	-	-
<b>Total</b>	<b>685,881</b>	<b>(1,926)</b>	<b>683,955</b>	<b>19,370</b>	<b>304</b>	<b>-</b>	<b>-</b>
Land	32,229	-	32,229	-	-	-	-
Land under roads	146,801	-	146,801	-	179	-	-
Stormwater system	929,176	(1,541)	927,635	4,777	118	-	-
Water supply system	359,455	(1,192)	358,263	21,587	449	-	-
Roading network	528,547	(1,380)	527,167	33,038	388	-	-
Seawalls	6,104	(9)	6,095	-	-	-	-
<b>Total infrastructural assets</b>	<b>2,688,193</b>	<b>(6,048)</b>	<b>2,682,145</b>	<b>78,772</b>	<b>1,438</b>	<b>-</b>	<b>-</b>
<b>Restricted assets</b>							
Land	203,848	-	203,848	31	41	-	-
<b>Total restricted assets</b>	<b>203,848</b>	<b>-</b>	<b>203,848</b>	<b>31</b>	<b>41</b>	<b>-</b>	<b>-</b>
<b>Total property, plant and equipment</b>	<b>3,361,564</b>	<b>(37,895)</b>	<b>3,323,671</b>	<b>170,763</b>	<b>1,479</b>	<b>(1,389)</b>	<b>-</b>

Revaluation surplus/Impair charges to revaluation reserves \$000	Accumulated depreciation on disposals \$000	Accumulated depreciation on revaluation \$000	Current year impairment charges \$000	Category adjustments to depreciation \$000	Current year depreciation \$000	Cost/valuation \$000	Accumulated depreciation and impairment charges \$000	Carrying amount \$000
-	-	-	-	-	-	71,759	-	71,759
-	2	-	-	-	(2,082)	44,682	(2,237)	42,446
-	29	-	-	-	(6,693)	226,261	(7,146)	219,115
-	-	-	-	-	(1,748)	72,752	(12,806)	59,946
-	-	-	-	-	(789)	7,738	(5,075)	2,663
-	-	-	-	-	(2,181)	23,966	(11,949)	12,016
-	367	-	-	-	(473)	3,447	(1,393)	2,054
-	-	-	-	-	(224)	9,232	(1,404)	7,828
-	-	-	-	-	(63)	5,435	(68)	5,367
-	12	-	-	-	(344)	21,818	(1,367)	20,451
-	1	-	-	-	(198)	6,525	(2,670)	3,855
-	-	-	-	-	-	24,940	-	24,940
-	-	-	-	-	(1,067)	21,065	(1,148)	19,917
-	-	-	-	-	(29)	165	(64)	101
-	<b>411</b>	-	-	-	<b>(15,891)</b>	<b>539,785</b>	<b>(47,327)</b>	<b>492,457</b>
-	-	-	-	-	-	2,428	-	2,428
-	-	-	-	-	-	17,601	-	17,601
-	-	-	-	-	-	281	-	281
-	-	-	-	-	-	<b>20,310</b>	-	<b>20,310</b>
-	<b>411</b>	-	-	-	<b>(15,891)</b>	<b>560,095</b>	<b>(47,327)</b>	<b>512,767</b>
-	-	-	-	-	(23,732)	748,866	(25,658)	723,208
-	-	-	-	-	(2,998)	41,781	(3,239)	38,542
-	-	-	-	-	2,532	(85,092)	2,773	(82,319)
-	-	-	-	-	<b>(24,198)</b>	<b>705,555</b>	<b>(26,124)</b>	<b>679,431</b>
-	-	-	-	-	-	32,229	-	32,229
-	-	-	-	-	-	146,980	-	146,980
-	-	-	-	-	(18,830)	934,071	(20,371)	913,700
-	-	-	-	-	(14,878)	381,491	(16,070)	365,421
-	-	-	-	-	(17,232)	561,973	(18,612)	543,361
-	-	-	-	-	(115)	6,104	(124)	5,980
-	-	-	-	-	<b>(75,253)</b>	<b>2,768,403</b>	<b>(81,301)</b>	<b>2,687,102</b>
-	-	-	-	-	-	203,920	-	203,920
-	-	-	-	-	-	<b>203,920</b>	-	<b>203,920</b>
-	<b>411</b>	-	-	-	<b>(91,144)</b>	<b>3,532,417</b>	<b>(128,628)</b>	<b>3,403,791</b>

## Group 2024

	Cost/ valuation \$000	Accumulated depreciation and impairment charges \$000	Carrying amount \$000	Current year additions \$000	Vested assets \$000	Current year disposals \$000	Category adjustments to cost \$000
<b>Operational assets</b>							
Land	57,105	-	57,105	328	-	(150)	-
Site improvements	31,478	(1,639)	29,840	4,390	-	-	1,924
Buildings	147,486	(5,654)	141,832	2,295	-	(322)	-
Landfill assets	55,822	(9,759)	46,063	9,258	-	(39)	-
Library books	9,886	(6,802)	3,084	745	-	(3,321)	-
Plant and equipment	27,152	(15,175)	11,976	2,879	-	(7,063)	(1,924)
Vehicles	2,964	(1,120)	1,844	835	-	(390)	-
Wharves	11,814	(3,283)	8,531	-	-	(2,582)	-
Breakwaters	5,247	(64)	5,183	-	-	-	-
Seaview marina	20,232	(1,468)	18,764	170	-	(404)	-
Piers and berths	6,270	(2,406)	3,864	326	-	(128)	-
Urban Plus land	31,227	-	31,227	-	-	-	-
Urban Plus buildings	12,911	-	12,911	2,218	-	(57)	-
Urban Plus other assets	87	(18)	69	51	-	-	-
<b>Total</b>	<b>419,681</b>	<b>(47,388)</b>	<b>372,292</b>	<b>23,495</b>	<b>-</b>	<b>(14,456)</b>	<b>-</b>
<b>Collection Assets</b>							
Public art collection	2,284	-	2,284	-	-	-	-
Other collection items	15,212	-	15,212	58	-	-	-
Petone Settlers	241	-	241	1	-	-	-
<b>Total collections</b>	<b>17,737</b>	<b>-</b>	<b>17,737</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total operational assets</b>	<b>437,418</b>	<b>(47,388)</b>	<b>390,029</b>	<b>23,554</b>	<b>-</b>	<b>(14,456)</b>	<b>-</b>
<b>Infrastructural assets</b>							
Wastewater system	236,551	(8,897)	227,654	59,552	535	-	-
Wastewater treatment plant	39,246	(2,336)	36,910	-	-	-	-
Less UHCC share in HVS assets	(51,830)	1,904	(49,926)	(3,500)	-	-	-
<b>Total</b>	<b>223,967</b>	<b>(9,329)</b>	<b>214,638</b>	<b>56,052</b>	<b>535</b>	<b>-</b>	<b>-</b>
Land	25,057	-	25,057	1	-	-	-
Land under roads	146,469	-	146,469	-	332	-	-
Stormwater system	289,287	(5,869)	283,418	622	859	-	-
Water supply system	126,200	(5,691)	120,509	15,594	909	-	-
Roading network	517,020	(17,910)	499,110	28,709	1,229	-	-
Seawalls	4,814	(89)	4,725	1	-	-	-
<b>Total infrastructural assets</b>	<b>1,332,814</b>	<b>(38,888)</b>	<b>1,293,926</b>	<b>100,979</b>	<b>3,864</b>	<b>-</b>	<b>-</b>
<b>Restricted assets</b>							
Land	144,046	-	144,046	16	48	-	-
<b>Total restricted assets</b>	<b>144,046</b>	<b>-</b>	<b>144,046</b>	<b>16</b>	<b>48</b>	<b>-</b>	<b>-</b>
<b>Total property, plant and equipment</b>	<b>1,914,278</b>	<b>(86,276)</b>	<b>1,828,003</b>	<b>124,549</b>	<b>3,912</b>	<b>(14,456)</b>	<b>-</b>

Revaluation surplus/Impair charges to revaluation reserves \$000	Accumulated depreciation on disposals \$000	Accumulated depreciation on revaluation \$000	Current year impairment charges \$000	Category adjustments to depreciation \$000	Current year depreciation \$000	Cost/valuation \$000	Accumulated depreciation and impairment charges \$000	Carrying amount \$000
15,099	-	-	-	-	-	72,382	-	72,382
(2,440)	-	3,535	-	(252)	(1,801)	35,352	(157)	35,196
6,773	26	10,742	-	-	(5,596)	156,232	(482)	155,750
-	39	-	-	-	(1,338)	65,041	(11,058)	53,983
-	3,321	-	-	-	(805)	7,310	(4,286)	3,024
-	7,034	-	-	252	(1,879)	21,044	(9,768)	11,275
-	252	-	-	-	(419)	3,409	(1,287)	2,122
-	2,582	-	-	-	(479)	9,232	(1,180)	8,052
188	-	119	-	-	(60)	5,435	(5)	5,430
1,678	414	345	-	-	(326)	21,676	(1,035)	20,641
-	128	-	-	-	(195)	6,468	(2,473)	3,995
(6,287)	-	-	-	-	-	24,940	-	24,940
5,572	2	624	-	-	(707)	20,644	(81)	20,563
-	-	-	-	-	(17)	138	(35)	103
<b>20,583</b>	<b>13,798</b>	<b>15,365</b>	<b>-</b>	<b>-</b>	<b>(13,622)</b>	<b>449,303</b>	<b>(31,847)</b>	<b>417,455</b>
144	-	-	-	-	-	2,428	-	2,428
2,242	-	-	-	-	-	17,512	-	17,512
39	-	-	-	-	-	281	-	281
<b>2,425</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,221</b>	<b>-</b>	<b>20,221</b>
<b>23,008</b>	<b>13,798</b>	<b>15,365</b>	<b>-</b>	<b>-</b>	<b>(13,622)</b>	<b>469,524</b>	<b>(31,847)</b>	<b>437,676</b>
432,051	-	17,745	-	-	(10,774)	728,689	(1,926)	726,763
(2,736)	-	4,321	-	-	(2,226)	36,510	(241)	36,269
(23,988)	-	(3,706)	-	-	2,043	(79,318)	241	(79,077)
<b>405,327</b>	<b>-</b>	<b>18,360</b>	<b>-</b>	<b>-</b>	<b>(10,957)</b>	<b>685,881</b>	<b>(1,926)</b>	<b>683,955</b>
-	-	-	-	-	-	32,229	-	32,229
-	-	-	-	-	-	146,801	-	146,801
-	-	-	-	-	(6,566)	929,176	(1,541)	927,635
-	-	-	-	-	(6,647)	359,455	(1,192)	358,263
-	-	-	-	-	(17,811)	528,547	(1,380)	527,167
-	-	-	-	-	(84)	6,104	(9)	6,095
-	-	-	-	-	<b>(42,065)</b>	<b>2,688,193</b>	<b>(6,048)</b>	<b>2,682,145</b>
59,738	-	-	-	-	-	203,848	-	203,848
<b>59,738</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>203,848</b>	<b>-</b>	<b>203,848</b>
<b>1,333,282</b>	<b>13,798</b>	<b>90,270</b>	<b>-</b>	<b>-</b>	<b>(55,687)</b>	<b>3,361,564</b>	<b>(37,895)</b>	<b>3,323,671</b>



## 15. Intangible assets

### Accounting policy

#### *Software acquisition and development*

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use by Council and group are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs, costs associated with maintaining computer software and costs associated with development and maintenance of the Council's website are recognised as an expense when incurred.

#### *Software as a Service (SaaS)*

Costs associated with software developed and used under a SaaS arrangement are expenses when incurred as the rights of ownership of the software does not transfer to the Council or Group.

Some additional costs are incurred for the development of software code that enhances or modifies, or creates additional capability to, existing on-premises systems and meets the definition of and recognition criteria for an intangible asset where the ownership of the developments reside with the Group. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis. The useful lives are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

#### *Resource consents*

Costs associated with registering a resource consent in the wastewater activity are recognised as an intangible asset.

### *Amortisation*

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

	<b>Years</b>	<b>Percentages</b>
Computer software	5–10	10.00–20.00
Resource consents	22–30	3.33–4.44

### *Impairment of intangible assets*

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

Intangible assets subsequently measured at cost that have a finite useful life are reviewed for indicators of impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

	Cost/ valuation \$000	Accumulated depreciation and impairment charges \$000	Carrying amount \$000	Current year additions \$000	Vested assets \$000	Current year disposals \$000	Category adjustments to cost \$000
<b>Council 2025</b>							
Software	552	(497)	55	-	-	-	-
Resource consents	1,778	(1,205)	573	-	-	-	-
	<b>2,330</b>	<b>(1,702)</b>	<b>628</b>	-	-	-	-
<b>Council 2024</b>							
Software	2,461	(2,307)	154	-	-	(1,909)	-
Resource consents	1,981	(1,340)	641	-	-	(203)	-
	<b>4,442</b>	<b>(3,647)</b>	<b>795</b>	-	-	<b>(2,112)</b>	-
<b>Group 2025</b>							
Software	557	(499)	58	-	-	-	-
Resource consents	1,779	(1,208)	571	-	-	-	-
	<b>2,336</b>	<b>(1,707)</b>	<b>629</b>	-	-	-	-
<b>Group 2024</b>							
Software	2,522	(2,363)	159	-	-	(1,965)	-
Resource consents	1,982	(1,343)	639	-	-	(203)	-
	<b>4,504</b>	<b>(3,706)</b>	<b>798</b>	-	-	<b>(2,168)</b>	-

Revaluation surplus/impair charges to revaluation reserves \$000	Accumulated depreciation on disposals \$000	Accumulated depreciation on revaluation \$000	Current year impairment charges \$000	Category adjustments to depreciation \$000	Current year depreciation \$000	Cost/ valuation \$000	Accumulated depreciation and impairment charges \$000	Carrying amount \$000
-	-	-	-	-	(21)	552	(518)	34
-	-	-	-	-	(68)	1,778	(1,273)	505
-	-	-	-	-	<b>(89)</b>	<b>2,330</b>	<b>(1,791)</b>	<b>539</b>
-	1,908	-	-	-	(98)	552	(497)	55
-	203	-	-	-	(68)	1,778	(1,205)	573
-	<b>2,111</b>	-	-	-	<b>(166)</b>	<b>2,330</b>	<b>(1,702)</b>	<b>628</b>
-	-	-	-	-	(21)	557	(520)	37
-	-	-	-	-	(68)	1,779	(1,276)	503
-	-	-	-	-	<b>(89)</b>	<b>2,336</b>	<b>(1,796)</b>	<b>540</b>
-	1,965	-	-	-	(101)	557	(499)	58
-	203	-	-	-	(68)	1,779	(1,208)	571
-	<b>2,168</b>	-	-	-	<b>(169)</b>	<b>2,336</b>	<b>(1,707)</b>	<b>629</b>

## 16. Depreciation and amortisation expense by group of activity

	Council	
	Actual 2025 \$000	Actual 2024 \$000
<b>Directly attributable depreciation and amortisation expense by activity (group of activity)</b>		
<b>Environmental wellbeing</b>		
Water supply	14,877	6,646
Wastewater	24,544	11,264
Stormwater	18,830	6,566
Solid waste	2,136	1,722
Sustainability and resilience	132	124
Regulatory services	379	289
<b>Economic wellbeing</b>		
Transport	17,391	17,998
City development	-	4
<b>Social and cultural wellbeing</b>		
Community partnering and support	1,507	1,470
Open spaces, parks, and reserves	3,668	3,356
Connectivity, creativity, learning, and recreation	5,188	4,319
Governance, strategy, and partnerships	7	7
Corporate services	937	842
<b>Total directly attributable depreciation and amortisation expense by group of activity</b>	<b>89,596</b>	<b>54,607</b>
Depreciation and amortisation not directly attributable by group of activity	-	-
<b>Total depreciation and amortisation expense</b>	<b>89,596</b>	<b>54,607</b>

## 17. Investment in associate

### Accounting policy

An associate is an entity that the Council has significant influence over and that is neither a subsidiary nor an interest in a joint arrangement. The Council's associate investment is accounted for in the group's financial statements using the equity method. The investment in an associate is initially recognised at cost, and the carrying amount in the group's financial statements is increased or decreased to recognise the group's share of the surplus or deficit of the associate after the date of acquisition. Distributions received from an associate reduce the carrying amount of the investment in the group's financial statements.

Where the group transacts with an associate, surpluses or deficits are eliminated to the extent of the group's interest in the associate.

The investment in the associate is carried at cost in the Council's parent entity financial statements.

### Further information on investment in associate

Wellington Water Limited was jointly created with council on 9 July 2003 to manage the drinking water, wastewater, and stormwater assets of the councils. Since its inception it has gradually expanded its operations and now covers six councils in the Wellington region.

The company has issued Class A shares representing voting rights and Class B shares which confer the level of contributions and ownership between each council.

The company is considered to be jointly controlled because of the equal share of voting rights conferred through the Class A shares and is therefore an associate of all councils in accordance with IPSAS 28: Investments in Associates. Each council will equally account for their respective ownership interest as determined by the proportionate value of Class A and Class B shares held. Council's ownership interest in the company is 20% (2024: 20%).

2024 and 2025	Shares on issue	Hutt City Council	Wellington City Council	Upper Hutt Council	Porirua City Council	Greater Wellington Regional Council	South Wairarapa District Council
Class A shares (voting entitlements)	900	150	150	150	150	150	150
		17%	17%	17%	17%	17%	17%
Class B shares (financial entitlements)	500	100	200	40	60	75	25
		20%	40%	8%	12%	15%	5%

Wellington Water Limited is an unlisted company and accordingly there are no published price quotations to determine the fair value of Council's investment in the company.

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Wellington Water Limited</b>				
Balance at beginning of the year	200	200	1,388	581
New shares issued	-	-	-	-
B shares sold	-	-	-	-
Share of operating surplus/(deficit)	-	-	(83)	807
<b>Balance at end of year</b>	<b>200</b>	<b>200</b>	<b>1,305</b>	<b>1,388</b>

	Total WWL		Group share	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Revenue	402,425	467,297	80,485	93,459
Expenditure	403,160	461,677	80,632	92,335
Surplus (Deficit) before taxation	(735)	5,620	(147)	1,124
Taxation (Expense)/benefit	322	(1,586)	64	(317)
<b>Surplus (Deficit) after taxation</b>	<b>(413)</b>	<b>4,034</b>	<b>(83)</b>	<b>807</b>
Assets	120,290	111,601	24,058	22,320
Liabilities	113,644	104,543	22,729	20,909
Equity	6,646	7,058	1,329	1,412

## 18. Other financial assets

### Accounting Policies

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value.

Shares in subsidiaries and loans to related parties are recorded as cost in councils parent entity financial statements.

Unlisted shares and investment in other entities are recorded at cost. If the fair value drops below the cost value, the loss will be recognised in surplus or deficit.

Borrower notes are initially recorded at cost and subsequently revalued by independent value at year end to fair value, with the fair value gains or losses recognised in surplus or deficit.

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Current portion</b>				
Short-term deposits with original maturities greater than 3 months	-	-	-	-
<b>Total other financial assets – current portion</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-current portion</b>				
<b>Investment in subsidiaries and other similar entities</b>				
Shares in subsidiaries	14,545	14,545	-	-
Loans to related parties (note 30)	45,700	35,700	-	-
Unlisted shares in Local Government Funding Agency	100	100	100	100
Borrower Notes from Local Government Funding Agency	16,546	11,909	16,546	11,909
<b>Total investment in subsidiaries and other similar entities</b>	<b>76,891</b>	<b>62,254</b>	<b>16,646</b>	<b>12,009</b>
<b>Investment in other entities</b>				
NZ Local Government Insurance Company	455	455	455	455
<b>Total investment in other entities</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>455</b>
<b>Total other financial assets – non-current portion</b>	<b>77,346</b>	<b>62,709</b>	<b>17,101</b>	<b>12,464</b>
<b>Total other financial assets</b>	<b>77,346</b>	<b>62,709</b>	<b>17,101</b>	<b>12,464</b>

Loans to related parties and shares in subsidiaries are those transactions with Urban Plus Limited and Seaview Marina Limited – 100% owned subsidiaries. Expected credit losses measured for these financial assets are trivial. They are low risk, and Council has not identified any indication that credit risk associated with those instruments has significantly increased since initial recognition. Council does not hold any collateral for its loan assets.

### Unlisted Shares

The fair value of the unlisted shares held in NZ Local Government Insurance Company has been determined using historical cost.

### Impairment

There has been no impairment provision made on the investment in NZ Local Government Insurance Company (2024 \$nil).

## 19. Creditors and other payables

### Accounting policy

Short-term creditors and other payables are recorded at amortised costs.

## Breakdown of creditors and other payables

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Trade and other payables	1,474	2,397	1,474	2,397
Deposits and bonds	487	481	489	483
Accrued expenses	30,129	29,919	30,432	30,230
Rates in advance	2,336	1,950	2,336	1,950
Amounts due to customers for contract work	1,929	2,059	1,929	2,236
<b>Total creditors and other payables</b>	<b>36,355</b>	<b>36,806</b>	<b>36,660</b>	<b>37,296</b>

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of creditors and other payables approximate their fair value.

All creditors and other payables are classified as exchange transactions.

## 20. Borrowings

### Accounting policy

Borrowings are initially recognised at their face value plus transaction costs. After initial recognition, all borrowings are measured at amortised costs using the effective interest rate.

Borrowings are classified as current liabilities, unless the Council or the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

These are loans raised by Council for its various activities and projects. The details are:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Current portion</b>				
Bank overdraft	-	-	-	-
Secured loans	80,000	40,000	80,000	40,000
<b>Total current portion</b>	<b>80,000</b>	<b>40,000</b>	<b>80,000</b>	<b>40,000</b>
<b>Non-current portion</b>				
Secured loans	491,700	470,700	491,700	470,700
<b>Total non-current portion</b>	<b>491,700</b>	<b>470,700</b>	<b>491,700</b>	<b>470,700</b>
<b>Total borrowing</b>	<b>571,700</b>	<b>510,700</b>	<b>571,700</b>	<b>510,700</b>

### Maturity profile

	Interest cost		Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Years of maturity</b>						
Under 1 year	3,849	1,656	80,000	40,000	80,000	40,000
1 to 2 years	3,161	3,311	65,700	80,000	65,700	80,000
2 to 3 years	4,811	2,719	100,000	65,700	100,000	65,700
3 to 4 years	5,292	2,897	110,000	70,000	110,000	70,000
4 to 5 years	4,811	2,897	100,000	70,000	100,000	70,000
Over 5 years	5,581	7,657	116,000	185,000	116,000	185,000
<b>Total borrowing</b>	<b>27,504</b>	<b>21,138</b>	<b>571,700</b>	<b>510,700</b>	<b>571,700</b>	<b>510,700</b>

### **Secured loans**

Council's debt of \$572 million (2024: \$511 million) is issued at a range of maturities in accordance with the borrowing policy, at interest rates ranging from 1.4738% to 6.0707% (2024: 1.320% to 6.454%). Where the interest rate is floating, the rate is generally reset quarterly based on the 90-day bank bill rate plus a margin for credit.

### **Security**

A debenture trust deed has been established and Covenant Trustee Services Limited appointed as Trustee. All borrowing is secured by a charge over all rates revenue in favour of the Trustee.

Council has \$60 million of wholesale advance facilities split between Westpac Banking Corporation for \$25 million (2024: \$25 million), and New Zealand Local Government Funding Agency for \$35 million (2024: \$35 million). As at 30 June a total of \$nil (2024: \$nil) had been drawn against this wholesale advance facility. The facility is secured under the Debenture Trust Deed.

### **Bank overdraft**

Council has a \$250,000 unsecured bank overdraft facility (2024: \$250,000). The facility is undrawn at balance date (2024: \$nil).

### **Internal borrowings**

Council borrows on a consolidated level and as such does not use internal borrowing and therefore does not prepare internal borrowing statements.

### **Interest terms for secured loans**

Council's secured loans is a mix of both fixed and floating rates of interest. For floating rate debt, the interest is reset quarterly based on the 90-day bank bill rate plus a margin for credit risk.

## **21. Employee entitlements**

### **Accounting policy**

#### *Short-term benefits*

Employee benefits that Council and Group expect to be settled within 12 months after the end of the period in which the employee renders the related service are measured on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave, and long-service leave earned to, but not yet taken at balance date, where the entitlements are expected to be settled within 12 months.

Council and Group recognise a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

#### *Long-term benefits*

Employee benefits due to be settled beyond 12 months after the end of the period in which the employee renders the related service, including retirement gratuities. Due to the low value of the benefit and the fact that most employees who are entitled to this benefit have now accrued full entitlements, no actuarial valuation has been undertaken. The calculation is based on the entitlements accruing for eligible staff based on years of service using current remuneration rates.

#### *Presentation of employee entitlements*

Annual leave and vested long service leave are classified as a current liability. All other employee entitlements are classified as a non-current liability, as retirement dates are not known.

### **Superannuation schemes**

#### *Defined contribution schemes*

Obligations for contributions to KiwiSaver and defined contribution superannuation schemes are recognised as an expense in the surplus and deficit as incurred.

## Breakdown of provisions and other information

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Current portion</b>				
Accrued salaries and wages	1,264	1,007	1,264	1,007
Time in lieu	41	55	41	55
Annual leave	2,994	2,887	3,127	3,005
Annual leave – historical obligation *	1,495	1,350	1,496	1,351
Long service leave	37	36	40	39
<b>Total current portion</b>	<b>5,831</b>	<b>5,335</b>	<b>5,968</b>	<b>5,457</b>
<b>Non-current portion</b>				
Retirement gratuities	458	442	511	492
<b>Total non-current portion</b>	<b>458</b>	<b>442</b>	<b>511</b>	<b>492</b>
<b>Total employee entitlements</b>	<b>6,289</b>	<b>5,777</b>	<b>6,479</b>	<b>5,950</b>

\* This amount is the estimated cost to investigate and settle shortfall in payments made to current and past employees as a result of the complexities in interpreting and compliance with the Holidays Act 2003. An initial estimate was developed and assessed independently by Ernst & Young based on identified areas of potential non-compliance with the Act and the subsequent recalculation performed based on a sample of employees. Following this, a Holidays Act Remediation Project (HARP) was established and detailed calculations were performed for the period up to 31 March 2022 with the support from an external specialist. During the years ending 30 June 2023 to 2025, payments were made to both current employees and former employees to settle these shortfalls. Further detailed calculations were performed for the period up to 26 February 2025 with payments being made from July 2025 onwards. The project has been paused pending a new HRIS and Payroll system implementation. Once this solution is which is expected to be delivered mid 2026 at which point, any final then HARP will finalise any further amounts owing to both current and former employees will be made.

## 22. Provisions

### Accounting policy

Council and Group recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in 'finance costs' (see note 5).

#### *Landfill post closure costs*

As operator of the Silverstream Landfill site, Council has an obligation to ensure the ongoing maintenance and monitoring services at this landfill site after closure. Council also has an obligation to monitor the closed landfill site at Wainuiomata and other sites previously operated by local authorities subsequently amalgamated to form the Hutt City Council.

A site restoration and aftercare provision has been recognised as a liability in the statement of financial position. Provision is made for the present value of closure and post closure costs when the obligation for post closure arises. The calculated cost is based on estimates of closure costs and future site trade waste charges and monitoring costs. The estimated length of time needed for post closure care is 25 years.

The calculations assume no change in the legislative requirements or technological changes for closure and post closure treatment. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to Council.

Amounts provided for closure and post closure costs are capitalised to the landfill asset where they give rise to future economic benefits, or if they are incurred to enable future economic benefits to be obtained. The capitalised landfill asset is depreciated over the life of the landfill based on the capacity used.

The provision of landfill post closure costs is valued annually by an independent valuer.

## Critical accounting estimates and assumptions

### Estimating the landfill aftercare costs

The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The future cash outflows for the provision have been estimated taking into account existing technology and known changes to legal requirements.

Provisions are measured at management's best estimate of the expenditures required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

In determining the fair value of the provision, assumptions and estimates are made in relation to the discount rate, the expected cost of the post-closure restoration and monitoring of the landfill site, and the expected timing of these costs. Expected costs and timing of the closure are based on the estimated remaining capacity of the landfill, based on the advice and judgement of qualified engineers. The estimates are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money.

## Breakdown of provisions and other information

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Provision for landfill aftercare	11,025	10,390	11,025	10,390
<b>Total provisions</b>	<b>11,025</b>	<b>10,390</b>	<b>11,025</b>	<b>10,390</b>
Current	534	-	534	-
Non-current	10,491	10,390	10,491	10,390
<b>Total provisions</b>	<b>11,025</b>	<b>10,390</b>	<b>11,025</b>	<b>10,390</b>

## Movements in provision

	Landfill aftercare	
	2025 \$000	2024 \$000
Balance at beginning of the year	10,390	10,503
Discount unwinding	519	525
Amounts charged to provision during the period	116	(638)
<b>Balance at end of the year (non-current liability)</b>	<b>11,025</b>	<b>10,390</b>

## Landfill aftercare costs

Council has resource consents to operate the Silverstream Landfill. In addition to the Silverstream Landfill site, Council has an aftercare obligation for six additional closed landfill sites. Council has responsibility under the resource consents to provide ongoing maintenance and monitoring of the landfills after the sites are closed. Closure responsibilities include final cover and application of vegetation, completing facilities for leachate collection, water quality, and gas monitoring. The management of the landfills will influence the timing of recognition of some liabilities.

Council currently operates one landfill, Silverstream (stage 1 and 2). The stage 2 landfill is consented to be developed progressively with a total estimated airspace of 5.3 million cubic metres. The estimated available airspace in the completed section of the landfill is 100,000 cubic metres (2024: 75,000 cubic metres) with work underway to provide an additional 185,000 cubic meters over the next year. Airspace usage is currently approximately 150,000 cubic metres (2024: 150,000 cubic metres) per annum including cover material and an allowance for settlement. The life of stage two, which has been operating for 15 years, is projected to be approximately 23–28 years. Council is monitoring gas, leachate, and water for six closed landfills identified as potential risks.

The cash outflows for the closed landfills at Silverstream stage 1 and Wainuiomata are expected to continue for at least 20 to 30 years. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted at a rate of 5.0% (2024: 5.0%) and an inflation rate of 2.0% (2024: 2.5%).

The provision is independently valued by Rosanna Ede (NZSA) and Colin Downie (FNZSA) of EriksensGlobal Limited and is effective as at 30 June 2025.

## 23. Other liabilities

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Other liabilities – current portion</b>				
Accrued interest expenses	5,546	4,677	5,546	4,677
Third party funds	177	159	177	159
Emission trading liability	472	404	472	404
Miscellaneous current liabilities	231	433	277	469
Income earned in advance	2,756	2,764	3,034	3,053
<b>Total other liabilities</b>	<b>9,182</b>	<b>8,437</b>	<b>9,506</b>	<b>8,762</b>

## 24. Equity

### Accounting policy

Equity is the community's interest in Council and is measured as the difference between total assets less total liabilities. Equity is disaggregated and classified into the following components:

- accumulated funds (comprehensive revenue and expenses)
- Council-created reserves
- restricted reserves
- asset revaluation reserves

Accumulated comprehensive revenue and expenses is Council and Group's accumulated surplus or deficit since the formation of the Council, adjusted for transfers to/from specific reserves.

Reserves represent a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Council-created reserves are established by council. They may be altered without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

Restricted reserves are subject to specific conditions accepted as binding by Council, which may not be revised by Council without reference to the courts or the contributing third party. Transfers from these reserves may be made only for specified purposes or when certain conditions are met.

Asset revaluation reserves relate to the revaluation of property, plant, and equipment to fair value.

### Breakdown of equity and further information

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Accumulated funds</b>				
Balance at beginning of the year	721,205	711,898	733,754	726,576
Deferred tax on revaluations	-	-	-	-
Interest allocated to reserves	(1,409)	(1,272)	(1,409)	(1,272)
Other adjustments	-	-	-	-
Other transfers to reserves	(4,641)	(5,109)	(4,641)	(5,109)
Transfers from reserves	4,021	2,542	4,021	2,542
Net surplus/(deficit) after tax	(13,915)	13,146	(15,411)	11,017
<b>Accumulated funds – balance at end of the year</b>	<b>705,261</b>	<b>721,205</b>	<b>716,314</b>	<b>733,754</b>
<b>Council created reserves</b>				
Balance at beginning of the year	42,979	39,135	42,979	39,135
Transfers to accumulated funds	(4,021)	(2,534)	(4,021)	(2,534)
Transfers from accumulated funds	4,641	5,109	4,641	5,109
Interest earned	1,407	1,269	1,407	1,269
<b>Council created reserves – balance at end of the year</b>	<b>45,006</b>	<b>42,979</b>	<b>45,006</b>	<b>42,979</b>

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Restricted reserves</b>				
Balance at beginning of the year	59	64	59	64
Transfers to accumulated funds	-	(8)	-	(8)
Interest earned	2	3	2	3
<b>Restricted reserves – balance at end of the year</b>	<b>61</b>	<b>59</b>	<b>61</b>	<b>59</b>
<b>Asset revaluation reserve</b>				
Balance at beginning of the year	2,275,284	853,660	2,320,344	898,543
Changes in asset value - revaluation	-	1,421,624	-	1,423,554
Other adjustments	-	-	-	-
Deferred tax on revaluation	-	-	-	(1,753)
<b>Asset revaluation reserve – balance at end of the year</b>	<b>2,275,284</b>	<b>2,275,284</b>	<b>2,320,344</b>	<b>2,320,344</b>
<b>Asset revaluation reserves consist of:</b>				
Operational assets				
– Buildings	73,136	73,136	82,174	82,174
– Site improvements	1,135	1,135	1,513	1,513
– Land	52,285	52,285	94,437	94,437
– Breakwater	1,330	1,330	1,330	1,330
– Public art collections	2,165	2,165	2,165	2,165
– Museum collections	17,145	17,145	17,145	17,145
Infrastructure assets				
– Land	22,652	22,652	16,145	16,145
– Wastewater	551,342	551,342	551,342	551,342
– Stormwater	839,900	839,900	839,899	839,899
– Water	272,219	272,219	272,219	272,219
– Road	300,034	300,034	300,034	300,034
– Seawall	4,288	4,288	4,288	4,288
Restricted assets				
– Land	137,652	137,652	137,652	137,652
<b>Total asset revaluation reserves</b>	<b>2,275,284</b>	<b>2,275,284</b>	<b>2,320,344</b>	<b>2,320,344</b>
<b>Total other reserves</b>	<b>2,320,351</b>	<b>2,318,322</b>	<b>2,365,411</b>	<b>2,363,382</b>
<b>Total equity</b>	<b>3,025,612</b>	<b>3,039,527</b>	<b>3,081,725</b>	<b>3,097,136</b>

Further information on Council-created and restricted reserves can be found in the ‘Other legislative disclosures’ section of this report.

## 25. Financial instruments

### 25A. Financial instruments categories

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	Note	Council		Group	
		2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Financial assets</b>					
<b>Fair value through surplus or deficit</b>					
Borrower notes from Local Government Funding Agency	18.	16,546	11,909	16,546	11,909
Derivative financial instrument assets	12.	324	4,095	324	4,095
<b>Total fair value through surplus or deficit</b>		<b>16,870</b>	<b>16,004</b>	<b>16,870</b>	<b>16,004</b>
<b>Finance assets at amortised costs</b>					
Cash and cash equivalents	10.	31,119	30,456	53,545	40,665
Short term deposits with original maturities greater than three months	18.	-	-	-	-
Debtors and other receivables (excluding GST receivable)	11.	34,828	42,452	32,929	42,512
Other financial assets:					
Loans to related parties	18.	45,700	35,700	-	-
<b>Total finance assets at amortised costs</b>		<b>111,647</b>	<b>108,608</b>	<b>86,474</b>	<b>83,177</b>
<b>Other financial assets</b>					
<b>Fair value through other comprehensive revenue or expenditure</b>					
- NZ Local Government Insurance Company	18.	455	455	455	455
- NZ Local Government Funding Agency	18.	100	100	100	100
<b>Total fair value through other comprehensive revenue or expenditure</b>		<b>555</b>	<b>555</b>	<b>555</b>	<b>555</b>
<b>Total financial assets</b>		<b>129,072</b>	<b>215,167</b>	<b>103,899</b>	<b>99,736</b>
<b>Financial liabilities</b>					
<b>Fair value through surplus or deficit</b>					
Derivative financial instrument liabilities	12.	1,589	84	1,589	84
<b>Total fair value through surplus or deficit</b>		<b>1,589</b>	<b>84</b>	<b>1,589</b>	<b>84</b>
<b>Financial liabilities at amortised cost</b>					
Trade creditors and other payables	19.	36,355	36,806	36,660	37,296
Income tax payable	9.	-	97	-	97
Borrowings:					
- secured loans	20.	571,700	510,700	571,700	510,700
<b>Total financial liabilities at amortised cost</b>		<b>608,055</b>	<b>547,603</b>	<b>608,360</b>	<b>548,093</b>
<b>Total financial liabilities</b>		<b>609,644</b>	<b>547,687</b>	<b>609,949</b>	<b>548,177</b>

## 25B. Financial instruments categories

For those instruments recognised at fair value on the statement of financial position, fair values are determined according to the following hierarchy:

- quoted market price (level 1) – Financial instruments with quoted prices for identified instruments in active markets.
- valuation technique using observable inputs (level 2) – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued where all significant inputs are observable.
- valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value on the statement of financial position.

	2025				2024			
	Valuation Technique			Total \$000	Valuation Technique			Total \$000
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
	Quoted market price \$000	Observable inputs \$000	Significant non-observable inputs \$000		Quoted market price \$000	Observable inputs \$000	Significant non-observable inputs \$000	
<b>Council and Group</b>								
<b>Financial assets</b>								
Derivatives	-	324	-	324	-	4,095	-	4,095
Borrower notes	-	16,546	-	16,546	-	11,909	-	11,909
Shares	-	-	555	555	-	-	555	555
<b>Financial liabilities</b>								
Derivatives	-	1,589	-	1,589	-	84	-	84

There were no transfers between the different levels of the fair value hierarchy.

### Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements:

	2025 \$000	2024 \$000
Balance at 1 July	555	555
Gain and losses recognised in the surplus or deficit	-	212
Purchases	-	5,250
Sales	-	(1,480)
Transfers out of level 3	-	(3,982)
<b>Balance at 30 June</b>	<b>555</b>	<b>555</b>

Changing a valuation assumption to a reasonable possible alternative assumption would not significantly change fair value.

## 25C. Financial instruments risks

Council's and group activities expose them to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. Council and group have a series of policies to manage the risks associated with financial instruments and seek to minimise exposure from its treasury activities. Council has established council-approved liability management and investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

### Market risk

#### *Price risk*

Price risk is the risk the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Council is exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through equity. This price risk arises due to market movements in listed securities. The price risk is managed by diversification of council's investment portfolio in accordance with the limits set out in council's Investment Policy.

#### *Currency risk*

Currency risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate due to changes in foreign exchange rates. As at 30 June council does not have any foreign currency risk (2024: \$nil).

#### *Fair value interest rate risk*

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings and investments issued at fixed rates expose Council to fair value interest rate risk. Council's Treasury Risk Management Policy outlines the level of borrowing that is to be secured using fixed interest rate instruments.

#### *Cash flow interest rate risk*

Cash flow interest rate risk is the risk that the cash flows of a financial instrument will fluctuate because of changes in market interest rates. Borrowing and investments issued at variable interest rates expose council to cash flow interest rate risk. Generally, council raises long-term borrowings at floating rates and swaps them into fixed rates using interest rate swaps in order to manage the cash flow interest rate risk. Such interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates that are generally lower than those available if council borrowed at fixed rates directly. Under the interest rate swaps, Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. The proportion of gross borrowing at a fixed interest rate for the year ended is 49% (2024: 64%)

### Credit risk

Credit risk is the risk that a third party will default on its obligation to council, causing council to incur a loss. Due to the timing of its cash flows and outflows, council at times invests surplus cash into bank and term deposits which gives rise to credit risk. Council investment policy limits the amount of credit exposure to any one financial institution or organisation. The group only invest funds with entities that have a Standard and Poor's credit rating of at least A-1 for short term and A for long-term investments. Council has no collateral or other credit enhancements for financial instruments that give rise to credit risk. Financial instruments which potentially subject the group to credit risk principally consist of cash and/or cash equivalents, trade and other receivables, other assets, financial guarantees, and interest rate swaps and options.

## The maximum exposure to credit risk:

	Note	Council		Group	
		2025 \$000	2024 \$000	2025 \$000	2024 \$000
Cash, cash equivalents, and term deposits	10.	31,119	30,456	53,545	40,665
Debtors and other receivables (excluding GST receivable)	11.	34,828	24,452	32,929	42,512
Other assets	18.	455	455	455	455
Loans to related parties	18.	45,700	35,700	-	-
Derivative financial instrument assets (interest rate swaps and options)	12.	324	4,095	324	4,095
<b>Total credit risk</b>		<b>112,426</b>	<b>113,158</b>	<b>87,253</b>	<b>87,253</b>

Council is exposed to credit risk as a guarantor of all of the LGFA's borrowings. Information about this exposure is explained in note 28.

### Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<b>Counterparties with credit ratings</b>				
<b>Cash at bank and term deposits</b>				
AA-	31,119	30,456	53,545	40,665
<b>Total cash at bank and term deposits</b>	<b>31,119</b>	<b>30,456</b>	<b>53,545</b>	<b>40,665</b>
<b>Derivative financial instrument assets</b>				
AA -	324	4,095	324	4,095
<b>Total derivative financial instrument assets</b>	<b>324</b>	<b>4,095</b>	<b>324</b>	<b>4,095</b>
<b>Counterparties without credit ratings</b>				
<b>Community and related party loans</b>				
Existing counterparty with no defaults in the past	45,700	35,700	-	-
<b>Total community, development, and related party loans</b>	<b>45,700</b>	<b>35,700</b>	<b>-</b>	<b>-</b>

Loans to related parties in the contractual maturity analysis contractual cash flows do not reflect the current year. \$45.7 million is non-current (2024: \$35.7 million non-current).

Debtors and other receivables mainly arise from council's statutory functions. Therefore there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. Council has no significant concentrations of credit risk in relation to debtors and other receivables, as it has a large number of credit customers, mainly ratepayers, and council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

## Liquidity risk

### Management of liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping committed credit lines available. Council manages its borrowings in accordance with its funding and financial policies. These policies have been adopted as part of the council's long term and annual plans. Council has a policy to maintain the overdraft facility to below \$250,000 at any one time, and has undrawn credit facilities totalling \$60 million (2024: \$60 million).

### Contractual maturity analysis of financial liabilities

The table below analyses council's financial liabilities into the relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are contractual undiscounted cash flows.

	Carrying amount	Contractual cash flows	Less than 1 year	Between 1–3 years	Between 3–5 years	Greater than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Council 2025</b>						
Trade and other payables	1,474	1,474	1,474	-	-	-
Net settled derivative liabilities	1,589	1,589	78	632	592	287
Secured loans	571,700	599,205	83,849	173,672	220,103	121,581
<b>Total</b>	<b>574,763</b>	<b>602,268</b>	<b>85,401</b>	<b>174,304</b>	<b>220,695</b>	<b>121,868</b>
<b>Group 2025</b>						
Trade and other payables	1,474	1,474	1,474	-	-	-
Net settled derivative liabilities	1,589	1,589	78	632	592	287
Secured loans	571,700	599,205	83,849	173,672	220,103	121,581
<b>Total</b>	<b>574,763</b>	<b>602,268</b>	<b>85,401</b>	<b>174,304</b>	<b>220,695</b>	<b>121,868</b>
<b>Council 2024</b>						
Trade and other payables	2,397	2,397	2,397	-	-	-
Net settled derivative liabilities	84	84	-	5	29	50
Income tax payable	97	97	97	-	-	-
Secured loans	510,700	531,837	41,656	151,730	145,794	192,657
<b>Total</b>	<b>513,278</b>	<b>534,415</b>	<b>44,150</b>	<b>151,735</b>	<b>145,823</b>	<b>192,707</b>
<b>Group 2024</b>						
Trade and other payables	2,397	2,397	2,397	-	-	-
Net settled derivative liabilities	84	84	-	5	29	50
Income tax payable	97	97	97	-	-	-
Secured loans	510,700	531,837	41,656	151,730	145,794	192,657
<b>Total</b>	<b>513,278</b>	<b>534,415</b>	<b>44,150</b>	<b>151,735</b>	<b>145,823</b>	<b>192,707</b>

Council is exposed to liquidity risk as a guarantor of all of the LGFA borrowings. This guarantee becomes callable in the event of the LGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in note 30.

### Contractual maturity analysis of financial assets

The table below analyses council's financial assets into the relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

	Carrying amount	Contractual cash flows	Less than 1 year	Between 1–3 years	Between 3–5 years	Greater than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Council 2025</b>						
Cash and cash equivalents	31,119	31,119	31,119	-	-	-
Debtors and other receivables (excluding GST receivable)	34,828	34,828	34,828	-	-	-
Net settled derivative assets	324	324	-	65	84	175
<b>Other financial assets:</b>						
- loans to related parties	45,700	45,700	-	45,700	-	-
<b>Total</b>	<b>111,971</b>	<b>111,971</b>	<b>65,947</b>	<b>45,765</b>	<b>84</b>	<b>175</b>
<b>Group 2025</b>						
Cash and cash equivalents	53,545	53,545	53,545	-	-	-
Debtors and other receivables (excluding GST receivable)	32,929	32,929	32,929	-	-	-
Net settled derivative assets	324	4,095	-	65	84	175
<b>Total</b>	<b>86,798</b>	<b>86,798</b>	<b>86,474</b>	<b>65</b>	<b>84</b>	<b>175</b>
<b>Council 2024</b>						
Cash and cash equivalents	30,456	30,456	30,456	-	-	-
Debtors and other receivables (excluding GST receivable)	42,452	42,452	42,452	-	-	-
Net settled derivative assets	4,095	4,095	3	1,359	835	1,898
<b>Other financial assets:</b>						
- loans to related parties	35,700	35,700	-	35,700	-	-
<b>Total</b>	<b>112,703</b>	<b>112,703</b>	<b>72,911</b>	<b>37,059</b>	<b>835</b>	<b>1,898</b>
<b>Group 2024</b>						
Cash and cash equivalents	40,665	40,665	40,665	-	-	-
Debtors and other receivables (excluding GST receivable)	32,929	32,929	32,929	-	-	-
Net settled derivative assets	4,095	4,095	3	1,359	835	1,898
<b>Total</b>	<b>77,689</b>	<b>77,689</b>	<b>73,597</b>	<b>1,359</b>	<b>835</b>	<b>1,898</b>

## Sensitivity analysis

The tables below illustrate the potential surplus and deficit and equity (excluding accumulated funds) for reasonably possible market movements, with all other variables held constant, based on Council's financial instrument exposure at balance date.

	2025				2024			
	Interest rate risk				Interest rate risk			
	-100bps		+100bps		-100bps		+100bps	
	Surplus \$000	Other equity \$000	Surplus \$000	Other equity \$000	Surplus \$000	Other equity \$000	Surplus \$000	Other equity \$000
<b>Council and Group</b>								
<b>Financial assets</b>								
Derivatives held for trading	(1,310)	-	1,229	-	(4,073)	-	526	-
<b>Financial liabilities</b>								
Derivatives held for trading	(4,007)	-	3,806	-	(550)	-	3,862	-
Borrowing:								
– Term loans	2,900	-	(2,900)	-	1,850	-	(1,850)	-
<b>Total sensitivity to interest rate risk</b>	<b>(2,417)</b>	<b>-</b>	<b>2,135</b>	<b>-</b>	<b>(2,773)</b>	<b>-</b>	<b>2,538</b>	<b>-</b>

No equity instruments are held. No foreign exchange instruments are held.

### Short-term loans

Council has short term floating rate debt with a principal amount totalling \$nil (2024: \$nil). A movement in interest rates of plus or minus 1% has an effect on interest expense of \$nil (2024: \$nil).

### Term loans

Council has term floating rate debt with a principal amount totalling \$290 million (2024: \$185 million). A movement in interest rates of plus or minus 1% has an effect on interest expense of \$2.90 million (2024: \$1.85 million). A movement in market interest rates on fixed rate debt \$282 million (2024: \$325 million) does not have any impact because secured loans are accounted for at amortised value using the effective interest method.

## 26. Related party transactions

Council is the ultimate parent of the Group and controls the following entities, being Urban Plus Limited (and their group), Seaview Marina Limited, and has significant influence over Wellington Water Limited as an associate.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect Council and Group would have adopted in dealing with the party at arms length in the same circumstances.

Related party disclosures have been made for transactions with entities within the Council Group (such as funding and financing flows) where the transactions are consistent with the normal operating relationship between the entities and normal terms and conditions for such group transactions they include:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Urban Plus Group				
– Receipt for support costs	184	180	-	-
– Receipt for interest	2,629	2,085	-	-
– Receipt for rates	331	284	-	-
– Receipt for water charges	3	3	-	-
Seaview Marina Limited				
– Revenue from support costs	125	121	-	-
– Receipt for interest	171	171	-	-
– Receipt for rates	144	132	-	-
– Receipt for water charges	31	28	-	-
– Receipt for dividends	100	200	-	-
– Receipts for lease charges	127	124	-	-
<b>Total transactions with related parties within the council group</b>	<b>3,845</b>	<b>3,328</b>	<b>-</b>	<b>-</b>

The following balances are outstanding at the end of the reporting period in relation to transactions with entities within the Council Group:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Urban Plus Group				
– Current account receivable	2,407	443	-	-
– Non-current loans to UPL	43,000	33,000	-	-
Seaview Marina Limited				
– Current account receivable / (payable)	(34)	3	-	-
– Non-current loans to SML	2,700	2,700	-	-
<b>Total outstanding balances with related parties within the Council Group</b>	<b>48,072</b>	<b>36,146</b>	<b>-</b>	<b>-</b>

For detailed information on related party transactions with key personnel and elected members, please refer to note 7 and 8.

## 27. Capital commitments and operating leases

### Capital commitments

Commitments for capital expenditure contracted, but not provided for:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Property, plant, and equipment				
– 3 water networks	15,689	13,682	15,689	13,682
– Roothing network	5,378	-	5,378	-
– Buildings	6,252	8,654	6,252	8,654
– Other	2,247	205	2,247	205
<b>Total capital commitments</b>	<b>29,566</b>	<b>22,541</b>	<b>29,566</b>	<b>22,541</b>

Capital commitments represent capital expenditure contracted for at balance date but no yet incurred.

### Operating leases as lessee

Council leases property, plant, and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months. The future aggregate minimum leases payments payable under non-cancellable leases are as follows:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Not later than one year	230	-	240	39
Later than one year and not later than five years	760	-	760	9
Later than five years	334	-	334	-
<b>Total non-cancellable operating leases</b>	<b>1,324</b>	<b>-</b>	<b>1,334</b>	<b>48</b>

The total minimum future sublease payments expected to be received under non-cancellable subleases at balance date is \$nil (2024: \$nil).

Leases can be renewed at council's option, with rents set by reference to current market rates for items of equivalent age and condition. Council does not have the option to purchase the asset at the end of the lease term.

There are no restrictions placed on Council by any of the leasing arrangements.

## Operating leases as lessor

Council leases property under operating leases. The majority of these leases have a non-cancellable term of 36 months, with the exception of housing leases that have a non-cancellable term of 22 working days. The future aggregate minimum leases payments payable under non-cancellable leases are as follows:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Not later than one year	615	567	903	838
Later than one year and not later than five years	1,640	3,316	2,002	4,111
Later than five years	1,202	-	1,202	764
<b>Total operating leases as lessor</b>	<b>3,457</b>	<b>3,883</b>	<b>4,107</b>	<b>5,713</b>

No contingent rents have been recognised in the statement of comprehensive revenue and expenses during the period.

## 28. Contingencies

### Legal proceedings and other disputes

No information has been disclosed as any disclosure may seriously prejudice the outcome.

### Unquantified claims

Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ("Riskpool"). The scheme is in run-off; however Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. This likelihood of any call in respect of historical claims diminishes with each year as limitation periods expire. However, as a result of the Supreme Court decision on August 2023 in Napier City Council v Local Government Mutual Funds Trustee Limited, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weathertight defects (in a mixed claim involving both weathertight and non-weathertight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

### Associate's contingent liabilities

There are no material contingent liabilities associated with the Wellington Water Limited (associate) (2024: \$nil).

## New Zealand Local Government Funding Agency (LGFA)

Council is a guarantor of LGFA. LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a credit rating from Standard & Poor's of AAA.

Council is one of 30 local authority shareholders (with the NZ government being the other major shareholder) and 42 additional local authority guarantors of LGFA. LGFA has uncalled capital of \$20 million of which Council's share is \$100k. When aggregated with the uncalled capital of other shareholders, \$20 million is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, Council is a guarantor of all of LGFA's borrowings. At 30 June 2025 LGFA had borrowings totalling \$26.34 billion (2024: \$23.84 billion).

Financial reporting standards require Council to recognise the guarantee liability at fair value. However, Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. Council considers the risk of LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- it is not aware of any local authority debt default events in NZ; and
- local authority legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required

## Contingent assets

Council operates a system whereby community services and sports clubs are able to construct facilities (e.g. club rooms) on reserve land. The community services and clubs control the use of these facilities and Council will only gain control of the asset if the community service/club vacates the facility, no other organisation is willing to purchase the facility and it is not removed (per the lease agreement). Until these events occur these assets are not recognised as assets in the statement of financial position.

## 29. Major budget variations

Explanations for major variations from council's budgeted figures in the 10 Year Plan 2024-2034 are as follows:

The statement of comprehensive revenue and expenses discloses the financial performance of Council and Group for the financial year ended 30 June 2025. The statement shows the operating revenue and expenditure as well as other transactions that have impacted on the council's and group's wealth. The following are the significant variances:

- fees, charges, and metered rates for water supply is \$6.4 million below budget mainly due to activity volumes being lower than anticipated across a range of areas.
- subsidies and grants is \$36.2 million below budget reflecting the unavoidable delays and deferrals of capital projects resulting in lower related subsidy and grant revenue
- other expenses is \$17.9 million below budget largely due to delays to initiatives such as Go Digital programme, development stimulus, District Plan, and community grants funding
- loss on revaluation of financial instruments is \$5.3 million. Movements are not budgeted for and reflects the changes in interest rates
- depreciation and amortisation expenses is \$22.3 million above budget due to the higher than expected increase values on three water assets held as at 31 May 2024, resulting in additional depreciation charges
- the above have contributed to net deficit after tax of \$13.9 million compared to a budget surplus after tax of \$34.4 million

The statement of financial position (that is, what Council owns and owes) is as at 30 June 2025. The following are significant variances in the statement of financial position:

- cash and cash equivalents (including budgeted overdraft) is \$16.0M above budget. Refer to cash flow explanations
- debtors and other receivables is \$15.4 million higher than budget mainly due to increase level of rate debtors due at year end
- prepayments is \$7.0 million above budget. This relates to payments made to Wellington Water Limited for the July 2025 project and operational costs
- property, plant, and equipment is \$1.176 billion above budget - due largely to the revaluation of three water assets as at 31 May 2024

- assets under construction is \$45.6 million below budget - due to Council approval to defer capital projects experiencing unavoidable delays
- derivative financial instruments is \$5.3 million below budget - due to movements in interest rates impacting on mark to market revaluation
- borrowings is \$45.4 million below budget mainly due to Council decision to unavoidable delays and/or deferral of capital projects
- creditors and other payables are \$9.7 million above budget. This is due to timing of payments to suppliers for operational and capital expenditure (asset under construction)
- the accumulation of the above results in net assets and Equity being \$1.19 billion above budgeted level

The following are significant variances in the statement of cash flows:

- cash outflow from operations is \$6.1 million below budget relates to lower level of payment to suppliers than expected in the budget
- cash outflow from Investing is \$61.4 million below budget relates mainly to unavoidable delays and deferrals of capital projects as noted above
- cash inflow from financing \$51.5 million below budget relates to lower borrowing level to fund the capital project programme as noted above

Detailed explanations for further budget variations are shown at the end of the financial performance statement for each activity.

### 30. Capital management

Council's capital is its equity (or ratepayers' funds), which comprise accumulated funds and reserves. Equity is represented by net assets.

The LGA requires Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are managed largely as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the LGA and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The LGA requires the Council to make adequate and effective provision in its Long Term Plan (LTP) and Annual Plan (where applicable) to meet the expenditure needs identified in those plans. And the LGA sets out the factors that Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in council's LTP.

Council has the following council created reserves:

- reserves for different areas of benefit
- trust and bequest reserves

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves. Interest is added to these reserves where applicable and deductions are made where funds have been used for the purpose they were intended.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

### 31. Events after the balance date

#### Three Waters Reform/ Local Water Done Well

In December 2023, the New Zealand Government announced a new direction for water services (drinking water, wastewater, and stormwater services) policy and legislation which it has called Local Water Done Well. This is being implemented in three stages:

- stage 1 – repealing the previous affordable water reforms (completed in February 2024);
- stage 2 – enacting the Local Government (Water Services Preliminary Arrangements) Act 2024 (the Preliminary Arrangements Act) which received Royal Assent on 2 September 2024; and
- stage 3 – establishing enduring settings through the Local Government (Water Services) Act and Local Government (Water Services) (Repeals and Amendments) Act, which received Royal Assent on 26 August 2025.

The Preliminary Arrangements Act requires the Council to submit a Water Services Delivery Plan (WSDP) to the Secretary of Local Government, by 3 September 2025. In broad terms, a WSDP must identify the current state of the Council's water services and show how the Council will deliver those services in a way that:

- meets relevant regulatory quality standards for stormwater, wastewater, and water supply networks
- is financially sustainable
- ensures compliance with drinking water quality standards
- supports the council's housing growth and urban development objectives

Wellington City Council, Hutt City Council, Porirua City Council, Upper Hutt City Council and Greater Wellington Regional Council have developed a joint plan for delivering water services to metropolitan Wellington residents and businesses through a new organisation with new funding and governance arrangements. The Metropolitan Wellington Water Services Delivery Plan has been approved by the five councils in August 2025 and was submitted to the Government prior to the deadline of September 2025. The Secretary for Local Government (SLG) accepted the Council's water services delivery plan on the 3 October 2025.

The plan is based on establishing a new multi-council-owned water organisation in partnership with Mana Whenua Iwi Ngāti Toa Rangitira and Taranaki Whānui ki Te Upoko o Te Ika. The new organisation, with the interim name Metro Water, is expected to take over from Wellington Water Limited on 1 July 2026. Councils' drinking water, wastewater, and

stormwater operations, and related assets and liabilities are anticipated to transfer to Metro Water from this date.

The rights and responsibilities of shareholding councils and Mana Whenua partners will be documented in Metro Water's Constitution and Partners' Agreement. These documents are expected to be finalised and presented to councils for ratification in late 2025.

Since the agreement to transfer water services, related assets and liabilities is yet to be finalised, there is uncertainty over the impact on future financial statements. However, the more significant impacts are expected to include:

- a transfer between revaluation reserves and retained earnings will result from the derecognition of water assets
- recognition of the Council's investment in Metro Water and derecognition of the Council's existing investment in Wellington Water Limited
- disclosure of discontinued water operations in the 2026-27 reporting period. Due to the nature of the transfer, water infrastructure assets are not expected to be classified as non-current assets held for sale since their carrying value will not be principally recovered through a sale transaction
- a reduction in rates revenue and a similar level of cost savings

The Council has also considered the impact of the expected transfer on the going concern basis of preparation. While there will be a significant decrease in the future revenue stream of the Council (since approximately 40% of current rates revenue relates to water services which will form part of Metro Water after the transfer), this will be offset by an approximately equivalent saving in the associated costs of providing water services. The Council therefore considers the going concern basis of preparation to still be appropriate.

There have been no other significant events occurring after balance date.



# Other legislative disclosures

## Local Government Act 2002 – Financial disclosures

The Local Government Act 2002 sets out a number of disclosure requirements for councils over and above the generally accepted accounting practices (GAAP) information. New disclosures were added in legislative changes and additions to the Local Government (Financial Reporting and Prudence) Regulations 2014.

Insurance of assets		30 June 2025		30 June 2024	
Asset type	Policy class	Total declared value	Maximum limit of liability	Total declared value	Maximum limit of liability
Buildings, plant, and equipment, and above ground infrastructure property (land, roading assets, and bridges are not insured)	Material damage	\$536,928,700	Natural catastrophe: \$700 million any one loss or series of losses arising out of any one event and in annual aggregate for all four Councils. All other losses: \$700 million any one loss or series of losses arising out of any one event for all four Councils.	\$460,664,300	Natural catastrophe: \$600 million any one loss or series of losses arising out of any one event and in annual aggregate for all four Councils. All other losses: \$600 million any one loss or series of losses arising out of any one event for all four Councils.
Underground infrastructure assets	Material damage – natural catastrophe only	\$6,346,795,000	Natural catastrophe: \$800 million each and every loss or series of losses arising out of any one event for all four Councils.	\$1,736,088,783	Natural catastrophe: \$600 million each and every loss or series of losses arising out of any one event for all four Councils and limited to a \$350 million sublimit for HCC.
Residential property	Material damage	\$6,560,500	Natural catastrophe: First \$300,000 per unit to be recovered from the Earthquake Commission. Any remaining top up required per unit to a maximum of \$3,530,500 for 14 units. All other losses e.g. fire: Replacement value per unit to a maximum of \$6,560,500 for 14 units.	\$8,011,475	Natural catastrophe: First \$300,000 per unit to be recovered from the Earthquake Commission. Any remaining top up required per unit to a maximum of \$8,011,475 for 13 units. All other losses e.g. fire: Replacement value per unit to a maximum of \$8,011,475 for 13 units.
Motor vehicle	Comprehensive motor vehicle	\$4,273,796	Market value of the insured vehicle or any agreed value as specified in the schedule of motor vehicles. Third party liability – limit any one accident \$20 million.	\$3,948,326	Market value of the insured vehicle or any agreed value as specified in the schedule of motor vehicles. Third party liability – limit any one accident \$20 million.
Fine arts	Material damage	Gallery collection: \$38,045,693 Exhibitions and Temporary Loans incoming and outgoing: \$2,000,000	Limit and loss: gallery collection: \$22,215,085 exhibitions and temporary loans, incoming and outgoing: \$1,500,000 transit: \$750,000	Gallery collection: \$27,201,166 exhibitions and temporary loans incoming and outgoing: \$2,000,000	Limit and loss: gallery collection: \$17,229,295 exhibitions and temporary loans, incoming and outgoing: \$1,500,000 transit: \$750,000

With the exception of roading assets, Council does not hold asset that are self-insured, nor does it hold reserves for the purpose of self-insurance. In the financial strategy, the net debt to revenue ratio is set at a limit of 250%, which is within the Local Government Funding Agency debt covenants limits of 280%. The Council has set a limit lower at 250% as it considers it essential to maintain headroom and the ability to fund the impacts of significant natural disasters should they occur, such as extreme weather events or earthquakes.

In addition to Council's insurance, in the event of natural disaster, there is a conservative level of assumed allocation of Crown funded rebuild capacity; whereby central government would contribute 60% towards the rebuild or repair of essential Council owned below ground infrastructure (drainage, water, and waste assets) subject to eligibility considerations. Also, NZTA, will be assumed to contribute approximately 55% towards the restoration of qualifying roading assets.

## Rating base information

The Local Government Act (Amendment No. 3) includes a clause 30A in Section 10 to provide the information at the end of the proceeding financial year.

Rating system	30 June 2024 Capital	30 June 2023 Capital
Rateable units	42916	42351
Capital value of rating units	\$41,568,711,700	\$41,157,417,200
Total land value of rating units	\$25,593,824,200	\$25,511,582,200
Average rates per residential ratepayer	\$3,480	\$3,181

The rating database as at 30 June 2024 is used to determine the rates revenue for the 2024–25 year. There was a citywide revaluation in 2022. This information is verified by Quotable Value Limited.

## Information on reserve funds

Reserves are held to ensure that funds received for a particular purpose are used for that purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surplus held in reserves are credited with interest. Council holds 14 reserves; four are restricted reserves. Restricted reserves are reserves that have rules set by legal obligation that restrict the use that Council may put the funds towards. The remaining council-created reserves are discretionary reserves that Council has established for the fair and transparent use of monies. Reserves are not separately held in cash and the funds are managed as part of Council's treasury management.

The table below contains a list of current reserves outlining the purpose for holding each reserve and the council activity to which each reserve relates, together with summary financial balances for this financial year:

	Opening balance	Deposits	Expenditure	Closing balance
	July 2024 \$000	\$000	\$000	June 2025 \$000
<b>Council-created reserves – purpose of the fund</b>				
<i>Reserve purchase and development (parks and reserves activity): To provide for the purchase of land for reserves purposes or the development of existing reserves. The fund is made up of financial contributions from subdivision and revenue from the sale of surplus reserve land. The main purpose of the fund is to provide open space and recreational opportunity to offset the effects of land use intensification.</i>	29,316	5,093	(3,931)	30,478
<i>Election fund (managing services activity): To annually provide for the cost of Council elections and by-elections.</i>	150	-	-	150
<i>Landfills reserve (solid waste activity): To set funds aside for the longer-term replacement of the landfill. This figure has been capped at \$12M.</i>	12,000	-	-	12,000
<i>Waste minimisation reserve: To encourage a reduction in the amount of waste generated and disposed of in New Zealand, and to lessen the environmental harm of waste. This reserve was created in 2009 as a result of the Waste Minimisation Act 2008. Funding is distributed to local authorities by the Ministry for the Environment, and ring-fenced for achieving waste minimisation objectives. Expenditure includes waste minimisation project expenses and grants. The reserve accounts for funding previously received that has not yet been spent.</i>	844	694	-	1,538
<i>Low Carbon Acceleration Fund/reserve: Council has registered some of its forests under the New Zealand Emissions Trading Scheme, and receives emission units as forests grow and sequester carbon. Council established a Low Carbon Acceleration Fund (LCA), to co-fund emission reduction projects, with Council's funding share derived from the sale of emission units. The reserve accounts for funds from the sale of emission units where funds have not yet been paid out to successful LCA Fund recipients.</i>	-	216	(90)	126

	Opening balance	Deposits	Expenditure	Closing balance
	July 2024 \$000	\$000	\$000	June 2025 \$000
<i>Wingate Landfill reserve (parks and reserves activity): To provide for the development and major maintenance of the former landfill areas (top areas) at the end of Page Grove, Wingate, now managed as reserve land and used for various recreational activities.</i>	196	9	-	205
<i>Wingate Park (parks and reserves activity): To provide for the development and major maintenance of the former landfill areas (bottom areas) at the end of Page Grove, Wingate, now managed as reserve land and used for various recreational activities.</i>	190	8	-	198
<i>Ex-Hillary Commission funds (aquatics and recreation): To provide funding for sporting activities. Approval needs to be given by Sport New Zealand.</i>	7	1	-	8
<i>Ex-Hutt City Community Facilites Trust - Fraser Park Turf long-term asset repair and maintenance fund: To provide for the long-term maintenance of the named facility.</i>	75	6	-	81
<i>Ex-Hutt City Community Facilites Trust - Ricoh Sport Centre long-term asset repair and maintenance fund: To provide for the long-term maintenance of the named facility.</i>	14	-	-	14
<i>Ex-Hutt City Community Facilites Trust - Naenae Bowls Centre long-term asset repair and maintenance fund: To provide for the long-term maintenance of the named facility.</i>	187	21	-	208
<b>Totals</b>	<b>42,979</b>	<b>6,048</b>	<b>(4,021)</b>	<b>45,006</b>
<b>Restricted reserves – purpose of the fund</b>				
<i>Taitā Cemetery - JV Bently (parks and reserves activity): The Council is contracted to maintain Plot 32/33, block 7, St James section in perpetuity. The plots contain Issac Young, Eliza Young, and AG Talbut.</i>	3	-	-	3
<i>Lavelle tree bequest (parks and reserves activity): To provide for the planting of trees in and around Lower Hutt on major thoroughfares.</i>	36	1	-	37
<i>ML Talbut Bequest (parks and reserves activity): To provide for the planting and maintenance of reserves.</i>	16	1	-	17
<i>Eastbourne Arts Trust (museums activity): To purchase for the Dowse Collection works of art created by Eastbourne artists, being artists who have or have had a significant association with Eastbourne.</i>	4	-	-	4
<b>Totals</b>	<b>59</b>	<b>2</b>	<b>-</b>	<b>61</b>

## Meeting attendances of elected representatives for the year ended June 2025

Meeting	Council	Policy, finance & strategy	Communities, culture & partnerships	Infrastructure & regulatory	Climate change & sustainability	Audit & risk	Long term plan/annual plan	Hutt valley services
<b>Number of meetings held</b>	<b>20</b>	<b>7</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>7</b>	<b>7</b>	<b>4</b>
C Barry (Mayor)	20	6	6	4	4	5	7	-
G Barratt	17	-	4	1	-	-	6	-
J Briggs	18	-	5	-	5	6	7	-
K Brown	19	6	6	3	5	-	7	-
B Dyer	20	7	-	5	-	-	7	4
S Edwards	20	7	-	5	5	6	7	-
T Lewis (Deputy Mayor)	18	7	6	5	5	-	6	-
A Mitchell	19	7	-	5	5	-	7	-
K Morgan	19	7	6	-	-	7	7	-
C Parkin	20	7	6	-	5	-	7	4
N Shaw	19	-	-	-	5	-	6	4
T Stallinger	20	7	-	5	-	7	7	4
G Tupou	18	-	6	1	-	-	7	-

Meeting	Chief Executive's performance review	Traffic	District plan review	District licensing	Briefings
<b>Number of meetings held</b>	<b>4</b>	<b>6</b>	<b>7</b>	<b>2</b>	<b>42</b>
C Barry (Mayor)	3	-	3	-	34
G Barratt	-	5	-	-	29
J Briggs	4	-	5	-	25
K Brown	-	-	-	-	41
B Dyer	-	6	7	2	42
S Edwards	4	-	7	2	42
T Lewis (Deputy Mayor)	3	-	7	-	38
A Mitchell	-	6	6	-	42
K Morgan	4	-	7	-	35
C Parkin	-	6	-	-	42
N Shaw	-	6	7	-	42
T Stallinger	-	-	-	-	39
G Tupou	-	3	-	-	31

Note: Where no number is shown, the councillor named is not a member of that committee.

## Meeting attendance of elected representatives for the year ended June 2024

Meeting	Council	Policy, finance & strategy	Communities	Infrastructure & regulatory	Climate change & sustainability	Audit & risk	Long term plan/ annual plan	Hutt valley services
<b>Number of meetings held</b>	<b>16</b>	<b>7</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>8</b>	<b>4</b>
C Barry (Mayor)	16	7	4	5	4	3	8	-
G Barratt	13	-	3	2	-	1	8	-
J Briggs	15	-	5	-	4	5	7	-
K Brown	15	7	5	0	3	-	8	-
B Dyer	16	7	-	5	-	-	8	4
S Edwards	15	7	-	5	5	1	8	-
T Lewis (Deputy Mayor)	15	7	4	5	5	-	8	-
A Mitchell	15	6	-	5	5	-	7	-
K Morgan	16	7	5	-	-	6	8	-
C Parkin	16	7	5	-	5	-	8	4
N Shaw	16	-	5	-	5	-	8	2
T Stallinger	16	6	-	3	-	6	8	3
G Tupou	13	-	3	4	-	-	6	-

Meeting	Chief Executive's performance review	Traffic	District plan review	District licensing	Briefings
<b>Number of meetings held</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>42</b>
C Barry (Mayor)	5	-	2	-	26
G Barratt	-	5	-	-	19
J Briggs	5	-	5	-	34
K Brown	-	-	-	-	20
B Dyer	-	5	5	2	39
S Edwards	5	-	5	2	41
T Lewis (Deputy Mayor)	5	-	5	-	40
A Mitchell	-	4	5	-	42
K Morgan	5	-	5	-	39
C Parkin	-	5	-	-	42
N Shaw	-	5	5	-	37
T Stallinger	-	-	-	-	37
G Tupou	-	3	-	-	29

Note: Where no number is shown, the councillor named is not a member of that committee. Cr S Edwards was appointed to the Audit and Risk Subcommittee (replacing Cr Barrett) on 28 May 2024.



Te Ngaengae

PLAZA + EXHIBITION

2017

# Paerewa matawhāiti

## Annual Report disclosure statement - prudence benchmark

The purpose of this section is to disclose the Hutt City Council's financial performance in relation to various benchmarks and assess whether the Council has prudently managed revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include these prudence benchmarks in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

The benchmarks have been prepared for the parent entity and not the group.

Annual report disclosure statement for the year ending 30 June 2025.

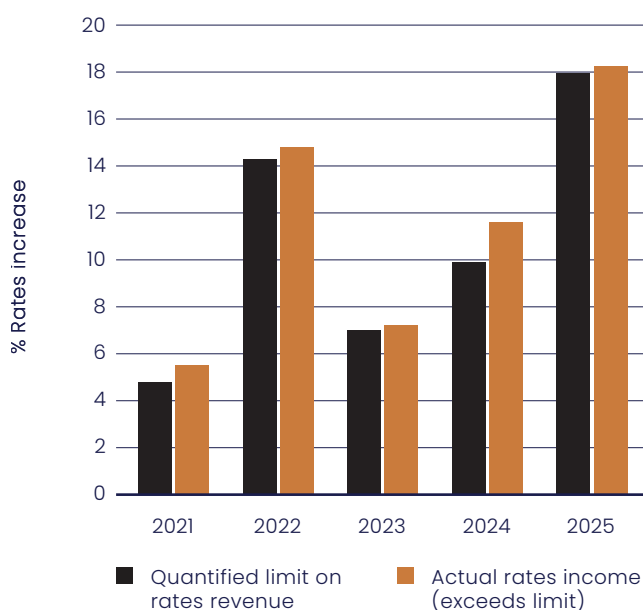
### Rates (income) affordability benchmark

Following an amendment to the Local Government Act 2002 in 2019, Council has not included a quantified limit on rates in the financial strategy for the 10 Year Plan 2024-2034.

### Rates (increase) affordability benchmark

Meets the affordability benchmark if rates increase is within a quantified limit.

The following graph compares the Council's proposed rates income with a quantified limit on rates contained in the Financial Strategy in the 10 Year Plan 2024-2034. The quantified limits is set to enable the achievement of a balanced budget by 2028-29 (based on Council's definition of a balanced operating budget) while maintaining debt headroom at reasonable levels.

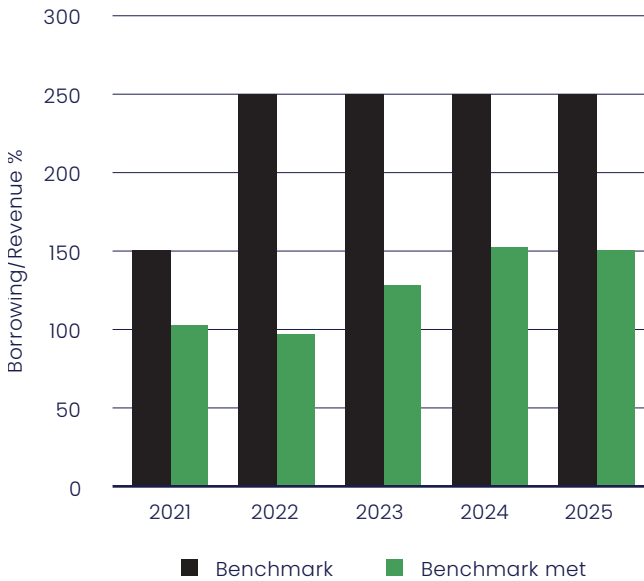


## Debt affordability benchmark

Council meets its affordability benchmarks if borrowing is within each quantified limit on borrowing set in its financial strategy.

### 1: Debt affordability benchmark (debt as percentage of revenue)

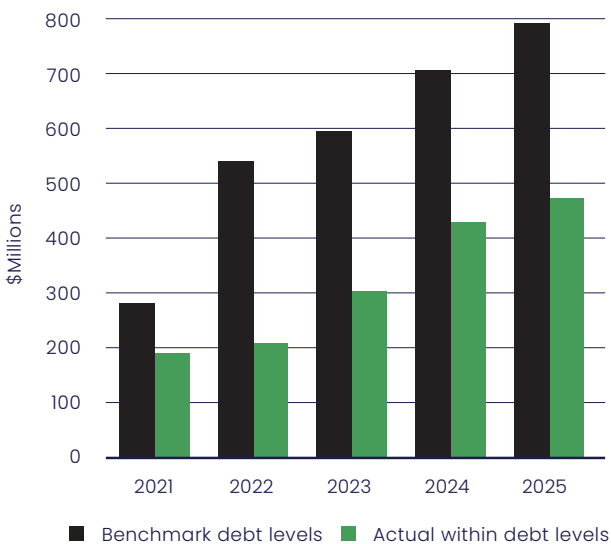
The following graph compares the Council's actual borrowings with a quantified limit on borrowing stated in the Financial Strategy including in the 10 Year Plan. The quantified limit has been increased to 250% as part of the 10 Year Plan 2021-2031. Council has remained within the borrowing limits set in that plan.



### 2: Debt affordability benchmark (planned debt compared to debt limits)

Council meets the debt affordability benchmark if planned borrowing is within each quantified limit on borrowing.

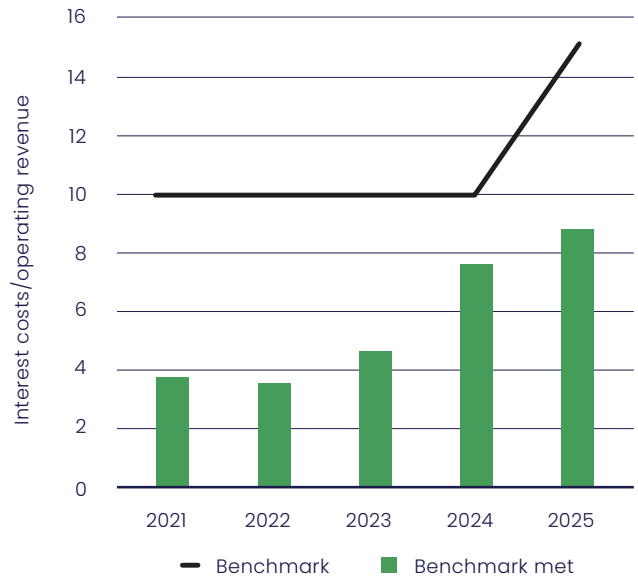
The following graph compares Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the 10 Year Plan 2024-2034.



## Debt servicing benchmark

Council meets the debt servicing benchmark if its borrowing costs for the year equal or are less than 15% of its revenue (previously 10% up to 2024) (excluding development contributions, financial contributions, vested assets, gains on derivate financial instruments, and revaluation of property, plant and equipment).

The following graph displays the council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivate financial instruments, and revaluation of property, plant and equipment). Council's meets the debt servicing benchmark if its borrowing costs equal or are less than 15% of its revenue. Actual borrowing costs as a percentage of revenue are well within the 15% limit.



### Balanced budget benchmark (planned revenue greater than planned expenditure)

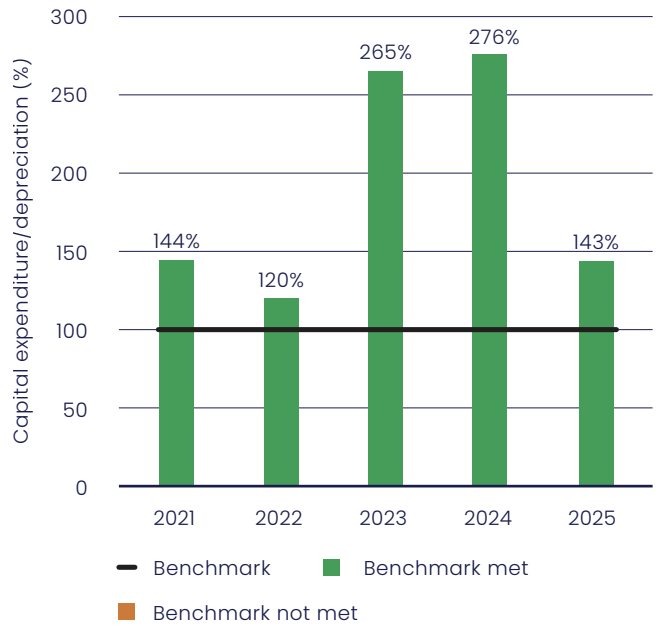
Council meets the balanced budget benchmark for each year if its revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluation on property, plant, or equipment) exceeds its operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

Council meets this benchmark if its revenue equals or is greater than its operating expenses. However, the revenue as defined includes capital sources of funding (central government grants and subsidies) linked to specific capital programmes and projects. Should these capital sources of funding be removed, the benchmark would not be met.



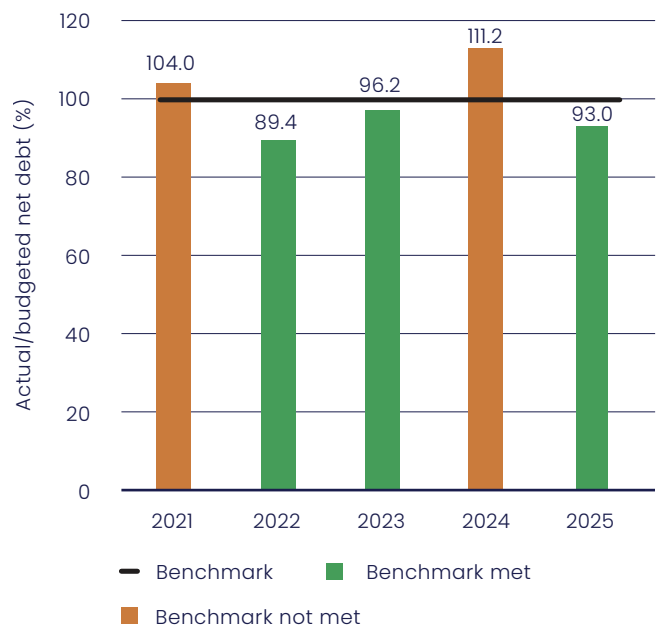
### Essential services benchmark

The following graph displays Council's capital expenditure on network services as a proportion of depreciation on network services. Council's meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



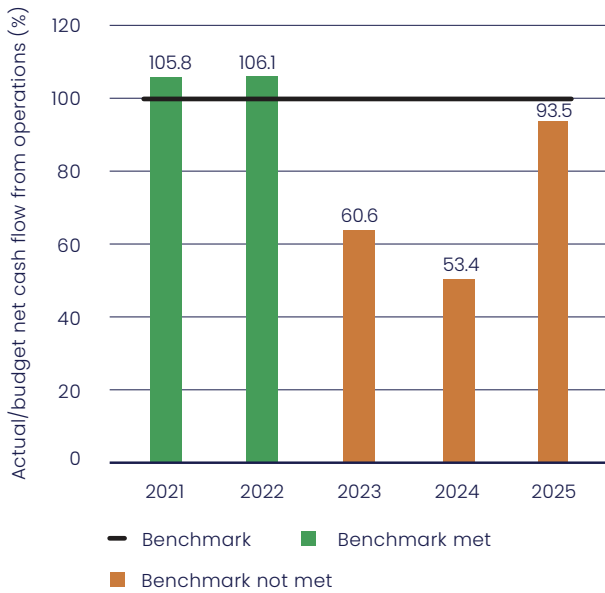
### Debt control benchmark

The following graph displays council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables). Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



## Operations control benchmark

The following graph displays Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations. Council's meets the operational control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



# Tauākī pāpātanga tahua

## Funding impact statements

### Water supply Funding impact statement

For the year ended 30 June	2021–21	Annual Plan	Actual	2024–25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-
Targeted rates	24,927	22,494	22,816	27,894	28,567	673
Subsidies and grants for operating purposes	-	-	72	-	-	-
Fees and charges	3,838	4,716	5,006	6,010	6,828	818
Internal charges and overheads recovered	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>28,765</b>	<b>27,210</b>	<b>27,895</b>	<b>33,904</b>	<b>35,396</b>	<b>1,492</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	21,772	25,726	26,217	34,545	32,800	1,746
Finance costs	831	1,896	2,090	3,641	4,750	(1,109)
Internal charges and overheads applied	612	664	664	588	594	(6)
Other operating funding applications	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>23,215</b>	<b>28,286</b>	<b>28,971</b>	<b>38,774</b>	<b>38,144</b>	<b>630</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>5,550</b>	<b>(1,075)</b>	<b>(1,076)</b>	<b>(4,870)</b>	<b>(2,748)</b>	<b>2,122</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	-	-	-	-	-	-
Development and financial contributions	1,163	1,163	1,837	1,822	1,965	143
Increase (decrease) in debt	4,840	25,685	30,904	25,688	28,010	2,322
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>6,003</b>	<b>26,847</b>	<b>32,741</b>	<b>27,509</b>	<b>29,975</b>	<b>2,465</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	1,305	496	491	106	935	(829)
- to improve level of service	2,111	4,823	5,222	6,429	3,727	2,702
- to replace existing assets	8,137	20,454	25,952	16,105	22,565	(6,460)
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>11,553</b>	<b>25,772</b>	<b>31,665</b>	<b>22,640</b>	<b>27,227</b>	<b>(4,587)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(5,550)</b>	<b>1,075</b>	<b>1,076</b>	<b>4,870</b>	<b>2,748</b>	<b>(2,122)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Wastewater Funding impact statement

For the year ended 30 June	2021–31	Annual Plan	Actual	2024–25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-
Targeted rates	27,554	25,839	26,046	30,542	31,229	686
Subsidies and grants for operating purposes	-	-	-	-	-	-
Fees and charges	1,119	1,207	1,604	1,248	1,766	518
Internal charges and overheads recovered	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2,687	3,234	3,409	3,971	3,983	12
<b>Total operating funding (A)</b>	<b>31,360</b>	<b>30,280</b>	<b>31,058</b>	<b>35,762</b>	<b>36,978</b>	<b>1,216</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	17,288	20,147	18,593	23,014	21,488	1,526
Finance costs	1,642	3,077	3,391	4,689	4,786	(97)
Internal charges and overheads applied	1,067	1,098	1,098	1,098	1,087	12
Other operating funding applications	-	-	(17)	-	-	-
<b>Total applications of operating funding (B)</b>	<b>19,997</b>	<b>24,322</b>	<b>23,065</b>	<b>28,801</b>	<b>27,361</b>	<b>1,441</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>11,363</b>	<b>5,958</b>	<b>7,994</b>	<b>6,960</b>	<b>9,617</b>	<b>2,657</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	5,420	6,788	3,472	9,814	5,774	(4,040)
Development and financial contributions	775	775	2,184	2,144	1,716	(428)
Increase (decrease) in debt	14,639	27,293	24,772	36,358	11,750	(24,608)
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>20,834</b>	<b>34,855</b>	<b>30,428</b>	<b>48,316</b>	<b>19,240</b>	<b>(29,076)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	4,664	7,968	4,392	13,385	675	12,711
- to improve level of service	10,794	6,462	1,957	7,684	4,909	2,775
- to replace existing assets	16,739	26,383	32,074	34,207	23,273	10,934
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>32,197</b>	<b>40,813</b>	<b>38,422</b>	<b>55,276</b>	<b>28,857</b>	<b>26,419</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(11,363)</b>	<b>(5,958)</b>	<b>(7,994)</b>	<b>(6,960)</b>	<b>(9,617)</b>	<b>(2,657)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Stormwater Funding impact statement

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024	2024	2024	2025	2025	
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	7,613	8,971	9,252	11,260	10,796	(465)
Targeted rates	-	-	-	-	-	-
Subsidies and grants for operating purposes	9	9	5	9	5	(5)
Fees and charges	12	12	17	13	7	(6)
Internal charges and overheads recovered	3,042	3,607	3,745	4,281	3,435	(846)
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>10,676</b>	<b>12,599</b>	<b>13,018</b>	<b>15,563</b>	<b>14,242</b>	<b>(1,321)</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	5,025	6,223	6,369	7,863	6,990	873
Finance costs	394	506	558	950	488	462
Internal charges and overheads applied	332	384	384	461	466	(5)
Other operating funding applications	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>5,751</b>	<b>7,113</b>	<b>7,311</b>	<b>9,274</b>	<b>7,944</b>	<b>1,330</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>4,925</b>	<b>5,486</b>	<b>5,707</b>	<b>6,289</b>	<b>6,298</b>	<b>8</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	-	3,010	-	13,099	950	(12,149)
Development and financial contributions	119	119	215	484	230	(254)
Increase (decrease) in debt	(2,064)	1,549	(2,014)	(1,027)	(4,127)	(3,100)
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(1,945)</b>	<b>4,678</b>	<b>(1,799)</b>	<b>12,557</b>	<b>(2,947)</b>	<b>(15,504)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	57	6,199	767	13,905	1,056	12,849
- to improve level of service	198	2,596	362	4,723	493	4,229
- to replace existing assets	2,725	1,369	2,780	218	1,802	(1,583)
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>2,980</b>	<b>10,164</b>	<b>3,908</b>	<b>18,846</b>	<b>3,351</b>	<b>15,495</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(4,925)</b>	<b>(5,486)</b>	<b>(5,707)</b>	<b>(6,289)</b>	<b>(6,298)</b>	<b>(8)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Solid waste Funding impact statement

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-
Targeted rates	10,424	12,204	12,132	13,296	13,319	23
Subsidies and grants for operating purposes	-	-	-	-	-	-
Fees and charges	29,346	30,698	30,912	35,075	29,048	(6,027)
Internal charges and overheads recovered	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	67	30	100	70
<b>Total operating funding (A)</b>	<b>39,770</b>	<b>42,902</b>	<b>43,110</b>	<b>48,401</b>	<b>42,467</b>	<b>(5,934)</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	25,884	28,438	26,852	32,075	27,637	4,438
Finance costs	773	439	685	388	564	(175)
Internal charges and overheads applied	862	958	678	1,024	587	437
Other operating funding applications	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>27,519</b>	<b>29,835</b>	<b>28,215</b>	<b>33,487</b>	<b>28,787</b>	<b>4,700</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>12,251</b>	<b>13,067</b>	<b>14,896</b>	<b>14,914</b>	<b>13,680</b>	<b>(1,235)</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	-	-	-	500	498	(2)
Development and financial contributions	-	-	-	-	-	-
Increase (decrease) in debt	(9,694)	(2,324)	(6,181)	(4,274)	(5,460)	(1,186)
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(9,694)</b>	<b>(2,324)</b>	<b>(6,181)</b>	<b>(3,774)</b>	<b>(4,962)</b>	<b>(1,188)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	-	-	-	-	-	-
- to improve level of service	2,557	10,743	8,715	11,141	8,718	2,423
- to replace existing assets	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>2,557</b>	<b>10,743</b>	<b>8,715</b>	<b>11,141</b>	<b>8,718</b>	<b>2,423</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(12,251)</b>	<b>(13,067)</b>	<b>(14,896)</b>	<b>(14,914)</b>	<b>(13,680)</b>	<b>1,235</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Sustainability & resilience Funding impact statement

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	1,200	1,152	896	2,034	1,551	(482)
Targeted rates	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	1,400	1,772	2,000	2,280	280
Fees and charges	119	118	80	122	65	(57)
Internal charges and overheads recovered	479	463	363	773	493	(280)
Local authorities fuel tax, fines, infringement fees, and other receipts	710	584	555	191	225	34
<b>Total operating funding (A)</b>	<b>2,508</b>	<b>3,717</b>	<b>3,665</b>	<b>5,120</b>	<b>4,614</b>	<b>(506)</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	1,944	3,067	3,077	4,027	3,683	344
Finance costs	18	77	85	187	123	64
Internal charges and overheads applied	531	539	379	794	697	97
Other operating funding applications	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>2,493</b>	<b>3,683</b>	<b>3,541</b>	<b>5,009</b>	<b>4,503</b>	<b>506</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>15</b>	<b>34</b>	<b>124</b>	<b>111</b>	<b>111</b>	<b>-</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	-	255	44	-	-	-
Development and financial contributions	-	-	-	-	-	-
Increase (decrease) in debt	(15)	(289)	(168)	147	(111)	(258)
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(15)</b>	<b>(34)</b>	<b>(124)</b>	<b>147</b>	<b>(111)</b>	<b>(258)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	-	-	-	-	-	-
- to improve level of service	-	-	-	259	-	259
- to replace existing assets	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>259</b>	<b>-</b>	<b>259</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(15)</b>	<b>(34)</b>	<b>(124)</b>	<b>(111)</b>	<b>(111)</b>	<b>-</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Regulatory services Funding impact statement

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	2,882	4,339	7,957	4,995	7,163	2,168
Targeted rates	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-
Fees and charges	7,250	8,697	8,836	11,475	11,810	335
Internal charges and overheads recovered	1,152	1,745	3,220	1,900	2,279	379
Local authorities fuel tax, fines, infringement fees, and other receipts	1,248	1,354	983	2,293	962	(1,332)
<b>Total operating funding (A)</b>	<b>12,532</b>	<b>16,135</b>	<b>20,996</b>	<b>20,664</b>	<b>22,214</b>	<b>1,550</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	8,871	11,910	16,530	15,678	16,788	(1,109)
Finance costs	16	184	203	444	337	107
Internal charges and overheads applied	3,562	3,951	3,952	4,552	5,017	(466)
Other operating funding applications	-	-	23	-	81	(81)
<b>Total applications of operating funding (B)</b>	<b>12,449</b>	<b>16,045</b>	<b>20,707</b>	<b>20,674</b>	<b>22,224</b>	<b>(1,550)</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>83</b>	<b>90</b>	<b>289</b>	<b>(10)</b>	<b>(10)</b>	<b>-</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Increase (decrease) in debt	(83)	(90)	(289)	10	10	-
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(83)</b>	<b>(90)</b>	<b>(289)</b>	<b>10</b>	<b>10</b>	<b>-</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	-	-	-	-	-	-
- to improve level of service	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(83)</b>	<b>(90)</b>	<b>(289)</b>	<b>10</b>	<b>10</b>	<b>-</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Transport Funding impact statement

For the year ended 30 June	2021–31	Annual Plan	Actual	2024–25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	22,407	24,021	23,292	26,891	26,752	(139)
Targeted rates	-	-	-	-	-	-
Subsidies and grants for operating purposes	4,901	4,482	6,372	8,150	6,239	(1,911)
Fees and charges	4,792	5,516	5,761	7,505	7,417	(88)
Internal charges and overheads recovered	8,953	9,658	9,427	10,224	8,511	(1,713)
Local authorities fuel tax, fines, infringement fees, and other receipts	546	557	468	576	450	(126)
<b>Total operating funding (A)</b>	<b>41,599</b>	<b>44,234</b>	<b>45,320</b>	<b>53,345</b>	<b>49,368</b>	<b>(3,977)</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	15,700	19,082	22,296	23,759	21,242	2,517
Finance costs	1,957	1,566	1,726	3,057	1,992	1,065
Internal charges and overheads applied	3,264	4,414	4,855	4,320	3,937	383
Other operating funding applications	-	-	6	-	-	-
<b>Total applications of operating funding (B)</b>	<b>20,921</b>	<b>25,062</b>	<b>28,883</b>	<b>31,136</b>	<b>27,171</b>	<b>3,965</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>20,678</b>	<b>19,172</b>	<b>16,437</b>	<b>22,209</b>	<b>22,198</b>	<b>(12)</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	17,201	39,107	25,808	37,737	23,133	(14,604)
Development and financial contributions	428	428	712	468	897	429
Increase (decrease) in debt	(7,468)	7,753	(1,007)	9,233	2,065	(7,168)
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>10,161</b>	<b>47,288</b>	<b>25,513</b>	<b>47,438</b>	<b>26,095</b>	<b>(21,343)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	2,031	1,226	676	4,368	171	4,197
- to improve level of service	19,982	54,962	31,999	51,049	35,281	15,768
- to replace existing assets	8,826	10,272	9,275	14,230	12,841	1,389
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>30,839</b>	<b>66,460</b>	<b>41,950</b>	<b>69,647</b>	<b>48,293</b>	<b>21,354</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(20,678)</b>	<b>(19,172)</b>	<b>(16,437)</b>	<b>(22,209)</b>	<b>(22,198)</b>	<b>12</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## City development Funding impact statement

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	7,121	10,824	7,797	10,919	8,441	(2,478)
Targeted rates	154	154	158	171	165	(7)
Subsidies and grants for operating purposes	-	-	-	-	-	-
Fees and charges	86	84	91	87	80	(7)
Internal charges and overheads recovered	2,846	4,351	3,156	4,151	2,686	(1,465)
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	111	-	304	304
<b>Total operating funding (A)</b>	<b>10,207</b>	<b>15,413</b>	<b>11,313</b>	<b>15,328</b>	<b>11,676</b>	<b>(3,653)</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	6,901	11,039	6,727	9,334	6,162	3,172
Finance costs	1,188	2,053	2,263	3,131	2,800	331
Internal charges and overheads applied	2,118	2,309	2,319	2,870	2,713	157
Other operating funding applications	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>10,207</b>	<b>15,401</b>	<b>11,309</b>	<b>15,335</b>	<b>11,676</b>	<b>3,659</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>-</b>	<b>12</b>	<b>4</b>	<b>(7)</b>	<b>-</b>	<b>7</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	9,898	5,977	1,256	12,231	-	(12,231)
Development and financial contributions	-	-	-	-	-	-
Increase (decrease) in debt	34,053	24,585	14,952	18,705	3,484	(15,221)
Gross proceeds from sale of assets	-	-	-	1,073	-	(1,073)
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>43,951</b>	<b>30,562</b>	<b>16,207</b>	<b>32,010</b>	<b>3,484</b>	<b>(28,525)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	-	2,060	23	-	-	-
- to improve level of service	43,951	28,514	16,188	31,946	3,414	28,532
- to replace existing assets	-	-	-	57	70	(13)
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>43,951</b>	<b>30,574</b>	<b>16,211</b>	<b>32,003</b>	<b>3,484</b>	<b>28,519</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>-</b>	<b>(12)</b>	<b>(4)</b>	<b>7</b>	<b>-</b>	<b>(7)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Community partnering & support Funding impact statement

For the year ended 30 June	2021–31	Annual Plan	Actual	2024–25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024	2024	2024	2025	2025	
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	7,539	7,380	7,384	10,557	10,548	(10)
Targeted rates	-	-	-	-	-	-
Subsidies and grants for operating purposes	5	913	1,269	966	913	(53)
Fees and charges	464	461	459	518	519	1
Internal charges and overheads recovered	3,013	2,967	2,989	4,014	3,355	(659)
Local authorities fuel tax, fines, infringement fees, and other receipts	169	107	37	70	40	(30)
<b>Total operating funding (A)</b>	<b>11,190</b>	<b>11,829</b>	<b>12,138</b>	<b>16,125</b>	<b>15,374</b>	<b>(751)</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	7,618	8,337	8,589	8,725	8,693	31
Finance costs	103	247	272	657	380	277
Internal charges and overheads applied	1,632	1,798	1,798	4,744	4,301	443
Other operating funding applications	-	-	8	-	-	-
<b>Total applications of operating funding (B)</b>	<b>9,353</b>	<b>10,382</b>	<b>10,668</b>	<b>14,126</b>	<b>13,374</b>	<b>751</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>1,837</b>	<b>1,447</b>	<b>1,470</b>	<b>2,000</b>	<b>2,000</b>	<b>-</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Increase (decrease) in debt	(628)	(389)	(951)	(1,509)	(1,682)	(173)
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(628)</b>	<b>(389)</b>	<b>(951)</b>	<b>(1,509)</b>	<b>(1,682)</b>	<b>(173)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	-	-	-	-	-	-
- to improve level of service	743	594	99	5	116	(111)
- to replace existing assets	466	464	420	485	201	284
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,209</b>	<b>1,058</b>	<b>519</b>	<b>490</b>	<b>318</b>	<b>173</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(1,837)</b>	<b>(1,447)</b>	<b>(1,470)</b>	<b>(2,000)</b>	<b>(2,000)</b>	<b>-</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Open spaces, parks, & reserves Funding impact statement

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	13,588	14,498	14,035	16,249	16,712	463
Targeted rates	-	-	-	-	-	-
Subsidies and grants for operating purposes	6	6	(4)	6	-	(6)
Fees and charges	1,507	1,553	1,705	1,652	1,665	13
Internal charges and overheads recovered	5,429	5,830	5,680	6,178	5,317	(861)
Local authorities fuel tax, fines, infringement fees, and other receipts	58	108	603	112	10	(102)
<b>Total operating funding (A)</b>	<b>20,588</b>	<b>21,995</b>	<b>22,018</b>	<b>24,197</b>	<b>23,704</b>	<b>(493)</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	12,556	16,523	16,566	17,657	17,241	416
Finance costs	894	669	737	1,730	1,090	640
Internal charges and overheads applied	1,159	1,406	1,406	993	940	52
Other operating funding applications	-	-	-	-	655	(655)
<b>Total applications of operating funding (B)</b>	<b>14,609</b>	<b>18,598</b>	<b>18,710</b>	<b>20,380</b>	<b>19,927</b>	<b>453</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>5,979</b>	<b>3,397</b>	<b>3,309</b>	<b>3,818</b>	<b>3,777</b>	<b>(41)</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	-	100	11	-	14	14
Development and financial contributions	635	2,500	3,849	3,000	3,771	771
Increase (decrease) in debt	6,193	(513)	(1,469)	8,211	99	(8,112)
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>6,828</b>	<b>2,087</b>	<b>2,390</b>	<b>11,211</b>	<b>3,883</b>	<b>(7,328)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	-	1,400	1,358	7,750	4,040	3,710
- to improve level of service	1,090	953	2,235	3,138	1,816	1,322
- to replace existing assets	11,717	3,131	2,106	4,140	1,804	2,336
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>12,807</b>	<b>5,484</b>	<b>5,698</b>	<b>15,029</b>	<b>7,660</b>	<b>7,368</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(5,979)</b>	<b>(3,397)</b>	<b>(3,309)</b>	<b>(3,818)</b>	<b>(3,777)</b>	<b>41</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Connectivity, creativity, learning & recreation Funding impact statement

For the year ended 30 June	2021–31	Annual Plan	Actual	2024–25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	17,677	18,599	19,686	22,768	24,140	1,372
Targeted rates	-	-	-	-	-	-
Subsidies and grants for operating purposes	84	36	21	50	58	8
Fees and charges	4,532	4,080	4,014	5,729	4,313	(1,416)
Internal charges and overheads recovered	7,063	7,478	7,967	8,657	7,680	(977)
Local authorities fuel tax, fines, infringement fees, and other receipts	969	722	860	998	1,019	21
<b>Total operating funding (A)</b>	<b>30,325</b>	<b>30,915</b>	<b>32,548</b>	<b>38,201</b>	<b>37,210</b>	<b>(991)</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	17,564	16,154	17,140	19,496	19,850	(354)
Finance costs	1,372	2,780	3,064	4,761	4,175	586
Internal charges and overheads applied	6,474	7,720	7,720	7,480	6,720	759
Other operating funding applications	-	-	306	-	-	-
<b>Total applications of operating funding (B)</b>	<b>25,410</b>	<b>26,654</b>	<b>28,230</b>	<b>31,736</b>	<b>30,745</b>	<b>991</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>4,915</b>	<b>4,261</b>	<b>4,318</b>	<b>6,465</b>	<b>6,465</b>	<b>-</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	12,100	17,550	8,185	6,750	12,184	5,434
Development and financial contributions	-	-	-	-	-	-
Increase (decrease) in debt	13,459	8,862	13,172	5,121	(3,170)	(8,291)
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>25,559</b>	<b>26,412</b>	<b>21,357</b>	<b>11,871</b>	<b>9,014</b>	<b>(2,857)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	-	-	-	-	-	-
- to improve level of service	28,430	27,213	23,273	9,082	8,910	171
- to replace existing assets	2,044	3,460	2,403	9,254	6,569	2,685
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>30,474</b>	<b>30,673</b>	<b>25,676</b>	<b>18,336</b>	<b>15,479</b>	<b>2,857</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(4,915)</b>	<b>(4,261)</b>	<b>(4,319)</b>	<b>(6,465)</b>	<b>(6,465)</b>	<b>-</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Governance, strategy, and partnerships

### Funding impact statement

For the year ended 30 June	2021–31	Annual Plan	Actual	2024–25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024	2024	2024	2025	2025	
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	5,079	5,136	5,038	6,047	5,785	(262)
Targeted rates	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-
Internal charges and overheads recovered	2,029	2,065	2,039	2,299	1,840	(459)
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>7,108</b>	<b>7,201</b>	<b>7,077</b>	<b>8,346</b>	<b>7,625</b>	<b>(721)</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	3,004	3,117	2,986	3,586	3,196	390
Finance costs	-	-	-	-	-	-
Internal charges and overheads applied	4,104	4,083	4,084	4,754	4,422	332
Other operating funding applications	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>7,108</b>	<b>7,201</b>	<b>7,070</b>	<b>8,340</b>	<b>7,618</b>	<b>722</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>0</b>	<b>7</b>	<b>6</b>	<b>7</b>	<b>1</b>	<b>1</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Increase (decrease) in debt	-	-	(7)	(6)	(7)	(1)
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>-</b>	<b>-</b>	<b>(7)</b>	<b>(6)</b>	<b>(7)</b>	<b>(1)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	-	-	-	-	-	-
- to improve level of service	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>-</b>	<b>-</b>	<b>(7)</b>	<b>(6)</b>	<b>(7)</b>	<b>(1)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Corporate services Funding impact statement

For the year ended 30 June	2021–31	Annual Plan	Actual	2024–25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	1,200	1,200	1,721	1,412	2,102	690
Targeted rates	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	11	422	11	-	(11)
Fees and charges	(31)	236	96	273	(226)	(499)
Internal charges and overheads recovered	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	1,528	3,842	7,070	4,711	7,096	2,385
<b>Total operating funding (A)</b>	<b>2,697</b>	<b>5,289</b>	<b>9,309</b>	<b>6,407</b>	<b>8,972</b>	<b>2,565</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	20,369	25,840	25,511	29,203	25,691	3,512
Finance costs	1,523	3,575	6,590	3,818	6,536	(2,718)
Internal charges and overheads applied	8,289	8,840	9,260	8,800	4,114	4,686
Other operating funding applications	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>30,181</b>	<b>38,255</b>	<b>41,360</b>	<b>41,821</b>	<b>36,342</b>	<b>5,479</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(27,484)</b>	<b>(32,966)</b>	<b>(32,052)</b>	<b>(35,414)</b>	<b>(27,370)</b>	<b>8,044</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Increase (decrease) in debt	31,692	36,512	33,797	39,241	28,943	(10,298)
Gross proceeds from sale of assets	438	436	-	451	-	(451)
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>32,130</b>	<b>36,948</b>	<b>33,797</b>	<b>39,692</b>	<b>28,943</b>	<b>(10,749)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	-	-	-	-	-	-
- to improve level of service	3,296	2,619	1,016	2,856	933	1,923
- to replace existing assets	1,350	1,363	729	1,422	641	782
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>4,646</b>	<b>3,982</b>	<b>1,745</b>	<b>4,278</b>	<b>1,573</b>	<b>2,705</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>27,484</b>	<b>32,966</b>	<b>32,052</b>	<b>35,413</b>	<b>27,370</b>	<b>(8,044)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Council Funding impact statement

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
<b>Sources of operating funding</b>						
General rates, uniform annual general charges, rates penalties	86,305	96,116	97,058	113,132	113,989	857
Targeted rates	63,059	60,696	61,152	71,903	73,280	1,377
Subsidies and grants for operating purposes	5,005	6,856	9,929	11,192	9,494	(1,697)
Fees and charges	53,034	57,378	58,578	69,707	63,292	(6,415)
Internal charges and overheads recovered	-	-	-	-	-	-
Interest & dividends from investments	1,143	3,442	6,603	4,304	6,615	2,311
Local authorities fuel tax, fines, infringement fees, and other receipts	6,772	7,066	7,560	8,649	7,573	(1,076)
<b>Total operating funding (A)</b>	<b>215,319</b>	<b>231,555</b>	<b>240,880</b>	<b>278,887</b>	<b>274,245</b>	<b>(4,642)</b>
<b>Applications of operating funding</b>						
Payments to staff and suppliers	164,496	195,604	197,454	228,960	211,460	17,501
Finance costs	10,711	17,070	21,663	27,453	28,023	(570)
Internal charges and overheads applied	-	-	-	-	-	-
Other operating funding applications	-	-	325	-	737	(737)
<b>Total applications of operating funding (B)</b>	<b>175,207</b>	<b>212,674</b>	<b>219,442</b>	<b>256,413</b>	<b>240,219</b>	<b>16,194</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>40,112</b>	<b>18,882</b>	<b>21,438</b>	<b>22,474</b>	<b>34,029</b>	<b>11,555</b>
<b>Sources of capital funding</b>						
Subsidies and grants for capital expenditure	44,619	72,788	38,775	80,131	42,553	(37,578)
Development and financial contributions	3,120	4,984	8,798	7,918	8,578	660
Increase (decrease) in debt	84,923	128,633	105,500	135,899	59,800	(76,098)
Gross proceeds from sale of assets	438	436	-	1,524	-	(1,524)
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>133,100</b>	<b>206,841</b>	<b>153,072</b>	<b>225,471</b>	<b>110,931</b>	<b>(114,540)</b>
<b>Application of capital funding</b>						
<b>Capital expenditure</b>						
- to meet additional demand	8,057	19,349	7,706	39,514	6,876	32,637
- to improve level of service	113,152	139,478	91,065	128,312	68,318	59,994
- to replace existing assets	52,004	66,896	75,739	80,118	69,765	10,353
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>173,213</b>	<b>225,723</b>	<b>174,510</b>	<b>247,944</b>	<b>144,960</b>	<b>102,985</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(40,112)</b>	<b>(18,882)</b>	<b>(21,438)</b>	<b>(22,474)</b>	<b>(34,029)</b>	<b>(11,556)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Reconciliation of financial statements to funding impact statements

For the year ended 30 June	2021-31	Annual Plan	Actual	2024-25	Actual	Variance
	LTP (Year 3)			LTP (Year 1)		
	2024	2024	2024	2025	2025	
	\$000	\$000	\$000	\$000	\$000	\$000
Total revenue from prospective statement of comprehensive income	258,547	303,445	288,569	358,056	321,023	(37,033)
Less vested assets	(909)	(904)	(3,912)	(935)	(1,479)	(544)
Less capital contributions	(42,319)	(70,985)	(43,777)	(78,233)	(45,300)	32,934
<b>Funding impact statement total operating funding (A)</b>	<b>215,319</b>	<b>231,557</b>	<b>240,880</b>	<b>278,888</b>	<b>274,244</b>	<b>(4,644)</b>
Total expenditure from prospective statement of comprehensive income	235,917	267,944	275,322	323,700	335,035	(11,336)
Less depreciation	(60,710)	(55,271)	(54,607)	(67,286)	(89,596)	22,310
Less loss on revaluation of financial instruments	-	-	(1,273)	-	(5,220)	5,220
<b>Funding impact statement total applications of operating funding (B)</b>	<b>175,207</b>	<b>212,674</b>	<b>219,442</b>	<b>256,413</b>	<b>240,220</b>	<b>16,194</b>
<b>Funding impact statement surplus (deficit) of operating funding (A-B)</b>	<b>40,112</b>	<b>18,883</b>	<b>21,438</b>	<b>22,474</b>	<b>34,028</b>	<b>11,554</b>
<b>Total capital source of funding</b>						
Capital contributions	42,319	70,983	44,101	78,235	45,300	(32,936)
Uhcc subsidy	5,420	6,788	3,472	9,814	5,774	(4,040)
Depreciation	60,710	55,271	54,607	67,286	67,286	-
Asset sales	438	436	-	1,524	-	(1,524)
Loan funding	64,326	92,246	72,332	91,085	26,600	(64,486)
<b>Total sources of capital funding (C)</b>	<b>173,213</b>	<b>225,724</b>	<b>174,512</b>	<b>247,944</b>	<b>144,960</b>	<b>(102,984)</b>
<b>Total application of capital funding (D)</b>	<b>173,213</b>	<b>225,724</b>	<b>174,512</b>	<b>247,944</b>	<b>144,960</b>	<b>102,984</b>
<b>Difference of capital funding (C-D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# Āpitihanga Appendices

**Āpitihanga 1: Kuputaka**

Appendix 1: Glossary

223

**Āpitihanga 2: Tō koutou Koromatua  
me ngā Kaikaunihera**

Appendix 2: Your Mayor and Councillors

226

**Āpitihanga 3: Whakapā mai**

Appendix 3: Contact details

228

# Āpitihangā 1: Kuputaka

## Appendix 1: Glossary

**10 Year Plan** – A plan that describes the activities of a local authority, its community outcomes, and its long-term focus in terms of decisions and activities. This is the same as our Long Term Plan (LTP).

**Activity statement** – This statement describes the amount of money needed to operate and maintain facilities and services and to cover capital expenses within an activity function.

**Annual Plan** – A plan that describes the activities of the local authority in relation to the LTP, with a particular focus on the financial year for which the document is produced.

**Asset** – Something of value that Council owns on behalf of the people of Te Awa Kairangi ki Tai Lower Hutt, such as roads, drains, parks, and buildings.

**Asset Management Plan** – A long-term plan for managing an asset to ensure that it continues to have the capacity to provide an agreed level of service and that costs over the life of the asset are minimised.

**Assumptions / assumed** – Refers to accepting certain conditions or premises as true or valid without explicit confirmation, often used as the basis for decision-making or planning.

**Balanced operating budget** – A balanced operating budget occurs when a council's projected operating revenue matches or exceeds its planned operating expenditure, ensuring that the Council does not spend more than it earns.

**Borrowings** – Refers to obtaining funds from external sources, typically through loans or bonds, to finance projects or cover expenses.

**Capital expenditure** – Money spent on acquiring or building long-term Council assets.

**Capital value** – The value of land plus additions such as buildings, driveways, and fences.

**Community boards** – A local elected body set up under the Local Government Act 2002. Community boards are consulted by Council and can represent community concerns to Council. Hutt City Council has three community boards: Eastbourne, Petone, and Wainuiomata.

**Compliance** – Compliance refers to adhering to relevant laws, regulations, policies, and standards set forth by governing bodies or authorities, ensuring that the Council operates within legal and ethical boundaries.

**Consultation document** – A document that clearly explains matters proposed to be included in the 10 Year Plan and provides an opportunity for the public to participate in decision-making. It explains objectives, significant issues, and how rates, debt, and levels of service might be affected as a result of those decisions. The content requirements of the consultation document are set out in the Local Government Act 2002.

**Critical infrastructure** – Assets which provide critical services and failure of which could result in major outages or disruptions to service such as reservoirs, pumping stations, and main network pipes.

**Democracy** – The way Council govern themselves. It can be used to mean community participation in decision-making between elections, as well as at elections.

**Depreciation (amortisation)** – An expense charged each year to reflect the estimated cost of using our assets over their lives. Amortisation relates to intangible assets such as software (as distinct from physical assets, which are covered by the term depreciation).

**Development contribution** – A payment made by a developer to cover part of the costs of providing infrastructure to a new development, ie, growth-related cost.

**Employee costs** – The costs of all staff expenditure, including wages, salaries and related taxes, training, and recruitment costs. Remuneration of elected and appointed representatives is also included under this heading. This does not include subsidiary director fees, which are included in operating expenditure.

**Financial year** – Council’s financial year runs from 1 July to 30 June of the following year.

**General rates** – The rates levied on most properties for general services including residential, rural, business, and utility. They are levied on the basis of zoning, land use, and capital value.

**Grant or subsidy** – Money given from local or central government or other funds to a person or group for a specified purpose.

**Hearing** – Meeting at which members of the public speak formally to elected representatives and/or staff about an issue.

**Income** – Revenue gained from all sources during the year, such as rates, grants, special funds, subsidies, and fees and charges. Income does not include loans or the proceeds in excess of the net book value from the sale of assets.

**Inflation** – Inflation is the gradual increase in the prices of goods and services in an economy over time.

**Infrastructure** – The stock of fixed capital equipment that helps a community to function. This includes the pipes and machinery that allow councils to collect and manage water, wastewater, stormwater, and rubbish, as well as assets such as roads and buildings.

**Intergenerational equity** – Refers to the principle of ensuring fairness and sustainability in decision-making processes that impact present and future generations, aiming to distribute resources, benefits, and burdens fairly across different generations while preserving the environment and meeting the needs of both current and future residents.

**Local Government Act 2002 (LGA)** – The key legislation that defines the powers and responsibilities of local authorities like Hutt City Council.

**Long Term Plan (LTP)** – See 10 Year Plan, above.

**Maintenance costs** – Money spent to keep the Council’s assets in working condition, such as repairs and maintenance.

**Mana Whenua** – Māori who have historic and territorial rights over the land. Mana Whenua refers to Iwi and Hapū who have these rights in Te Awa Kairangi ki Tai Lower Hutt. The tribe’s history and legends are based in the lands they have occupied over generations and the land enables and sustains the people, the places, and the processes of Te Ao Māori (Māori worldview).

**Operating expenditure** – Money spent on the day-to-day operations of the Council.

**Operating projects** – Significant projects that do not result in the creation of Council assets.

**Performance measure** – A measure that shows how well Council is doing in achieving the goals it has set for itself.

**Policy** – A policy is a predetermined course of action or set of guidelines established by the Council to guide decision-making, address specific issues, or achieve particular goals within the community.

**PPE** – An accounting term for property, plant, and equipment representing all the assets of the Council, such as land buildings, pipes, roads, and community facilities.

**Rates** – A form of property tax. In Te Awa Kairangi ki Tai Lower Hutt, we have both general rates and targeted rates. General rates are based on a property’s capital value, and Council use this money to invest in things like footpaths and libraries. Targeted rates are a fixed amount for each rating unit or separately used and inhabitable part (SUIP) of a rating unit. Targeted rates pay for things like water or wastewater.

**Residents Satisfaction Survey (RSS)** – This survey is conducted using a panel system, where a group of residents receive surveys to provide feedback on the city.

**Resource consent** – Where a council, using delegated authority under the Resource Management Act, gives an applicant permission for a particular land use activity.

**Resource Management Act (RMA)** – Resource Management Act is New Zealand’s main piece of legislation that sets out how Council should manage our environment.

**Revenue** – Revenue represents the income generated by the Council through various sources, such as taxes, fees, grants, and other sources, which are crucial for funding public services and initiatives within the community.

**Significance** – The degree of importance of an issue, proposal, decision, or matter as assessed by a local authority in terms of its likely consequences for the current and future social, economic, environmental, or cultural wellbeing of the community.

**Significant activity** – An activity deemed to be significant according to Council’s Significance and Engagement Policy.

**Seaview Marina Limited (SML)** – This is a Council-owned subsidiary which is Wellington’s newest and fastest developing marina, situated at the sheltered north-east end of Wellington Harbour.

**Strategy** – A policy is a predetermined course of action or set of guidelines established by the Council to guide decision-making, address specific issues, or achieve particular goals within the community.

**Subsidiaries** – A company or trust, in which Council is at least a 50% shareholder, that independently manages facilities, delivers services, and undertakes developments on behalf of the Te Awa Kairangi ki Tai Lower Hutt community. Where necessary, Council provides operational funding to these organisations.

**Targeted rate** – Any rate levied other than the general rate, which is targeted at users of a service such as water supply, wastewater, refuse and recycling, and the Jackson Street Programme.

**Three waters/water services** – A term for grouping the three water services provided by councils together: water supply, wastewater, and stormwater.

**Urban Plus Limited (UPL) & Urban Plus Limited Developments Limited (UPLD DL)** – These are Council owned subsidiaries and are multidisciplinary property companies. They provide high quality residential property development, rental housing portfolio management, and strategic property services.

**User charges** – Income to Council through fees and charges paid by those who use specific services Council provides.

**Waste levy** – The waste disposal levy raises revenue for initiatives to reduce waste and encourage resource recovery (eg, composting and recycling).

**Wellington Water Limited (WWL)** – Wellington region's professional water services provider. They are 100% owned and funded by Councils in the region, and their job is to provide safe and healthy drinking water, collect and treat wastewater, and ensure the stormwater network is well managed.

**Works programme** – The works programme sets out the plans to be carried out over the next 10 years, such as pipeline renewal upgrades, enhanced cycle tracks, or equipment replacements. The schedule includes the year the work will take place, the costs of the work, and the source of funding.

# Āpitianga 2: Tō koutou Koromatua me ngā Kaikaunihera

## Appendix 2: Your Mayor and Councillors

Hutt City Council is made up of 12 Councillors and a Mayor. Along with all other local authorities in New Zealand, Council is elected every three years.

The Mayor and six Councillors are elected on a city-wide basis and six Councillors are elected to represent their respective wards, while working in the best interests of the city as a whole. There are six wards – Northern, Eastern, Central, Western, Harbour, and Wainuiomata – each with one Councillor.

Following elections in October 2022, a new Council was sworn in for the new triennium. You can find information about Hutt City Council's elected members below and on our website – [hutt.city/councillors](https://hutt.city/councillors)



**Campbell Barry**  
Koromatua | Mayor



**Simon Edwards**  
Kaikaunihera o Te Tāone Whānui  
City Wide Councillor



**Tui Lewis**  
Koromatua Tuarua | Deputy Mayor  
Kaikaunihera ki te Whanganui  
Harbour Ward Councillor



**Karen Morgan**  
Kaikaunihera o Te Tāone Whānui  
City Wide Councillor



**Josh Briggs**  
Kaikaunihera o Te Tāone Whānui  
City Wide Councillor



**Tony Stallinger**  
Kaikaunihera o Te Tāone Whānui  
City Wide Councillor



**Brady Dyer**  
Kaikaunihera o Te Tāone Whānui  
City Wide Councillor



**Gabriel Tupou**  
Kaikaunihera o Te Tāone Whānui  
City Wide Councillor



**Glenda Barratt**

Kaikaunihera ki Te Riu  
Central Ward Councillor



**Naomi Shaw**

Kaikaunihera ki Te Raki  
Northern Ward Councillor



**Keri Brown**

Kaikaunihera o Wainuiomata  
Wainuiomata Ward Councillor



**Andy Mitchell**

Kaikaunihera ki Te Rāwhiti  
Eastern Ward Councillor



**Chris Parkin**

Kaikaunihera ki Te Uru  
Western Ward Councillor

# ĀpitiHanga 3: Whakapā mai

## Appendix 3: Contact details

### Hutt City Council

Address: Administration Building, 30 Laings Road, Lower Hutt

Postal Address: Private Bag 31 912, Lower Hutt 5010

Phone: 04 570 6666 | 0800 HUTT CITY

After hours emergencies:  
04 570 6666 | 0800 HUTT CITY

Email: [contact@huttcity.govt.nz](mailto:contact@huttcity.govt.nz)

Website: [huttcity.govt.nz](http://huttcity.govt.nz)

Facebook: [facebook.com/huttcitycouncil](https://facebook.com/huttcitycouncil)

Tumu Whakarae Chief Executive: Jo Miller

Email: [jo.miller@huttcity.govt.nz](mailto:jo.miller@huttcity.govt.nz)

### Neighbourhood hubs

#### War Memorial Library

Address: 2 Queens Drive, Lower Hutt

Phone: 04 570 6633

#### Eastbourne Neighbourhood Hub

Address: 38 Rimu Street, Eastbourne

Phone: 04 562 8042

#### Maungaraki School Community - Whare Pūrākau

Address: Maungaraki School,  
137 Dowse Drive, Maungaraki

Phone: 028 2550 3219

#### Moerā Neighbourhood Hub

Address: 107 Randwick Road, Moerā

Phone: 04 568 4720

#### Naenae Neighbourhood Hub

Address: Hillary Court, Naenae

Phone: 04 567 2859

#### Petone Neighbourhood Hub

Address: 7 Britannia Street, Petone

Phone: 04 568 6253

#### Kōraunui Stokes Valley Neighbourhood Hub

Address: 186 Stokes Valley Road, Stokes Valley

Phone: 04 562 9050

### Walter Nash Centre

Address: 22 Taine Street, Taitā

Phone: 04 560 1090

### Wainuiomata Neighbourhood Hub

Address: 1a-1c Queen Street, Wainuiomata

Phone: 04 564 5822

### Pools

#### Huia Pool + Fitness

Address: Huia Street, Lower Hutt

Pool phone: 04 570 6655

Fitness suite phone: 04 570 1053

#### Stokes Valley Pool + Fitness

Address: Bowers Street, Stokes Valley

Pool phone: 04 562 9030

Fitness suite phone: 04 562 9030

#### McKenzie Baths Summer Pool

Address: 79 Udy Street, Petone

Phone: 04 568 6563

#### Eastbourne Summer Pool

Address: Marine Parade, Eastbourne

Phone: 04 562 7582

#### Wainuiomata Summer Pool

Address: 2 Moohan Street, Wainuiomata

Phone: 04 564 8780

#### Te Ngaengae Pool + Fitness

Address: 12 Everest Avenue, Naenae

Pool phone: 04 567 5043

Fitness suite phone: 04 567 5431

### Arts and Culture

#### The Dowse Art Museum

Address: 45 Laings Road, Lower Hutt

Phone: 04 570 6500

#### Petone Settlers Museum

Address: 130 The Esplanade, Petone

Phone: 04 568 8373

#### Little Theatre

Address: 2 Queens Drive, Lower Hutt

Phone: 04 570 6500







