2025–2026

HUTT CITY
TE AWA KAIRANGI

Pūrongo ā-Tau
Annual Report

Summary



Tupua Horo Nuku

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 Whātaitai. 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 Whātaitai, 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
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The lines woven within 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 karere nā te Koromatua / Tumu Whakarae

Message from the Mayor and Chief Executive



Kia ora,

The 2025-26 financial year has been one of delivery, resilience and progress for Te Awa Kairangi ki Tai Lower Hutt.

The year was shaped by an ongoing programme of government reform including local government reorganisation and major changes to New Zealand's resource management system requiring our council to remain adaptable while continuing to focus on delivering for our community.

Substantial work was undertaken in response to water reform including extensive preparations for the transition of water services to Tiaki Wai on 1 July. This required significant effort from staff across the organisation to support one of the largest operational changes facing local government while ensuring the continued delivery of services to our communities.

Recognising the financial pressures facing our community, Council responded to cost-of-living challenges by adopting a lower rates revenue increase than originally forecast, while maintaining the services, infrastructure investment and contributing to improved community outcomes. This reflected Council's commitment to balancing affordability with the long-term sustainability of the city.

A highlight of the year was the completion of Tupua Horo Nuku, the 4.4km coastal shared path and seawall connecting the Eastern Bays. This transformative project strengthens the resilience of a critical transport route, improves safety for walkers and cyclists, and reflects a strong partnership with Mana Whenua and the project partners.

Early use of the path has been strong, with more than 17,000 bicycle movements and 17,000 pedestrian movements recorded at the Lowry Bay sensor between 1 May 2026 and late August 2026. The completion was marked by a Tapuwae Whenua ceremony led by Mana Whenua recognising the cultural significance of the project and the collective effort behind its delivery.

Alongside this achievement, the opening of Te Ara Tupua Ngā Ūranga ki Pito-One shared path created a significant new active transport connection for the region while continued progress on Te Wai Takamori o Te Awa Kairangi (RiverLink) advanced one of the city's most important flood protection, transport and urban regeneration projects. These investments demonstrate Council's commitment to building a more connected, resilient and future-focused city.

As severe weather events become increasingly common, our city continues to show its resilience. Time and again, our communities step up, support one another and work alongside Council and emergency partners to respond and recover.

The year also saw further adoption of technology and innovation to improve services, drive efficiencies and enhance organisational capability. This work was recognised through local and national awards including acknowledgment of our AI programme, our Building Control team, and the award-winning design, sustainability and community outcomes achieved through Te Ngāengae Pool and Fitness.

Maintaining tight financial control remained a key focus throughout the year. While returning to a balanced operating budget over time remains challenging in an environment of rising costs and significant infrastructure investment needs, Council remained committed to prudent financial management and long-term sustainability.

This year has seen progress across a range of priorities supported by the commitment of elected members, Mana Whenua, community organisations, volunteers, residents and staff. Together, we are building a city that is more resilient, inclusive and prepared for the future.

Ngā mihi,

Ken Laban
Te Koromatua o Te Awa Kairangi ki Tai
The Mayor of Lower Hutt

Jo Miller
Tumu Whakarae
Chief Executive,
Hutt City Council

Nga Kīwei o Te Kete Partnership with Mana Whenua

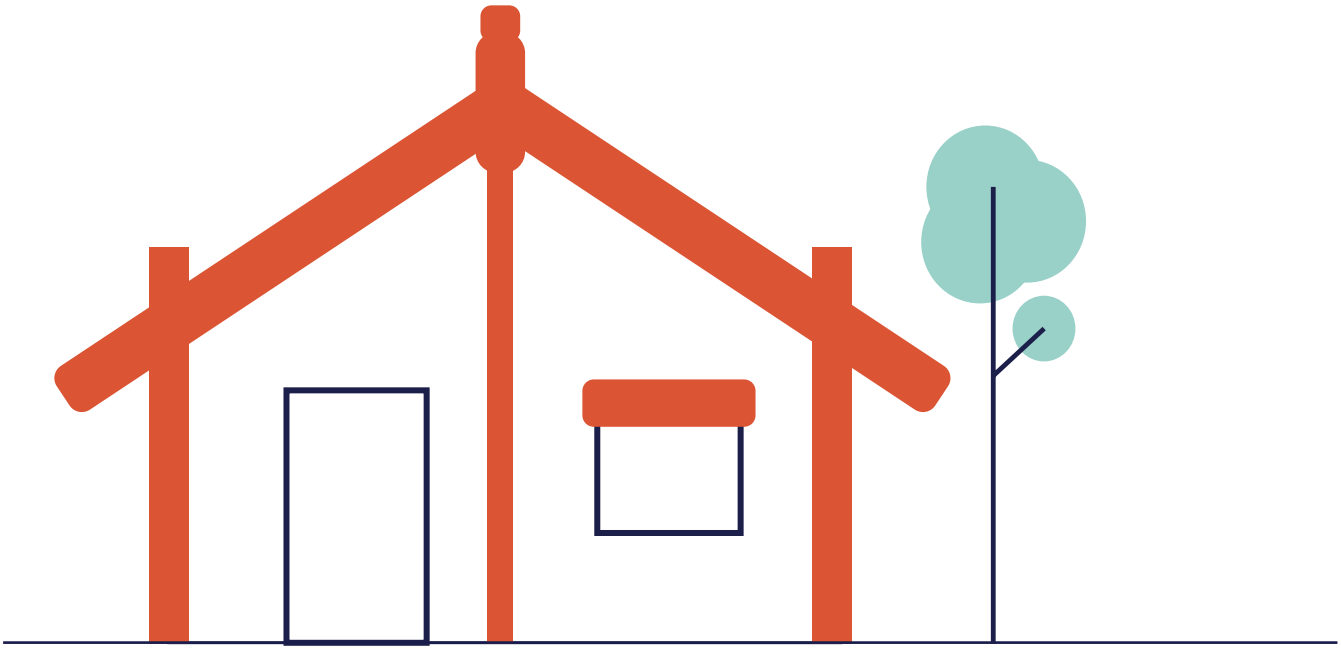
We maintain a key partnership with Mana Whenua, founded on Te Tiriti o Waitangi.

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, Wellington Tenths Trust, Palmerston North Māori Reserve Trust, Te Rūnanganui o Te Āti Awa ki Te Upoko o Te Ika a Māui and Te Rūnanga o Toa Rangatira.

We have Tākai Here (Memoranda of Partnership) with the organisations representing Mana Whenua and Mātāwaka in our area. Tākai Here agreements along with supplementary agreements (reflecting operational matters), follow a covenant approach, reflect iwi plans, and align with both Council and iwi aspirations.

We continue 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.

More information about Mana Whenua partnerships can be found at:
hutt.city/mana-whenua



1 Tō tātou tāone
Our city

Te Awa Kairangi ki Tai Lower Hutt is a growing city with dynamic and diverse communities. 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	114,200
Dwellings	42,300
Median sale price	$661,987* *(house values as of March 2026)
Median rent	$595 per week (March 2026)

Source: Infometrics, March 2026



Cultural diversity

European	64% (69,168)
Māori	20% (21,702)
Asian	19% (19,977)
Pacific peoples	12% (13,125)
Middle Eastern, Latin American, and African	2% (2,214)
Other ethnicities	1% (1,104)

Source: Census, 2023 (rounded)



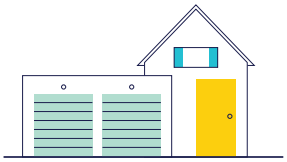
Education

No qualification	15.2%
Level 1 certificate	9.9%
Level 2 certificate	10%
Level 3 certificate	12.6%
Level 4 certificate	8.2%
Level 5 diploma	5.1%
Level 6 diploma	4.4%
Bachelor's degree and level 7 qualification	16.4%
Post-graduate and honours degrees	6.4%
Master's degree	5.1%
Doctorate	1.3%
Overseas secondary school qualification	5.3%

Source: Census, 2023

NEET Rate
The NEET rate is 13 percent, compared with the national average of 13.8 percent

Source: Infometrics, June 2026
NEET means Not in Employment, Education, or Training.



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:

597

Source: Ministry of Social Development, March 2026



Workforce

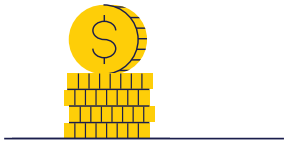
50,756

filled jobs (employment)

Source: Infometrics, June 2026

Professionals	28.4%
Managers	16.5%
Technicians and trades workers	13.8%
Clerical and administrative workers	10.2%
Community, personal service workers	10.0%
Sales workers	8.1%
Labourers	7.8%

Source: Infometrics, March 2026



Economic landscape

Health care and social assistance	14.1%
Construction	12.5%
Retail trade	9.4%
Education and training	9.0%
Professional, scientific, and technical services	8.8%
Manufacturing	8.4%

Source: Infometrics, March 2026



Housing affordability

Housing affordability: In Lower Hutt City, the average house value was 4.3 times the average household income in 2026.

Source: Infometrics, June 2026

Home ownership: 66.8 percent of Lower Hutt households own their home.

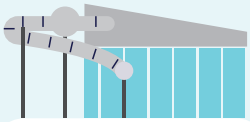
Source: Census, 2023

Median household income

$137,025

Source: Infometrics, March 2026

Lower Hutt Resident Satisfaction Survey 2026 at a glance



81%
Swimming Pools



77%
Playgrounds



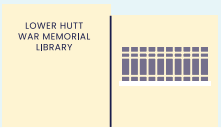
91%
Museums



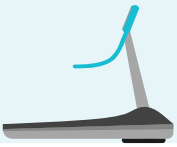
80%
Sports grounds



83%
Parks and reserves



89%
Neighbourhood hubs and libraries



82%
Fitness suites



77%
Kerbside rubbish and recycling services



80%
Community halls



82%
Cemeteries/ urupā



72%
Reliability of the water supply

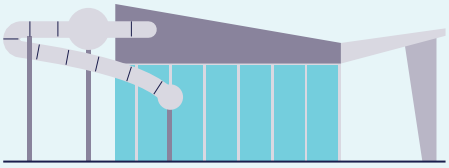


68%
Quality of the water supply



74%
of residents say that Te Awa Kairangi ki Tai Lower Hutt is a great place to live, work, and play

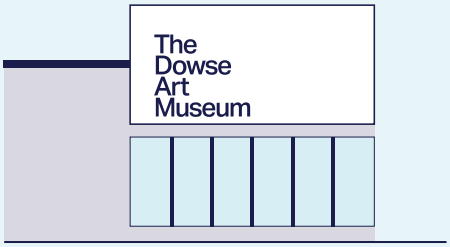
Council assets



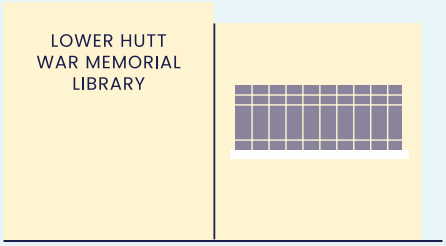
6
pools
3 Pool and fitness centres
3 Summer pools



10
community
halls



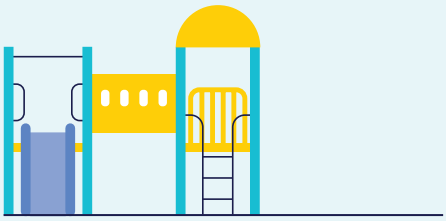
2
museums



9
neighbourhood
hubs and libraries



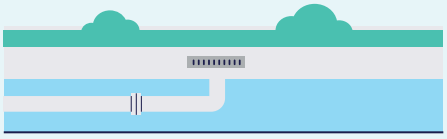
2,781 hectares
of public green space (these include parks, **349** reserves, sports grounds, playgrounds, gardens, and cemeteries)



57
playgrounds



486km
Roads
683km Footpaths



693km
Water supply pipes
666km Wastewater pipes
463km Stormwater pipes

Tiaki Wai

Hutt City Council successfully completed the transition of its drinking water, wastewater and stormwater services to Tiaki Wai, the new multi-council-owned water services organisation established to deliver water services across the Wellington region.

The transition marked one of the most significant organisational changes undertaken by Council in recent years. Council worked closely with regional partners, Mana Whenua, central government agencies and Tiaki Wai. This ensured the transfer of assets, debt, operations, staff, systems and service responsibilities was completed smoothly and in accordance with legislative requirements.

The establishment of Tiaki Wai is part of the Government's Local Water Done Well reforms and responds to the increasing challenges facing water infrastructure. These include ageing assets, growing regulatory requirements, climate resilience needs and the substantial investment required to maintain and upgrade networks. By joining with neighbouring councils through a larger regional organisation, Lower Hutt and the wider region are better positioned to access the scale, capability and long-term investment needed to deliver safe, reliable and sustainable water services.

Council remained focused on maintaining service continuity throughout the transition period while detailed planning and implementation work was undertaken behind the scenes. Council also worked alongside the Tiaki Wai establishment team to keep residents informed about what the changes would mean for service delivery, accountability and future investment.

The successful transition represents an important milestone for the city and the wider region. While responsibility for water services now sits with Tiaki Wai, Council will provide some support, particularly around billing and customer services, while Tiaki Wai completes setting up its own systems. Hutt City Council retains a key stewardship role through its ownership interests and ongoing governance arrangements. Council will continue to advocate for the needs and priorities of Lower Hutt residents and businesses as Tiaki Wai delivers its long-term programme of investment and service improvements.

The transition supports Council's commitment to ensuring future generations have access to resilient, high-quality water infrastructure while helping address the significant funding and affordability challenges facing local government.

Tō tātou rautaki
Our strategy

Our 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 and four ways to support how we deliver them.

We're working towards

Priority 1

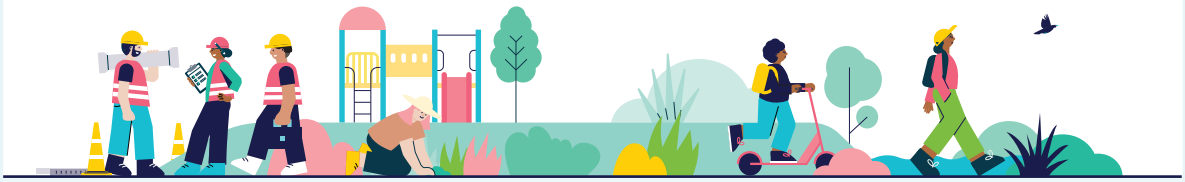
Providing future-fit infrastructure

Priority 2

Enabling a liveable city and vibrant neighbourhoods

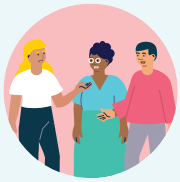
Priority 3

Supporting and enhancing the environment

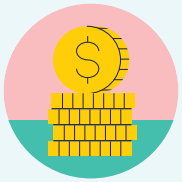


We are taking the next steps

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.

46 of 79
key performance measures were achieved in 2025-26, compared with 49 in 2024-25

$530M
total net debt ($50M increase from 2024-25)

$5M
unfavourable against a net operating budget deficit of $17.6M

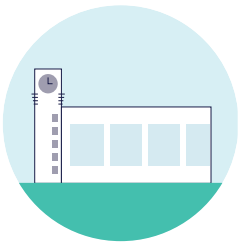
$157M
capex has been delivered for the year

$212M
total rates (excluding metered water supply rates) collected

Key highlights



- Whakatupu Ngaengae completed



- Target Operating Model adoption



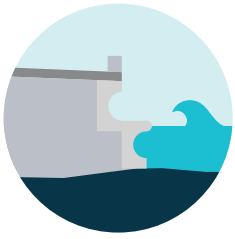
- Huia Pool reopened March 2026



- Payble rates platform launch



- Heavy Electric Vehicle charging hub at Silverstream Landfill



- Tupua Horo Nuku completed

Read about the highlights and case studies from the 2025–2026 year at **hutt.city/annualreport**

Tirohanga whānui
Overview

94%
of the Council vehicle fleet is electric

606,143
visits to pools

231,229
visits to museums

1,937,767
visits to neighbourhood hubs and libraries

259,784
digital library loans

9,298
dogs registered

56
Council/ committee meetings held

12
consultations and public engagements

52,943
calls answered by our Contact Centre staff



Awards

National recognition for AI innovation

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

Building Control team wins national training award

Hutt City Council's Building Control team has won the Training Commitment Award at the 2026 Building Officials Institute of New Zealand Excellence Awards.

ALGIM Awards success

Council staff won national leadership awards, and Council was a top 10 finalist in cybersecurity.

Taituarā Local Government Excellence Awards

Council's Tumuaki Māori, Kaanihi Butler-Hare, was awarded the 2026 Sheffield Emerging Leader of the Year Award.

Te Ngaengae Pool and Fitness Awards

- 2025 Wellington Architecture Awards, Winner
- 2025 New Zealand Property Industry Awards – Excellence, Tourism and Leisure Category
- 2025 Property Council People Awards – Winner, Judges Special Award
- 2025 New Zealand Sport and Recreation Awards – Winner, Environmental Leadership Award
- 2025 Building Nations Impact Awards - Winner, Decarbonising Infrastructure Award
- 2026 Commercial Projects Awards - Gold Award, Tourism and Leisure Category

Tō Tātou Rautaki Māori
Our Māori Strategy

Te Herenga Kairangi is Hutt City Council's rautaki Māori, Council's first ever Māori strategy. It sets the direction for how Council works alongside Mana Whenua and hapori Māori, so we can better serve the communities of Te Awa Kairangi ki Tai. Developed in partnership with Mana Whenua, it reflects a shared commitment to supporting Māori aspirations for the benefit of the whole community.

The name Te Herenga Kairangi draws from Te Awa Kairangi, the river that shapes our rohe and sustains life across the Hutt Valley. 'Te Herenga' speaks to binding and connection, linking past, present and future, while 'Kairangi' refers both to life-giving waters and to something esteemed. Together, they express an interwoven ambition to thrive.

Te Herenga Kairangi also provides a shared direction for planning, decision-making and delivery across Council, guiding how activity contributes to outcomes for Māori. As a living strategy, it continues to evolve over time, supporting a more consistent and connected approach to how Council works with and for Mana Whenua and the wider hapori Māori.

Ngā Tukunga Iho
Outcomes

Te Herenga Kairangi offers a clear view of how Council supports three key outcomes:

Strong and trusting relationships
Council works in partnership with Māori - strengthening relationships with Mana Whenua and hapori Māori, and ensuring engagement is meaningful, consistent and grounded in trust.

Holistic and economic wellbeing
Council activity supports Māori wellbeing across social, cultural, environmental and economic areas, coordinating efforts across services to respond to community needs.

A Te Ao Māori capable organisation
Council builds its capability to understand and apply Te Ao Māori, embedding Māori perspectives into everyday practice, policies and services so outcomes are sustained over time.

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 health and safety of people, property, and the environment is protected.

Dashboard



4.16km pipes renewed



27.1 lane-km of road resurfaced
(approx. 86,557m2)
2025-26 season



5.7 lane-km of road rehabilitated
(approx. 23,873m2)
2025-26 season

He tāone ora, he hapori ngangahau
Enabling a liveable city and vibrant neighbourhoods

Over the last year we took the next steps in creating a city that promotes 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.

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 trees and plants, and managing our green spaces to ensure they support the wellbeing of both people and indigenous plants and creatures.

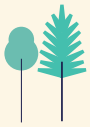
Dashboard



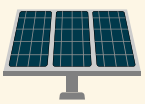
4,811 tonnes of recycling collected



22,445 tonnes of kerbside waste collected and sent to landfill



More than 10,000 native trees and plants planted



Eight organisations supported through the Low Carbon Acceleration Fund (up from five last year)



$123,231 distributed through the Community Climate Action Fund, supporting 20 projects

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 finances sustainability.

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Mahere Pūtea - 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 2024–34, 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 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 2025–26, Council invested $157M in capital projects, compared with a budget of $256M in the Annual Plan. Including investment by Urban Plus Ltd (UPL), the total capital spend was higher than the previous year at $164M ($146M in 2024–25).

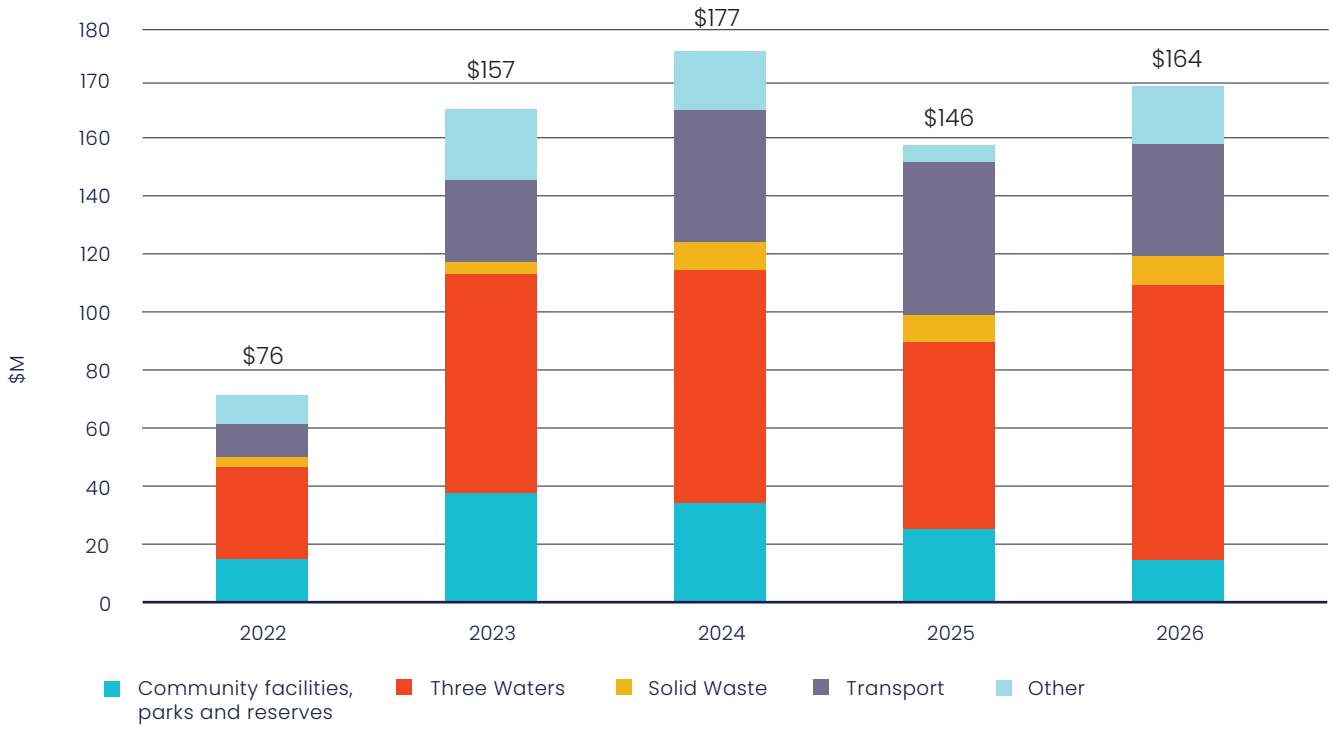
While the Annual Plan anticipated a continued ramp-up in investment, delivery in 2025–26* was impacted by some delays in NZ Transport Agency Waka Kotahi funding approvals, programme reviews, reprioritisations, rescheduling and deferrals related to internal and external resourcing constraints.

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

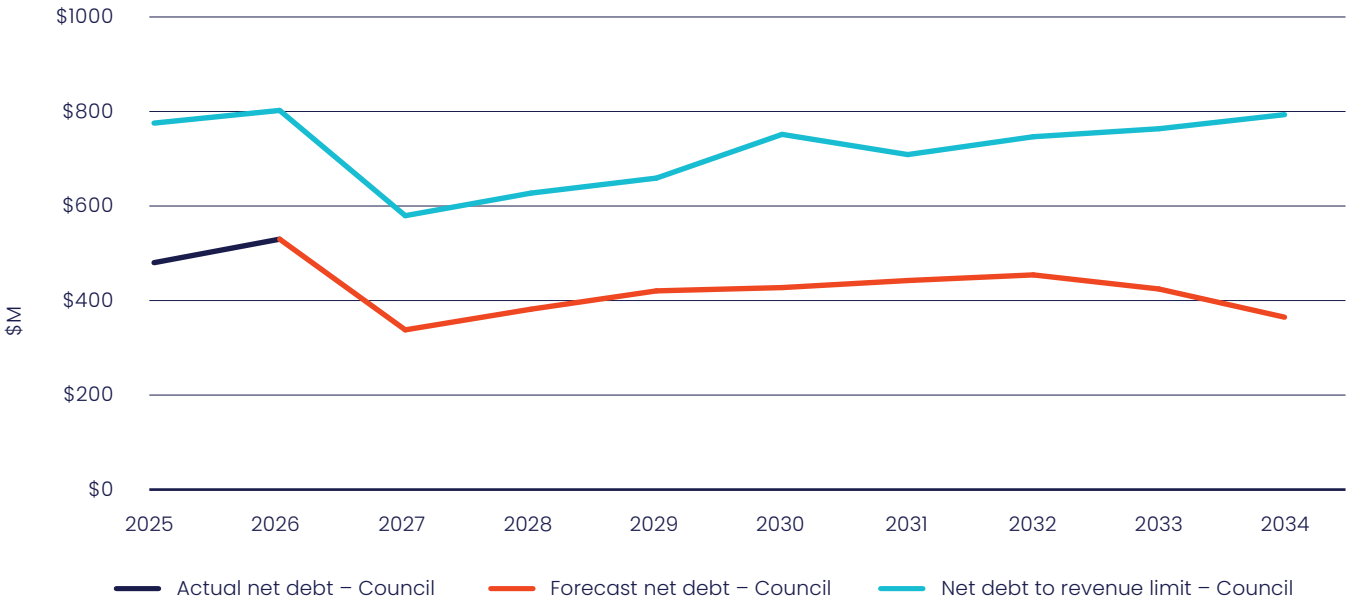
- $87M on three waters infrastructure against a budget of $115M. This includes $75M for a range of renewal projects.
- $35M on transport projects includes $12M for transport renewals and $23M for capital improvement and growth projects. These will enhance connectivity and promote sustainable transport options, with projects such as Tupua Horo Nuku (Eastern Bays shared path), Pavement treatment, resurfacing and replacement, and the Micromobility programme.
- $9.1M for construction of the next phase of the Silverstream Landfill.
- $7.7M on Te Wai Takamori o Te Awa Kairangi – RiverLink.
- $6.1M for the Huia Pool renewal project.
- $5.7M on parks and reserves projects includes reserve development projects, Percy Scenic Reserve boardwalk and parks hard surfaces renewals.

* Refer to the activity statements under Section 2 of this report for detailed spend and budgets for 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 percent of annual revenue. In 2025–26, our net debt rose by $50M to $530M, which is 165 percent of revenue. This was lower than planned debt of $624M, mainly due to delayed capital investment.

Our debt is expected to peak at around 159 percent of revenue in the next five years as we continue major infrastructure investments per our most recent Annual Plan 2026-27. Transfer of water services to Tiaki Wai has reduced this debt forecast significantly from Annual Plan 2025-26 which forecasted debt peaking at 222 percent.

Credit rating

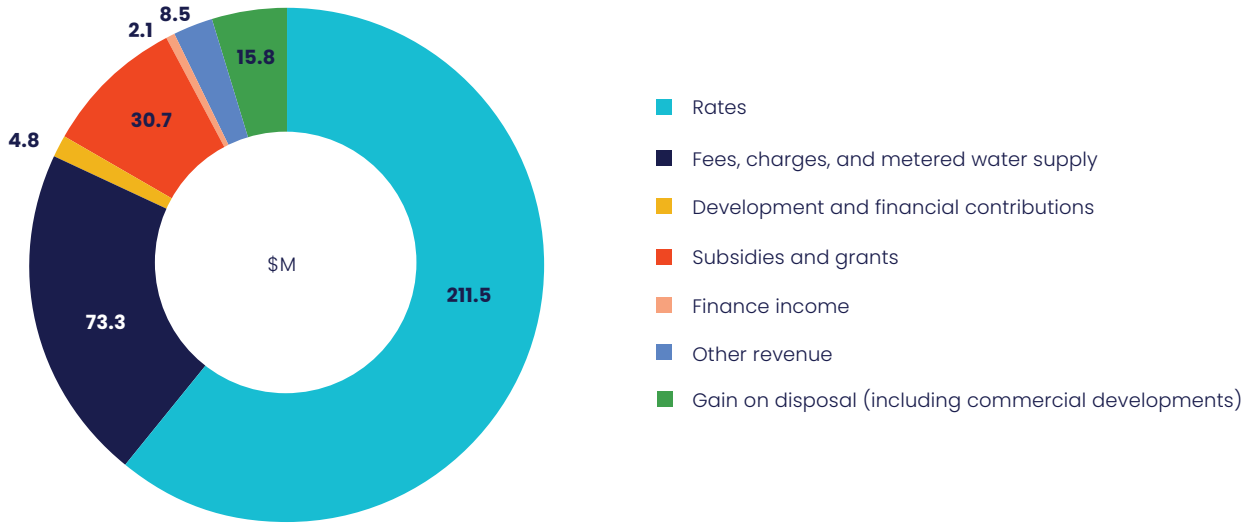
In October 2026, Standard and Poor's Credit Rating Agency (S&P) will provide an update on our credit rating. All factors within Council control have not changed significantly since the previous review in October 2025 when S&P issued a rating of A+ with a Stable outlook. That rating factored in the then imminent water services transition to a new organisation.

We have a large capital investment programme which is largely funded by debt. A lower S&P credit rating would mean higher borrowing costs for debt in the future, which in turn means higher costs for ratepayers. Through the Long Term Plan 2027-2037 process there will be an opportunity to review and update investment plans and priorities, while considering the impacts for ratepayers.

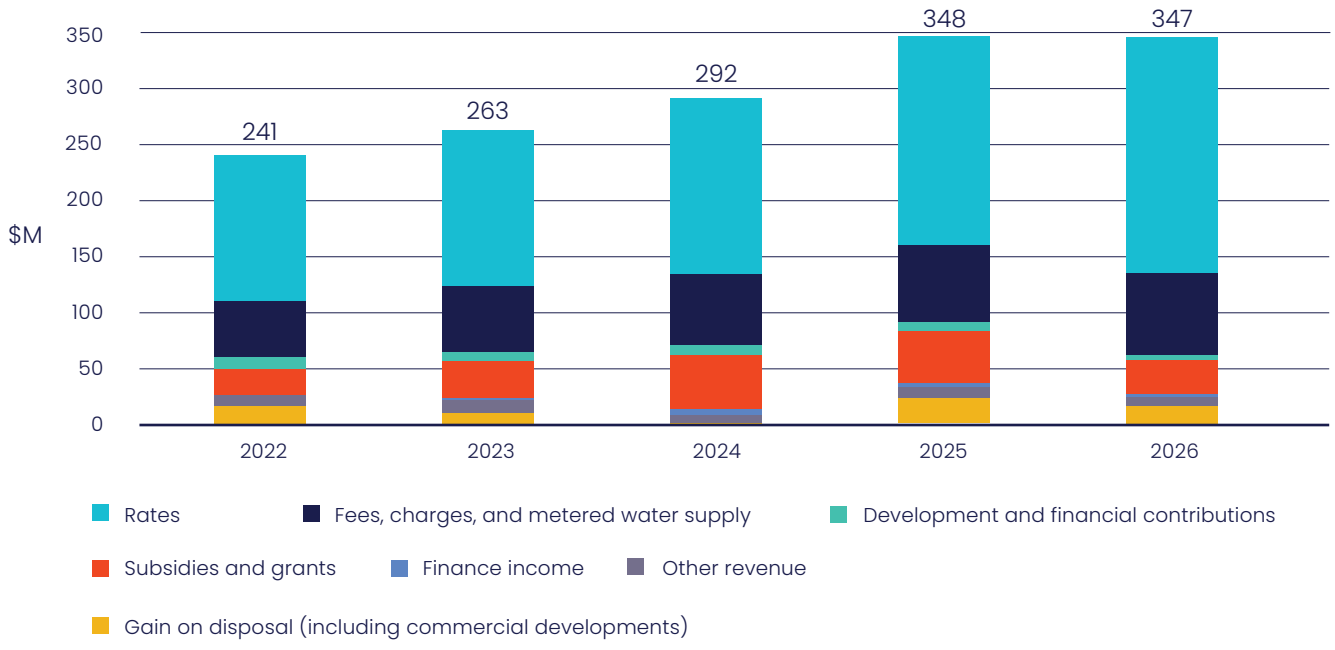
Revenue

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 2025-26, total group revenue was $347M (excluding revenue from the revaluation of financial instruments) and is consistent with 2024-25 (see Graph 4). Rates revenue (including rates penalties income) made up $212M, or over half of our total revenue. This reflects an increase of $25M from the previous year, following the rates increase approved by Council to help fund its activities. Subsidies and grants revenue was $16M lower than budget. This shortfall is primarily due to reprioritisation and deferral of Council's capital programmes resulting in decreased subsidy and grant revenue. Development and financial contributions were $6M lower than budget which reflects a slowdown in development. Fees and user charges were $4M lower than the budget largely reflecting lower activity volumes than assumed in areas such as pools, consents and landfill.

Graph 3: Group revenue by source in 2025–26



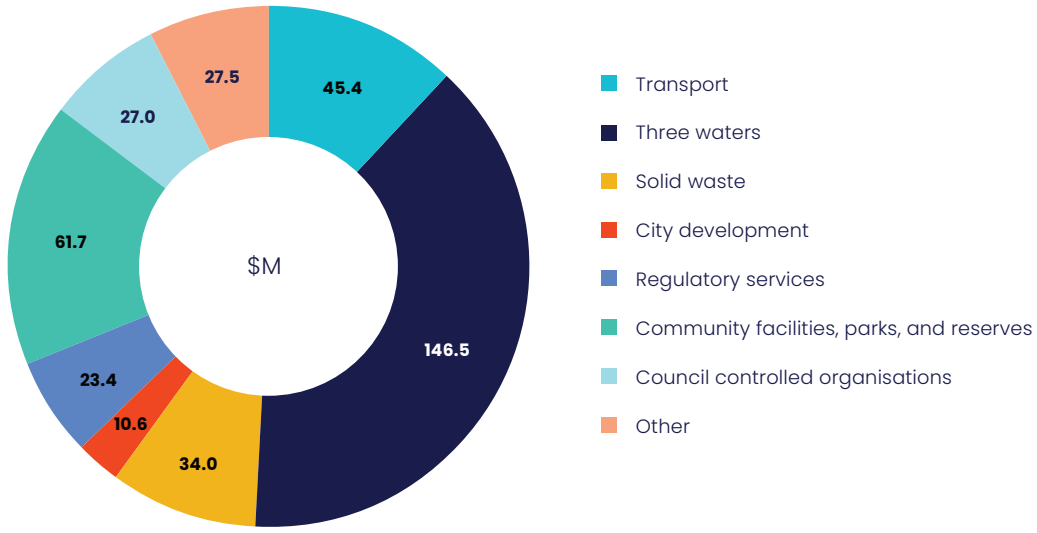
Graph 4: Group five-year revenue trend (excluding gains on the revaluation of financial instruments)



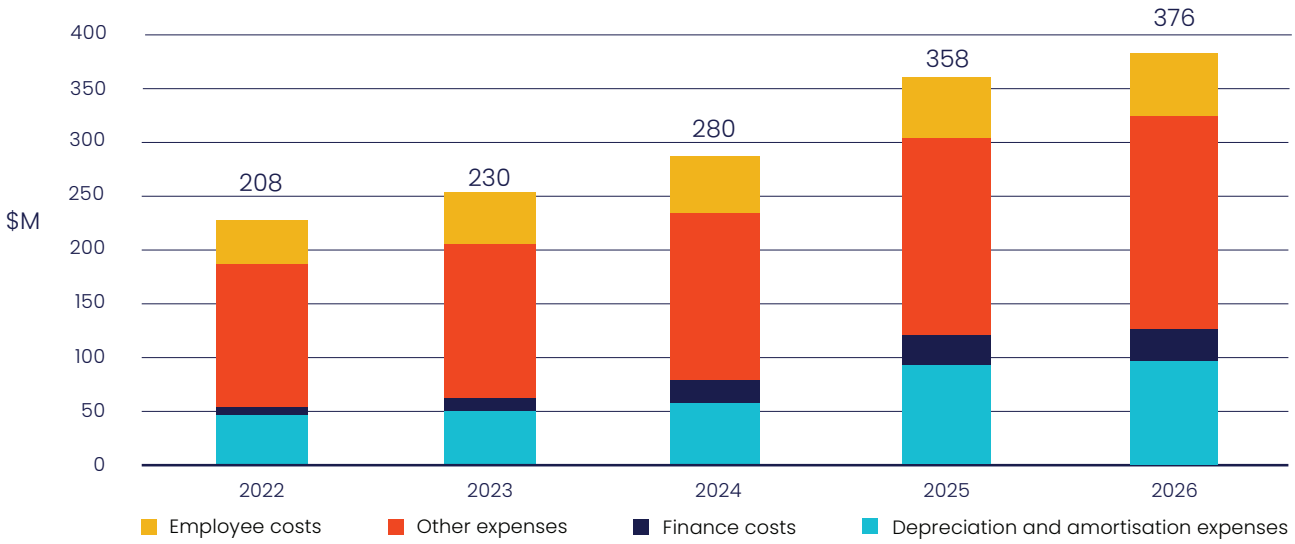
Expenditure

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 2025-26, total group costs were $376M. 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 were below the budget by $18.6M. This underspend is primarily due to lower depreciation costs of $12M driven by lower asset capitalisation and lower than planned spend in other operating and staffing costs across a range of services.

Graph 5: Group expenditure by activity in 2025–26



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



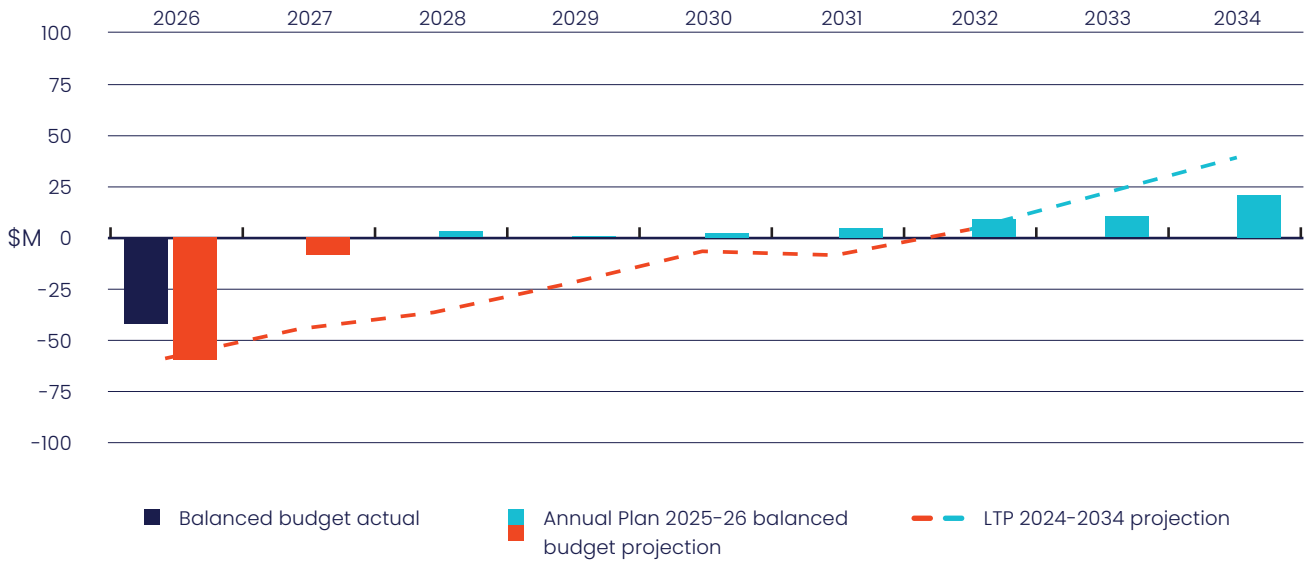
Balanced operating budget

An important part of our Financial Strategy is maintaining a balanced operating budget. This is calculated differently to an accounting deficit or surplus as described in our Financial Strategy. A balanced operating budget 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 financial 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 2026-27, we are forecasting to achieve a balanced operating budget by 2027-28. In 2025-26, our balanced operating budget result was a deficit of $44M, which was $17M better than the budgeted deficit of $61M. This is linked mainly to reduced capital and operating spend. Graph 7 illustrates the actual trend to date and the future forecast.

Graph 7: Council actual and projected balanced budget outlook



*In 2025-26 Council did not meet the legislative balanced budget requirement as defined in s100 of the Local Government Act 2002. Annual Plan 2026-27 projects the legislative balanced budget will be met from 2026-27. 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.

Whakarāpopoto tātaritanga
Our performance at a glance

46 were achieved

32 did not achieve the target

1 had data unavailable

Water services

Council's drinking water supply fully met the protozoal and microbiological monitoring requirements. Bacterial requirements were met at three of the four water treatment plants managed by Greater Wellington Regional Council. Response and resolution targets for urgent and non-urgent callouts were achieved, and average consumption remained within target at 383 litres per resident per day. However, complaints increased to 33.5 per 1,000 connections and resident satisfaction fell to 72 percent, reflecting concerns about ageing infrastructure, leaks, outages, pressure and communication. Estimated water loss remained above target at 30 percent, while 4.1 kilometres of three waters infrastructure was renewed.

In wastewater, dry-weather overflows and complaints remained within target at 2.8 and 29.9 per 1,000 connections respectively. Resolution times met target at six hours, but attendance averaged 116 minutes against a 90-minute target. Resident satisfaction decreased to 63 percent, with concerns about ageing infrastructure, discharges, odour and environmental impacts. Three infringement notices were issued in relation to non-compliant discharges from the Seaview Wastewater Treatment Plant.

Stormwater water-quality and resource-consent targets were fully achieved, with monitored recreational beaches suitable for use throughout the bathing season and no enforcement action taken. However, complaints increased to 26 per 1,000 connections, largely due to the April 2026 severe weather event, while resident satisfaction fell to 50 percent. Feedback highlighted blocked drains, localised flooding and the need for more regular maintenance.

Waste and resource recovery

Council maintained full compliance with its landfill resource consent requirements in 2025-26, with no resource consent-related infringement notices received from Greater Wellington Regional Council.

Refuse and recycling measures were below target. Illegal dumping complaints reduced from 214 in 2024-25 to 197 but remained slightly above the target of 192. Kerbside waste to landfill reduced slightly to an estimated 0.196 tonnes per person, while kerbside recycling collected decreased to 4,812 tonnes and recycling contamination remained above target at 13 percent.

Resident satisfaction with rubbish and recycling services was 77 percent, below the 85 percent target and broadly consistent with 78 percent in 2024-25. Feedback highlighted missed or incomplete collections, contractor handling and bin placement, collection frequency of the green waste service, and the need for clearer recycling information and more flexible service options.

Sustainability and resilience

Council continued to progress its emissions reduction work in 2025-26. Emissions from Council-owned fossil fuel vehicles reduced to 35 tCO2-e, below the target of 49 tCO2-e and down from 67 tCO2-e in 2024-25. This reflects the continued transition of Council's fleet to electric vehicles, with 94 percent of the fleet electric at year end.

Emissions from Council-owned facilities were 2,038tCO2-e, above the target of 1,867 tCO2-e, but slightly lower than 2,443 tCO2-e in 2024-25. Council continued its gas phase-out work, although emissions were affected by unexpected high gas consumption at Wainuiomata Pool and the estimated emissions intensity for grid electricity. Some emissions factors will not be confirmed until the end of 2026, so the facilities emissions result remains provisional.

Emergency management capability remained above target, with Emergency Operations Centre resourcing levels exceeding Wellington Regional Emergency Management Office competency targets across advanced, intermediate and foundation levels.

Regulatory services

Regulatory Services maintained strong performance across several core functions in 2025-26. Environmental health targets were met or exceeded, including 100 percent verification of food premises and 100 percent inspection of high-risk liquor premises. Noise complaint response times also exceeded target, with 91 percent investigated within 45 minutes.

Building consent performance continued to improve, reaching 95 percent, up from 82 percent in 2024-25. Code of compliance certificates were issued within statutory timeframes for 95 percent of applications, while non-notified resource consents achieved 95 percent. Both measures remained below the 100 percent target, reflecting the impact of system transition issues, complex applications, and process pressures during the year.

Animal management exceeded target, with 39 community education programmes delivered against the target of more than 20 visits annually. Education remains an important part of Council's animal management approach, although school uptake has reduced in recent years.

Roads and transport

Road condition and renewal performance remained strong in 2025-26. The road condition index was maintained at 4.1, average ride quality improved to 74 percent, 2.8 percent of the sealed local road network was resurfaced, and 95 percent of footpaths met the required condition standard. Customer responsiveness remained below target, with 41 percent of eligible road and footpath requests responded to within seven days. This was the first year the measure was reported using the new Dynamics Customer Relationship Management system, and work is underway to improve reporting and response times.

Walking, cycling and transport infrastructure

Council added 3.8km of shared pathways and cycle lanes and renewed 2.7km of footpaths during the year, meeting both targets. Contract management performance also remained strong, with all 12 contracts audited and 90 percent meeting contractual obligations. Resident satisfaction remained below target for footpaths, on-road cycleways and shared paths, with feedback highlighting accessibility, maintenance, connectivity and safety concerns.

Parking and access

Satisfaction with parking availability when accessing services and facilities was 46 percent, below the 75 percent target and broadly consistent with 45 percent in 2024-25. Feedback highlighted concerns about parking availability and cost, particularly in central Lower Hutt and Petone, as well as the effects of roadworks and wider transport changes.

Community services

Community partnering and support delivered strong results across hubs, libraries and housing services in 2025-26. While some hubs did not meet their visitor targets, this was due to reduced opening hours at Wainuiomata and Kōraunui Stokes Valley, Kōraunui's four-month closure following storm damage in February, and Petone Library's relocation to Jackson Street. Despite these disruptions resident satisfaction reached 89 percent, and activity levels exceeded target across community wellbeing, loans, digital literacy and early years literacy programmes. Neighbourhood Support membership also continued to grow, reaching 376 households.

Homelessness support services also exceeded their annual targets, with 82 households assisted into more settled accommodation, 136 households provided with legal housing advice and advocacy, and 87 households supported through the homelessness prevention programme.

Parks and recreation

Council maintained strong access to parks, reserves and sports facilities during 2025-26. Artificial turf fields recorded no closure days, while grass sports fields were closed for 15 days, above the target of 10 days, largely due to wet weather and saturated field conditions following significant rainfall events.

Resident satisfaction remained strong for sports fields and parks and reserves, meeting the 80 percent targets at 80 percent and 83 percent respectively. Satisfaction with playgrounds was 77 percent, slightly below target and broadly consistent with 79 percent in 2024-25. Feedback highlighted opportunities to improve playground equipment, fencing and shade, and Council's playground renewal and improvement programme is continuing.

Recreation and culture

Council delivered strong performance across recreation and cultural services in 2025-26. All six pools and both museums met their visitor targets, while museums delivered 263 arts and culture programmes, above the target of 200. Resident satisfaction also remained high, reaching 81 percent for pools and 91 percent for museums.

Fitness suite membership was below target at 1,892 members, compared with the target of 2,469. Membership was affected by increased competition, pricing pressures, limited promotion and staffing constraints, although numbers began to improve toward the end of the year as all Council facilities returned to full operation.

City governance

Council met its target, with 100 percent of meeting and committee agendas made publicly available within statutory timeframes.

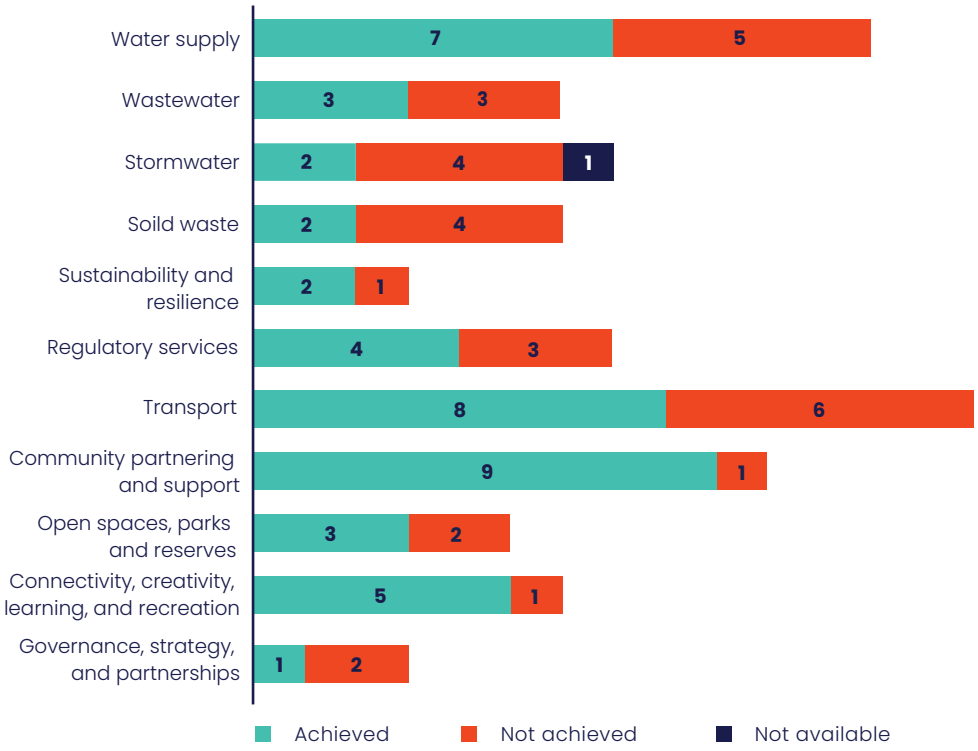
Both resident satisfaction measures remained below the 80 percent target. Satisfaction with access to Council's decision-making processes decreased from 44 percent in 2024–25 to 39 percent. However, the proportion of residents who felt they had enough information to participate in democratic processes increased from 47 percent to 51 percent.

Residents raised concerns about transparency, meaningful engagement, access to information, and whether Council considers community feedback when making final decisions. In December 2025, Council adopted Te Whiringa, its Engagement Framework, to strengthen its approach to community engagement.

Conclusion

In 2025–26, Council delivered effective results across a wide range of services, including regulatory services, transport, community services, parks and recreation, and recreation and culture. Council also made progress in reducing vehicle-fleet emissions, maintained resilient emergency management capability, achieved full compliance with landfill resource consent requirements, and continued to invest in essential infrastructure. While some challenges remained, including aspects of water management, waste and recycling, facility emissions, customer response times, parking availability and resident satisfaction, these results provide a clear focus for further improvements. Looking ahead, Council will build on areas of strong performance and continue to invest in infrastructure, strengthen communication and community engagement, and advance sustainability initiatives, with the Long Term Plan 2024–34 key performance indicators supporting greater accountability, transparency and ongoing improvement.

KPI measure achievement by activity areas:



Pūrongo pūtea
Summary financial statements

Summary statement of comprehensive revenue and expenses

For the year ended 30 June 2026	Council			Group	
	Actual	Budget	Actual	Actual	Actual
	2026 $000	2026 $000	2025 $000	2026 $000	2025 $000
Total revenue	327,824	350,274	321,021	346,948	347,599
Finance costs	(28,487)	(29,516)	(28,023)	(28,487)	(28,023)
Loss on revaluation of financial instruments	-	-	(5,277)	-	(5,277)
Other operating expenditurs	(320,721)	(338,314)	(301,726)	(347,682)	(329,775)
Share of associate's surplus / (deficit)	-	-	-	(265)	(83)
Surplus / (deficit) before tax	**(21,384)**	**(17,556)**	**(14,005)**	**(29,486)**	**(15,559)**
Income Tax expense	395	-	(90)	(1,031)	(148)
Surplus / (deficit) after tax	**(21,779)**	**(17,556)**	**(13,915)**	**(28,455)**	**(15,411)**
Gain/(losses) on property revaluations	-	-	-	-	-
Impairment gain/(losses) on revalued property	106,009	-	-	98,383	-
Deferred tax on revaluation	(103)	-	-	641	-
Total other comprehensive revenue and expenses	**105,906**	**-**	**-**	**99,024**	**-**
Total comprehensive revenue and expenses attributable to Hutt City Council	**84,127**	**(17,556)**	**(13,915)**	**70,569**	**(15,411)**

Summary statement of changes in equity

For the year ended 30 June 2026	Council			Group	
	Actual	Budget	Actual	Actual	Actual
	2026 $000	2026 $000	2025 $000	2026 $000	2025 $000
Equity at the beginning of the year	3,025,612	3,021,307	3,039,527	3,081,725	3,097,136
Total comprehensive income	84,127	(17,556)	(13,915)	70,569	(15,411)
Equity at the end of the year	**3,109,740**	**3,003,751**	**3,025,612**	**3,152,295**	**3,081,725**

Summary statement of financial position

As at 30 June 2026	Council			Group	
	Actual	Budget	Actual	Actual	Actual
	2026 $000	2026 $000	2025 $000	2026 $000	2025 $000
Current assets	67,534	50,642	83,226	100,646	127,991
Non-current assets	3,730,836	3,703,746	3,578,526	3,742,422	3,594,298
Total Assets	**3,798,370**	**3,754,388**	**3,661,752**	**3,843,068**	**3,722,289**
Current liabilities	379,158	106,839	131,902	379,826	132,668
Non-current liabilities	309,472	643,798	504,238	310,946	507,896
Total liabilities	**688,629**	**750,637**	**636,140**	**690,772**	**640,564**
Net assets	**3,109,740**	**3,003,751**	**3,025,612**	**3,152,295**	**3,081,725**
Total equity	**3,109,740**	**3,003,751**	**3,025,612**	**3,152,295**	**3,081,725**

Summary statement of cash flows

For the year ended 30 June 2026	Council			Group	
	Actual	Budget	Actual	Actual	Actual
	2026 $000	2026 $000	2025 $000	2026 $000	2025 $000
Net cash flow from operating activities	79,441	86,482	91,307	72,475	94,201
Net cash flow from investing activities	(130,584)	(228,270)	(151,644)	(133,008)	(142,321)
Net cash flow from financing activities	30,000	140,670	61,000	30,000	61,000
Net cash flow for the year	**(21,143)**	**(1,118)**	**663**	**(30,533)**	**12,880**

Notes:

1. This Summary Annual Report has been extracted from the full Annual Report and is designed to give an overview for the year to 30 June 2026 of the Council's operations as a legal entity and also those for its "group", including its subsidiary and Council controlled organisations. The Annual Report contains detailed information about our finances and service performance and was adopted by Council and approved for issue on 28 October 2026.
2. This summary report has been prepared in accordance with PBE FRS 43: Summary Financial Statements. It cannot be expected to provide as complete understanding as provided by the full financial report of the financial and service performance, financial position and cash flow of the Council.
3. The full financial statements for the year ended 30 June 2026 have been prepared in accordance with NZ GAAP. They comply with NZ PBE IPSAS Tier 1, and other applicable Financial Reporting Standards, as appropriate for public benefit entities. The functional and presentation currency of Hutt City Council is New Zealand dollars with all values rounded to the nearest thousand dollars. The Council of Hutt City confirms that all other statutory requirements relating to the Annual Report have been complied with.
4. The Audit Office has audited the full financial statements and issued an unmodified opinion on the financial information. A qualified opinion was issued on the statement of service provision relating to the total number of complaints received regarding water supply, wastewater and stormwater services; the average quality of ride on the sealed local road network, measured by smooth travel exposure; and the percentage of customer service requests relating to roads and footpaths responded to within a seven-day timeframe. The audit opinion also includes emphasis of matter paragraphs relating to uncertainty regarding the fair value of three waters assets, Local Water Done Well reforms, and Simplifying Local Government reforms. These emphasis of matter paragraphs do not modify the audit opinion. This Summary has been examined by The Audit Office for consistency with the full Annual Report.
5. Explanations for major variations from council's budgeted figures in the Annual Plan 2025-2026 are as follows:

   Statement of comprehensive revenue and expenses

   Council's total revenues were $22.4 million lower than budget. This was mainly because of reduced subsidies and grants reflecting the unavoidable delays and deferrals of capital projects. Total expenses were $18.6 million below budget overall mainly due to lower spending on water supply and wastewater programs and lower depreciation and amortisation expenses due to unexpected delays in commissioning and capitalising three water and roading network assets. Together, these factors resulted in a net deficit after tax of $21.7 million, compared with a budgeted deficit of $17.6 million.

   Statement of financial position

   Council's total assets were $44 million above budget, mainly because of the revaluation of land, building and infrastructure assets and higher level of debtors and other receivables balances offset by lower than budgeted level of assets under construction due to project deferrals. Council's total liabilities were 62 million below budget due to borrowings levels $104 million lower than budget as less borrowing was needed for the capital programme. This was offset by creditors and payables being slightly higher due to the timing of payments. Overall, Council's net assets and equity were $106 million above budget

   Statement of cash flows

   Cash outflows from operations were $7 million lower than budget due to reduced supplier payments. Cash outflows from investing were $97.7 million lower than budget, mainly because of deferred capital projects. Cash inflows from financing were $110.7 million lower than budget, reflecting reduced borrowing requirements. A more detailed explanation of variances is provided in the full Annual Report.
6. The full Annual Report can be obtained from our website hutt.city/annualreport

Tauāki Puakanga
Disclosures

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

The following note relates to the performance measures outlined on pages 29, 33 and 38 of the full Annual Report.

During 2025–26, Council continued to outsource the management of its water supply and wastewater infrastructure to Wellington Water Limited (WWL). This included gathering information to support the reporting of Council's performance measures in these areas.

Council is required to report against the performance measures set out in the Non-Financial Performance Measure Rules 2013 issued by the Secretary for Local Government. These include mandatory measures on the total number of complaints received about water supply, wastewater and stormwater.

Issues identified in the previous year's reporting of complaints remain relevant in 2025–26. Specifically, complaint records were incomplete, and some complaints made directly to WWL could not be reconciled with Council records. As a result, the reported results for the number of complaints received about water supply, wastewater and stormwater may be understated.

As per previous year's, audit qualification relating to these measures is expected for2025–26, as sufficient appropriate audit evidence could not be obtained and there were no practicable audit procedures available to provide assurance over the reported results.

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

Reported results 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.

Due to only a small portion of the road network having counts in the last four years this was insufficient to produce a reliable traffic volume estimate that was sufficiently up to date.

Therefore, we did not have sufficiently reliable data to calculate the average quality of ride on the sealed local road network.

The percentage of customer service requests relating to roads and footpaths which are responded to within a specified timeframe

As described on page 53 of the full annual report, the Council's reported result includes only customer service requests recorded in the new Dynamics CRM system from 1 October 2025. Requests recorded in the previous CRM system for the period from 1 July to 30 September 2025 were excluded because the Council was unable to calculate the response times accurately.

Consequently, the reported result does not reflect the Council's performance for the full financial year. We were unable to obtain sufficient appropriate audit evidence over the Council's performance for the first three months of the financial year and were unable to determine whether any adjustment to the reported result was necessary.

Uncertainty over the fair value of three waters assets

The 2026 valuation found that there is still significant uncertainty about the replacement costs and value of Council's three waters assets.

While national costs for water infrastructure have increased by an average of 2 percent each year since 2024, changes to Wellington Water's procurement processes were expected to improve efficiency and reduce costs. However, evidence to determine the full impact of these changes was limited.

From July 2025 uncertainty around changes to the region's water services delivery model reduced and the model was confirmed in October 2025. Global price fluctuations may also affect costs, but their long-term impact cannot yet be reliably measured.

Given these uncertainties, the replacement costs used in the valuation for transferring assets and liabilities to Tiaki Wai remained unchanged from 2024. Overall, the 2026 revaluation resulted in minimal change to the fair value of Council's three waters assets as at 30 June 2026.

Full disclosure can be found in the full Annual Report 2025-2026, Note 14 page 133.

Events after the balance date

There were no events after 30 June 2026 requiring adjustments to Council's financial statements. However, two significant developments are expected to affect Council's future operations and finances. Full information is disclosed in the Annual Report in Note 31.

Local Water Done Well reforms

On 1 July 2026, responsibility for drinking water, wastewater and stormwater services transferred from Hutt City Council to Tiaki Wai Limited, a new water services organisation set up by five councils - Hutt City, Porirua City, Upper Hutt City, Wellington City and Greater Wellington Regional Council. Alongside the shareholding Councils are Mana Whenua partners Ngāti Toa Rangatira and Taranaki Whānui ki Te Upoko o Te Ika.

The transfer included about $2.1B in assets and $260M in debt. Council now holds an investment in Tiaki Wai valued at about $1.8B, with a 24 percent shareholding.

This change will significantly reduce Council's revenue, spending and responsibility for water infrastructure from 2026/27.

Water services previously made up about 40 percent of Council's rates revenue. While this income will no longer be received, Council's costs will also reduce.

Note 31 on pages 160-162 of the full financial statements outlines how the future changes in delivery of water services will affect the Council.

Simplifying Local government reform

In May 2026, the Government announced its Head Start initiative, giving councils the option to commit to amalgamation ahead of wider local government reform. The aim is to reduce duplication and improve how councils operate.

In August 2026, Hutt City Council agreed to support a proposal for one council covering the wider Wellington region. This was submitted to the Government following discussions between mayors from Wellington and the Wairarapa. A separate proposal for a Wairarapa-only council was also submitted.

In September 2026, the Government advised that decisions on the Head Start proposals would be delayed until after the 2026 General Election. The Government is now expected to consider the proposals in early 2027, with final decisions anticipated later that year. Any changes are currently planned to take effect for the 2028 local government elections.

As the final structure and timing of local government reform in the Wellington region remain uncertain, Council cannot reliably estimate the potential financial and operational impacts. Council has prepared its financial statements on the basis that it will continue operating and meeting its financial responsibilities. As described in Note 31 on page 162 of the full financial statements, Council agreed to support the submission of the Head Start proposal for the Wellington region.

There have been no other significant events occurring after balance date.

Pūrongo Kaitātari Kaute
Independent Auditor's report

To the readers of Hutt City Council's summary of the annual report for the year ended 30 June 2026

The summary of the annual report comprises the following information on pages 20 to 26:

- the summary statement of financial position of the Council and Group as at 30 June 2026;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows of the Council and Group for the year ended 30 June 2026;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service provision (referred to as "Our Performance at a Glance").

Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS 43, Summary Financial Statements.

However, the summary statement of service provision includes a limitation in scope to the equivalent extent as the full audited statement of service provision. This limitation is explained below in the full annual report and our audit report thereon section.

Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The full annual report and our audit report thereon

We expressed a qualified opinion on the statement of service provision, and an unmodified opinion on the other audited information in the full annual report for the year ended 30 June 2026 in our auditor's report dated 28 October 2026. The basis for our qualified opinion on the statement of service provision in the full annual report is explained below.

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.

Our opinion on these performance measures was also qualified in the 2025 performance year for similar reasons.

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.

Information about this matter is also disclosed on page 25 of the summary of the annual report

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 estimate traffic volumes are not sufficiently up to date, with only a small portion of the road network having counts in the last four years.

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.

Information about this matter is also disclosed on page 25 of the summary of the annual report.

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

The Council was unable to report on its response time for customer service requests relating to roads and footpaths for the first three months of the performance year as the Council did not maintain sufficient appropriate evidence to support recorded response times. As described on page 53 of the full annual report, the Council implemented a new customer request management system from 1 October 2025 and was able to report a result for the period from 1 October 2025 to 30 June 2026 using data from the new system.

Consequently, the reported result does not reflect the Council's performance for the full performance year. We were unable to determine whether any adjustment would be required to the nine months reported result to fairly reflect the performance of the Council for the full performance year.

Information about this matter is also disclosed on page 25 of the summary of the annual report.

Our auditor's report on the full annual report also includes emphasis of matter paragraphs drawing attention to following disclosures, in the full annual report.

Uncertainty over the fair value of three waters assets

Note 14 on page 133 of the full financial statements outlines the significant uncertainty associated with the fair value of the Council's three waters assets. The extent to which recent changes in procurement arrangements and new delivery methods may result in future changes in construction costs is not yet known, which increases the uncertainty over the estimated fair value of these assets.

Information about this matter is also disclosed on page 25 of the summary of the annual report.

Local water done well reform

Note 31 on pages 160 to 162 of the full financial statements outlines how the future changes in delivery of water services will affect the Council.

Information about this matter is also disclosed on page 26 of the summary of the annual report.

Simplifying Local Government reform

The government has announced it wants to simplify local government, including reducing the number of local authorities by amalgamations within regions. As described in note 31 on page 162 of the full financial statements, the Council agreed to support the submission of a Head Start proposal to form a Wellington region-wide unitary authority, supported by Wellington City Council, Hutt City Council, Porirua City Council and South Wairarapa District Council, with separate support from Greater Wellington Regional Council. The eventual outcome for the Council is dependent on future Cabinet decisions and enactment of enabling legislation. The current reform timeline indicates final Government decisions would be made in 2027 with the Head Start changes intended to be in place for the 2028 Local Government Elections. Because of the significant uncertainty about the outcome and timing of any future reorganisation, the financial statements have continued to be prepared on a going concern basis.

Information about this matter is also disclosed on page 26 of the summary of the annual report.

Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS 43, Summary Financial Statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43, Summary Financial Statements.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and

Ethical Standards and the International Standards on Auditing (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
The Audit Office
On behalf of the Auditor-General
Wellington, New Zealand
28 October 2026

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TE AWA KAIRANGI