



KOMITI ITI AHUMONI I TŪRARU AUDIT AND RISK SUBCOMMITTEE

16 September 2025

Order Paper for the meeting to be held in the
Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt,
on:

Tuesday 23 September 2025 commencing at 2:00 pm

The meeting will be livestreamed on Council's YouTube page.

Membership

	Suzanne Tindal (Independent Chair)
	Mayor C Barry (Deputy Chair)
Cr J Briggs	Cr S Edwards
Cr K Morgan	Cr T Stallinger

For the dates and times of Council Meetings please visit www.huttcity.govt.nz

Have your say

You can speak under public comment to items on the agenda to the Mayor and Councillors at this meeting. Please let us know by noon the working day before the meeting. You can do this by emailing DemocraticServicesTeam@huttcity.govt.nz or calling the Democratic Services Team on 04 570 6666 | 0800 HUTT CITY

KOMITI ITI AHUMONI I TŪRARU AUDIT AND RISK SUBCOMMITTEE

Chair:	Independent Chair Sue Tindal
Deputy Chair:	Mayor Campbell Barry
Membership: Komiti Iti Ahumoni i Tūraru Audit and Risk Subcommittee members should be appointed so that the subcommittee has a diversity of governance skills, experiences and personal qualities. Between them, the members should bring a mix of the following attributes: 1. Broad governance experience; 2. Familiarity with risk management disciplines; 3. Understanding of internal control and assurance frameworks; 4. An understanding of financial and non-financial performance reporting; 5. A good understanding of the roles of internal and external audit; and 6. A sound understanding of the local government sector. Use of the matrix below has assisted other councils to consider the best fit for membership of an Komiti Iti Ahumoni i Tūraru Audit and Risk Committee.	Cr Josh Briggs Cr Simon Edwards Cr Karen Morgan Cr Tony Stallinger
Quorum:	Half of the membership
Meeting Cycle:	Meets on an eight-weekly basis or as required
Reports to:	Council

AREAS OF FOCUS:

The subcommittee's areas of focus are:

- Oversight of risk management and assurance across the Council Group with respect to risk that is significant
- Internal and external audit and assurance
- Health, safety and wellbeing
- Business continuity and resilience
- Integrity and investigations
- Monitoring of compliance with laws and regulations
- Significant projects, programmes of work and procurement, focussing on the appropriate management of risk
- The Long Term Plan, Annual Report and other external financial reports required by statute.

DELEGATIONS FOR THE SUBCOMMITTEE'S AREAS OF FOCUS:

- The subcommittee has no decision-making powers other than those in these Terms of Reference.
- The subcommittee may request expert advice through the Chief Executive where necessary.
- The subcommittee may make recommendations to Council and/or Chief Executive.

Risk Management:

- Review, approve and monitor the implementation of the risk management framework and strategy, including significant risks to the Council Group.
- Review the effectiveness of risk management and internal control systems including all material financial, operational, compliance and other material controls. This includes legislative compliance (including health and safety), significant projects and programmes of work, and significant procurement.
- Review risk management reports identifying new and/or emerging risks.

Assurance:

- Review and approve, and monitor the implementation of, the assurance strategy and detailed internal audit coverage and annual work plans.
- Review the coordination between the risk and assurance functions, including the integration of the Council's risk profile with the internal audit programme. This includes assurance over all material financial, operational, compliance and other material controls. This includes legislative compliance (including health and safety), significant projects and programmes of work, and significant procurement.
- Review the reports of the assurance functions dealing with findings, conclusions and recommendations (including assurance over risks pertaining to Council Controlled Organisations and Council Controlled Trading Organisations that are significant to the Council Group).
- Review and monitor management's responsiveness to the findings and recommendations, inquiring into the reasons that any recommendation is not acted upon.

Fraud and Integrity:

- Review, approve and monitor the implementation of the assurance strategy, including the fraud and integrity aspects.
- Review the arrangements in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control or any other matters, and ensure that there is a proportionate and independent investigation of such matters and appropriate follow-up action.
- Review the procedures in relation to the prevention, detection, reporting and investigation of bribery and fraud.
- Review and monitor policy and process to manage conflicts of interest amongst elected and appointed members, management, staff, consultants and contractors.
- Review internal and external reports related to possible improprieties, ethics, bribery and fraud-related incidents.

Statutory Reporting:

- Review and monitor the integrity of the Long Term Plan and Annual Report including statutory financial statements and any other formal announcements relating to the Council's financial performance, focussing particularly on the areas listed below.
- Compliance with, and the appropriate application of, relevant accounting policies, practises and accounting standards.

- Compliance with applicable legal requirements relevant to statutory reporting.
- The consistency of application of accounting policies, across reporting periods, and the Council Group.
- Changes to accounting policies and practices that may affect the way that accounts are presented.
- Any decisions involving significant judgement, estimation, or uncertainty.
- The extent to which financial statements are affected by any unusual transactions and the way they are disclosed.
- The disclosures of contingent liabilities and contingent assets.
- The clarity of disclosures generally.
- The basis for the adoption of the going concern assumption.
- Significant adjustments resulting from the audit.

External Audit:

- Discuss with the external auditor, before the audit commences, the nature, scope and fees of the external audit, areas of audit focus, and error and materiality levels.
- Review, with the external auditors, representations required by elected members and senior management, including representations as to the fraud and integrity control environment.
- Review the external auditor's management letter and management responses and inquire into reasons for any recommendations not acted upon.
- Where required, the Chair may ask a senior representative of the Office of the Auditor General to attend meetings of the subcommittee to discuss the office's plans, findings and other matters of mutual interest.

Interaction with Council Controlled Organisations (CCO) and Council Controlled Trading Organisations (CCTO):

- Other committees dealing with CCO and CCTO matters may refer matters to the Komiti Iti Ahumoni i Tūraru | Audit and Risk Subcommittee for review and advice.
- This subcommittee will inquire to ensure adequate processes at a governance level exist to identify and manage risks within a CCO. Where an identified risk may impact on Council or the Council Group, the subcommittee will also ensure that all affected entities are aware of and are appropriately managing the risk.

Matrix of Experience, Skills and Personal Qualities

Experience, Skills and Personal Qualities	Member A	Member B	Member C	Member D	Independent Chairperson
<i>The recommended combination of experience is:</i>					
• financial reporting					
• broad governance experience					
• familiarity with risk management disciplines					
• understanding of internal control and assurance frameworks					
• good understanding of the roles of internal and external audit					
• local government expertise					
<i>For an “advisory-oriented” audit committee, particular emphasis should be placed on:</i>					
• Strategy					
• Performance management					
• Risk management disciplines					
<i>In determining the composition of the audit committee, the combined experience, skills, and personal qualities of audit committee members is critical. Members should bring:</i>					
• the ability to act independently and objectively					
• the ability to ask relevant and pertinent questions, and evaluate the answers					
• the ability to work constructively with management to achieve improvements					
• an appreciation of the public entity’s culture and values, and a determination to uphold these					
• a proactive approach to advising the governing body and chief executive on matters that require further attention					
• business acumen					
• appropriate diligence, time, effort, and commitment					
• the ability to explain technical matters in their field to other members of the audit committee					

HUTT CITY COUNCIL

KOMITI ITI AHUMONI I TŪRARU | AUDIT AND RISK SUBCOMMITTEE

Meeting to be held in the Council Chambers,
2nd Floor, 30 Laings Road,
Lower Hutt on
Tuesday 23 September 2025 commencing at 2:00 pm.

ORDER PAPER

PUBLIC BUSINESS

1. OPENING FORMALITIES - KARAKIA TIMATANGA

Whakataka te hau ki te uru	Cease the winds from the west
Whakataka te hau ki te tonga	Cease the winds from the south
Kia mākinakina ki uta	Let the breeze blow over the land
Kia mātaratara ki tai	Let the breeze blow over the ocean
E hī ake ana te atakura	Let the red-tipped dawn come with a sharpened air.
He tio, he huka, he hau hū	A touch of frost, a promise of a glorious day.
Tihei mauri ora	

2. APOLOGIES

No apologies have been received.

3. PUBLIC COMMENT

Generally up to 30 minutes is set aside for public comment (three minutes per speaker on items appearing on the agenda). Speakers may be asked questions on the matters they raise.

4. CONFLICT OF INTEREST DECLARATIONS

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have

5. HUTT CITY COUNCIL GROUP ANNUAL REPORT 2024-2025

Report No. ARSC2025/4/271 by the Financial Accountant

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CHAIR'S RECOMMENDATION:

"That the recommendation contained in the report be endorsed."

6. QUESTIONS

With reference to section 32 of Standing Orders, before putting a question a member shall endeavour to obtain the information. Questions shall be concise and in writing and handed to the Chair prior to the commencement of the meeting.

7. CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA

Unuhia!	Release us from the
Unuhia!	supreme sacredness of our
Unuhia i te uru-tapu-nui	tasks
Kia wātea, kia māmā	To be clear and free
Te ngākau, te tinana,	in heart, body and soul in
te wairua i te ara takatū	our continuing journey
Koia rā e Rongo	Oh Rongo, raise these
whakairihia ake ki runga	words up high so that we
Kia wātea, kia wātea!	be cleansed and be free,
Ae rā, kua wātea!	Yes indeed, we are free!
Hau, pai mārire.	Good and peaceful

Jenny Young
DEMOCRACY ADVISOR

Report no: ARSC2025/4/271

Hutt City Council Group Annual Report 2024-2025

Purpose of Report

1. The purpose of this report is to progress the review of Council's Group Annual Report 2024-25. The Audit and Risk Subcommittee is asked to endorse the Group Annual Report ahead of the report being considered by the Policy, Finance and Strategy Committee and Council on Tuesday, 7 October 2025.

Recommendation

That the Subcommittee endorse the adoption of the Group Annual Report for the year ended 30 June 2025 (attached as Appendix 1 to the report), subject to satisfactory resolution of the following outstanding items:

- (a) completion of the final design and minor editorial changes;
- (b) completion of the external audit and any adjustments required; and
- (c) receipt of final clearance from Audit New Zealand.

For the reason of meeting legislative requirements and to inform the community.

Section A – Background and Legislative Framework

2. Section 98 of the Local Government Act 2002 requires local authorities to prepare, complete and adopt (by resolution) an Annual Report within four months after the end of the financial year to which it relates. The Annual Report, and a summary of the information it contains, must be made publicly available within one month after its adoption. The statutory deadline for adoption of the Hutt City Council Group Annual Report 2024-25 is 31 October 2025.
3. Due to the upcoming local government elections scheduled for 11 October 2025, the project timeline has been compressed. As a result, the Council will adopt the Annual Report earlier than usual, on 7 October 2025, before the election.
4. There is a requirement to prepare both a Full Annual Report (FAR) and a Summary Annual Report (SAR). Both these documents are required to be audited. The SAR includes the front section of FAR, which consists of the summary sections of non-financial and financial performance results.

5. An important note is that auditors need to audit only parts of the FAR and SAR. The auditor's opinion will state exactly which pages of the FAR and SAR have been audited.
6. The final FAR must contain the Auditor-General's (audit) report, and the SAR must contain the Auditor-General's report on whether the summary represents, fairly and consistently, the information regarding the major matters dealt with in the Annual Report.
7. Information to be included in the Annual Report includes:
 - Groups of activities;
 - Capital expenditure for groups of activities;
 - Statement of service provision;
 - Funding impact statement for groups of activities;
 - Council-Controlled Organisations;
 - Financial Statements;
 - Funding impact statement;
 - Rating base information;
 - Reserve funds;
 - Key person remuneration (includes elected members);
 - Employee staffing levels and remuneration;
 - Severance payments;
 - Statement of compliance; and
 - Activities undertaken to establish and maintain processes to provide opportunities for Māori to contribute to the decision-making processes of the local authority.
 - (Note that some of these aspects may not be relevant and therefore will not be reported on).
8. The Audit and Risk Subcommittee's (ARSC) role is to review and monitor the integrity of the Annual Report. This includes statutory financial statements and any other formal announcements relating to Council's financial performance, focussing particularly on:
 - compliance with accounting and legal requirements;
 - consistency of application of accounting policies; and
 - changes to these, disclosures, and significant adjustments resulting from the audit.
9. The Policy, Finance and Strategy Committee's (PFSC) role is to monitor the integrity of reported performance information at the completion of Council's Annual Report process, together with reviewing and recommending to Council the adoption of the Annual Report.
10. Council's role is the adoption of the final Annual Report.

Section B – High-level process for the Group Annual Report 2024-25 and External Audit

11. The draft Annual Report is attached as Appendix 1.
12. The detailed external audit plan was presented to ARSC on 23 April 2025 (refer ARSC2025/2/92), with a further update provided on 23 June 2025 (refer ARSC2025/3/159). The audit plan outlines the approach to be taken by Audit New Zealand, along with the associated timelines. Likewise, the audit plans for Seaview Marina Limited and the Urban Plus Limited Group were presented to ARSC on 23 April 2025 (refer to ARSC2025/2/90 and ARSC 2025/2/91)
13. The interim external audit was completed over June and July 2025.
14. An update on the preparation of the Group Annual Report 2024-25, along with the Group Annual Report audit opinion, was reported to the ARSC on 26 August 2025 (refer to ARSC2025/4/222).
15. The final audit started on 18 August 2025, and the audited FAR and SAR are expected to be available for Council adoption on 7 October 2025.
16. Table 1 details the high-level process, including the next steps. Following the ARSC meeting, the audited FAR will be presented to PFSC on 7 October 2025, followed by a Council decision meeting to adopt FAR and SAR.

Table 1 – High level plan for adoption of Group Annual Report

Date 2025	Activity	Status
June – July	An interim audit was conducted by Audit New Zealand.	Completed
July – August	Preparation of the content of the Annual Report by officers	Completed
18 August	Final Audit New Zealand audit commences.	In progress
21 August	ARSC workshop re. unaudited FAR.	Completed
23 September	Draft unaudited FAR presented to ARSC. Seeking endorsement ahead of final audit adjustments (if required) and minor editorial changes.	Today
7 October	Audited FAR and SAR presented to PFS, followed by a Council decision meeting to adopt FAR and SAR.	Not Started

Section C – Risk of error, omission and non-compliance in preparation

17. There is a risk that errors or non-compliance with legislation and accounting standards could occur in the preparation of the Annual Report. To mitigate this risk, quality assurance reviews were performed on the results and commentary. The reviews focused on accuracy, completeness and reasonableness of disclosures and legislative compliance.
18. A full asset revaluation was completed on 31 May 2024. A fair value assessment of asset values has been completed for 30 June 2025 based on the March quarter end pricing indices. Because there was no material change in asset values, a revaluation of assets was not warranted for the year. This position was supported by specialist valuation providers Aon New Zealand Ltd and WSP Ltd.
19. The fair value assessment of three water asset values by WSP Ltd as of 30 June 2025 was a comprehensive piece of work undertaken to help manage audit risks and support work underway for the establishment of the new water services entity. In addition, work has been progressed to establish the required disclosures to be made in the annual reports along with technical accounting assessments resulting from the water services changes. This work is happening in conjunction with other councils in the Wellington region.
20. To meet accounting standards, technical specialist Eriksen Global have completed an actuarial assessment for the provision of landfill aftercare.
21. Wellington Water Limited's annual report to June 2024 was signed off in June 2025. This may create issues for the timely completion of their June 2025 annual report and providing the required information/disclosures in Council's FAR.
22. Following the ARSC workshop on 21 August 2025, feedback received was incorporated into the draft Annual Report. There has also been some additional disclosures and minor changes made as part of the audit process.

Options

23. There are no options to consider.

Climate Change Impact and Considerations

24. The Annual Report provides an opportunity to highlight 2024-2025 climate change responses.

Consultation

25. Officers plan to deliver relevant and concise messages to the community on publication of the Annual Report in October 2025 via Council's website, media release, social media, and direct email to stakeholders.
26. In line with section 98 of Local Government Act 2002, the FAR and SAR will be available within one month of adoption by the Council, including publication on Council's website, hard copies available in key Council facilities and accompanied by public notices and social media collateral.

Legal Considerations

27. The Annual Report complies with the requirements of the Local Government Act 2002.

Financial Considerations

28. There are no further financial considerations apart from those detailed in the report above.

Appendices

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1 ↓	Draft Annual Report 2024-25	13

Author: Darren Cowan
Financial Accountant

Reviewed By: Richard Hardie
Head of Strategy and Policy

Reviewed By: Jenny Livschitz
Group Chief Financial Officer

Reviewed By: Jarred Griffiths
Director Strategy and Engagement

Approved By: Jo Miller
Chief Executive

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 mouna 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 Mouna 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.

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Hei āhuru mōwai mō te katoa

Increasing our housing supply

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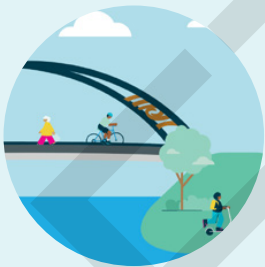
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He karere nā te Koromatua / Tumu Whakarae

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 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 restrictions 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,

Koromatua
Mayor Campbell Barry

Tumu Whakarae
Chief Executive Jo Miller

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 Tenth 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



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.

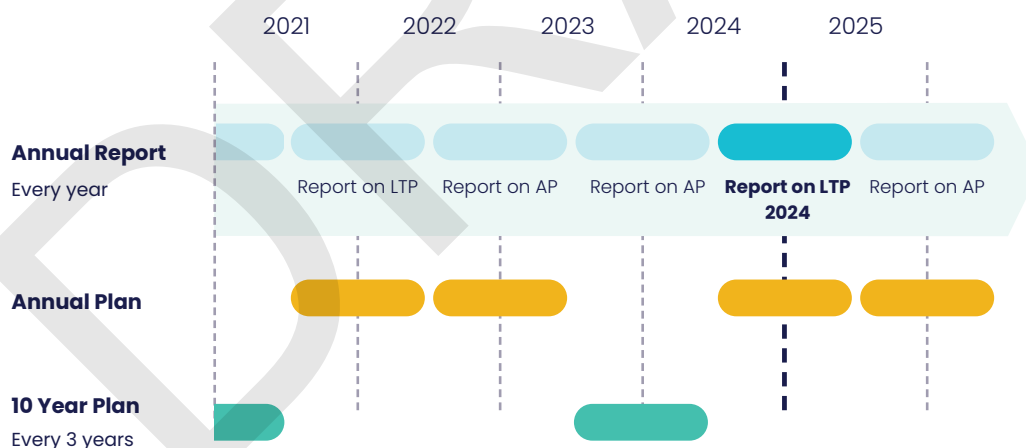
Here is a quick overview of Council's planning and reporting cycle:

- 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 2024–2034. To achieve this, we identified three key priorities (see page xx 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.

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)

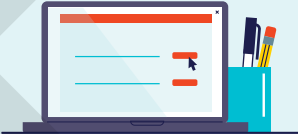
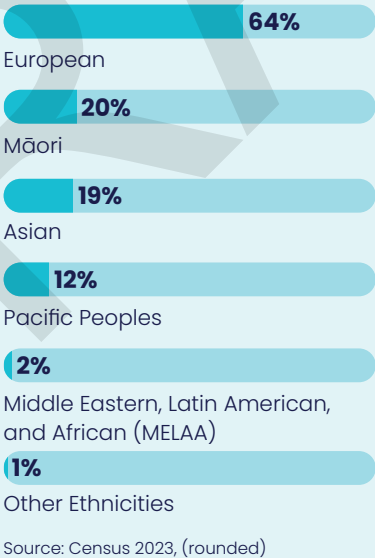
Dwellings:
42,300
Source: Census, 2023

Median sale price:
\$682,000
Source: Dot Loves Data, July 2025

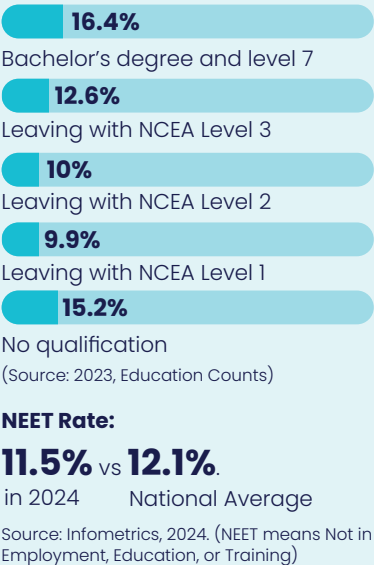
Median Rent:
\$580
(March 2024)
Source: Tenancy Services, 2025



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



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

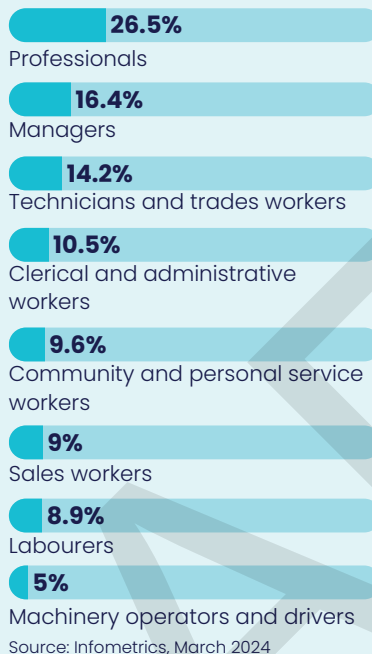
66.8%

of households own their own home

Source: Census, 2023



Workforce



Source: Infometrics, March 2024



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:

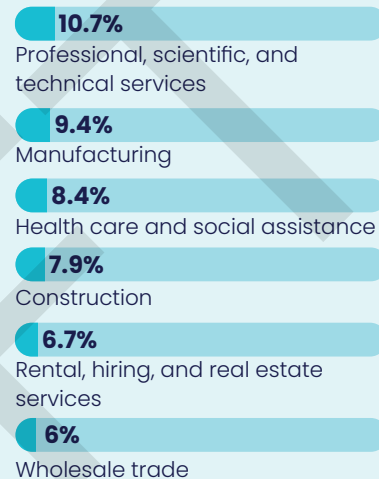
\$94.80

Source: Dot Loves Data, 2025



Economic landscape

Top Sectors:



Source: Infometrics, March 2024

Median household income for Lower Hutt:

\$110,100

Source: Census, 2023

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 i.e. 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 council controlled organisation Wellington Water.

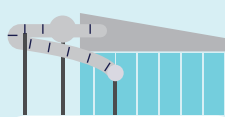
Council also develops strategies and plans to guide the long-term direction of our city. These help us manage growth, protect our environment, and invest in the things that matter most to our community.

To learn more about our work, check out our website at huttcity.govt.nz.





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



83%

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



Pūrongo ki Teiwhāriki 2024-2025

13

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, Porirua, Wellington City, and Greater Wellington Regional Council, 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.

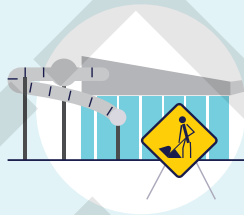
Key highlights



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



✓ Delivered real results in water services



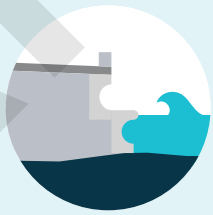
✓ Te Ngaengae Pool + Fitness Centre was opened in December 2024



✓ Moerā Neighbourhood Hub opened in March 2025



✓ Mouri Tupu planting for the future progressed



✓ Tupua Horo Nuku reached the halfway mark



Tirohanga Whānui

Overview



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

Therefore, Wellington Water 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 work 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 589 metres 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.





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.

This \$1.5 billion programme 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, Hutt City Council and Mana Whenua Taranaki Whānui ki Te Upoko o Te Ika and Ngāti Toa Rangatira.

In April 2025, the government confirmed funding for the full programme, including \$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 opportunities 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 2024-34. 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. 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 7.9km 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 hapori 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.



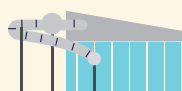
Strengthening safety: CCTV hub, Kia Haumaru, and business safety support fund

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 focussed 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 \$50,000 USD 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.

 Case study


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 \$68M 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 3-month engagement period for residents to have their say. The Naenae 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.

 A photograph of the Moerā Neighbourhood Hub building. The building is a modern, single-story structure with large glass windows and doors. A wide set of concrete steps leads up to the entrance, flanked by metal handrails. A string of colorful triangular bunting is draped across the steps. Several people are visible: some standing near the entrance, one person in a wheelchair on the steps, and another person walking away. The surrounding area includes a paved walkway, a wooden bench, and some landscaping with mulch and small plants. The sky is overcast.
 Q Case study

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 1,894 kg of waste. Through proactive waste minimisation efforts, 1,344 kg (72%) were successfully diverted from landfill, including 680 kg composted and 664 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.

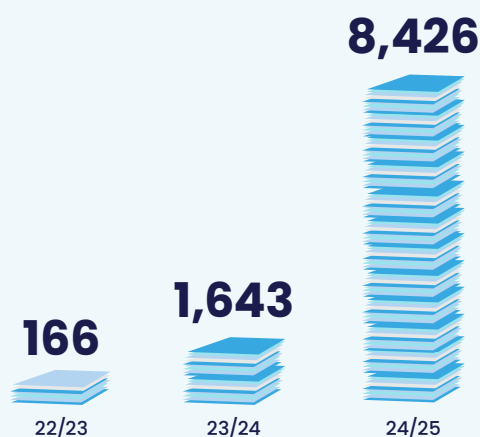


Zero Waste Hub – Silverstream Landfill Transfer Station discount voucher scheme

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 Financial Year 22/23 – 24/25



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 recycling collected



23,187 tonnes of kerbside waste collected and taken to landfill



73,000 native trees and plants planted

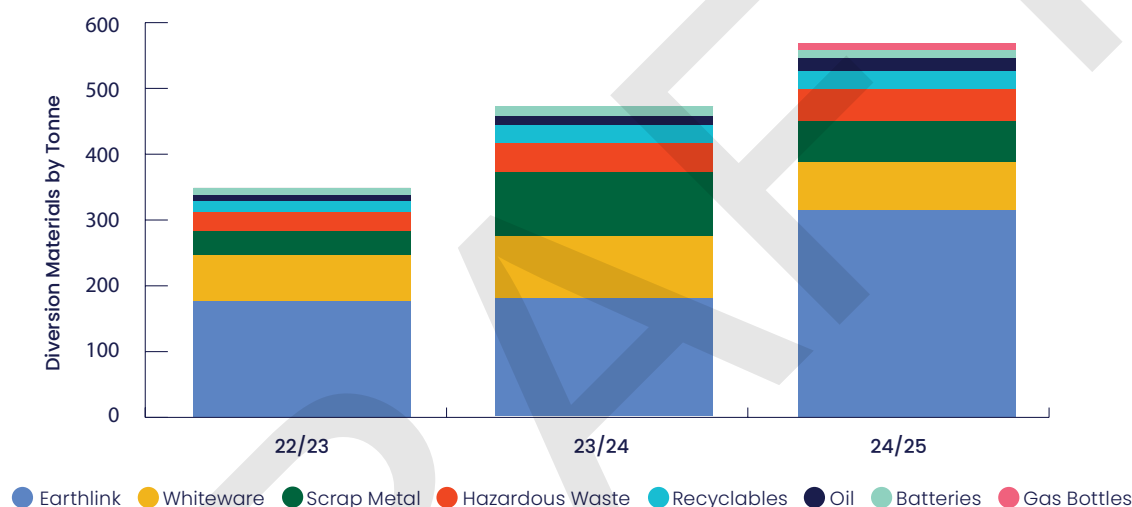


3 organisations supported through the Low Carbon Acceleration Fund



\$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 the 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 13.8%, compared with 17.9% three years earlier.

 Q Case study

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 2024–34, 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, 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

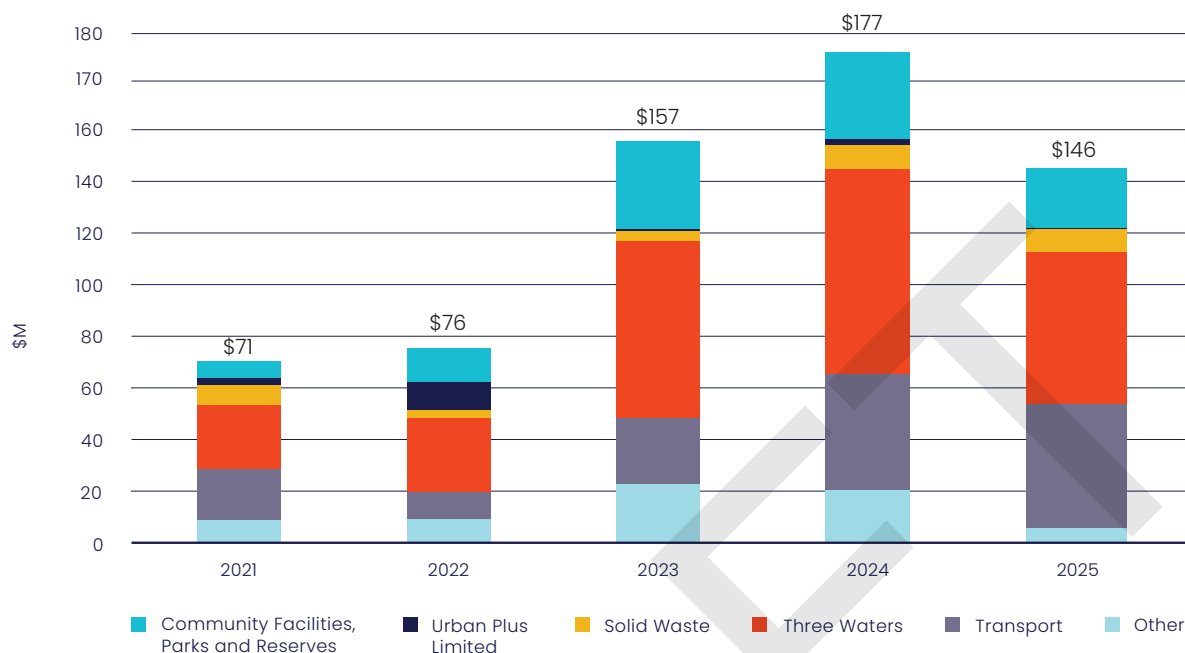
transport network, upgrading and future-proofing water services, protecting parks and reserves and renewing community facilities.

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 (\$31M) 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 Ltd (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.
- \$2M 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 2025-26. 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.

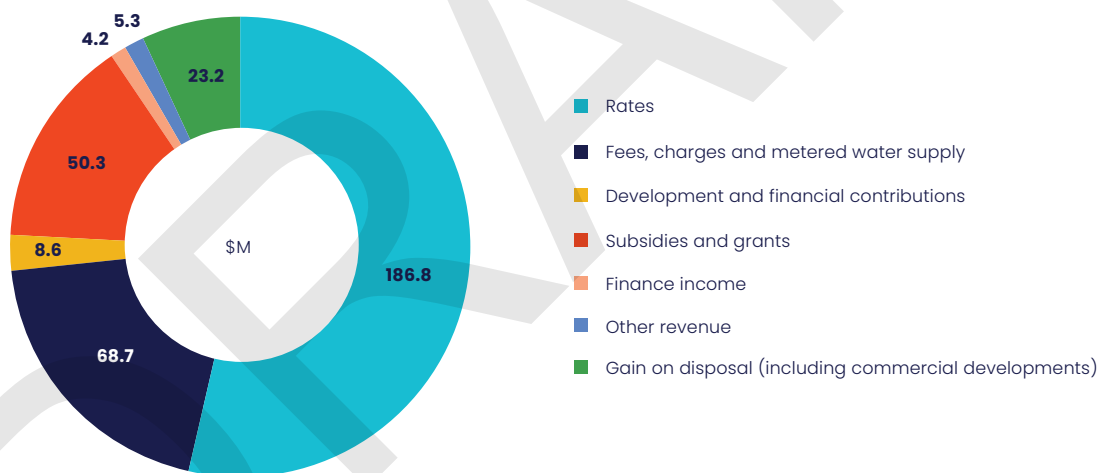
We have a significant capital investment programme, which is largely funded by debt. A lower S&P credit rating means higher borrowing costs for debt, which in turn means higher costs for ratepayers. Through the next Annual plan process, there will be an opportunity to review and update investment plans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

Revenue

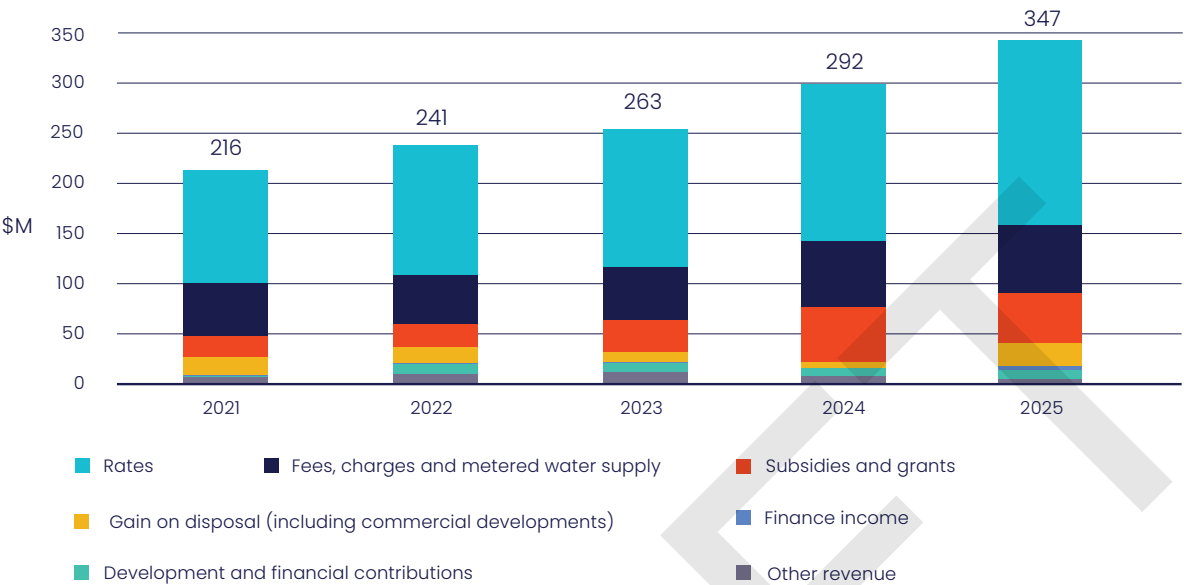
We fund our services and operations through a mix of rates and non-rates revenue. Like most councils, rates are our main source of funding (see Graph 3).

In 2024-25, total group revenue was \$347 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 \$32 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 \$8 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)

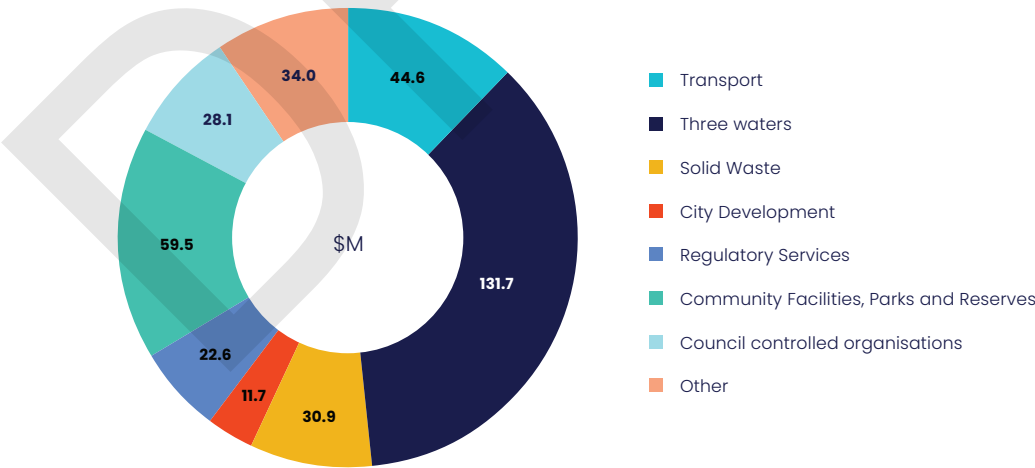


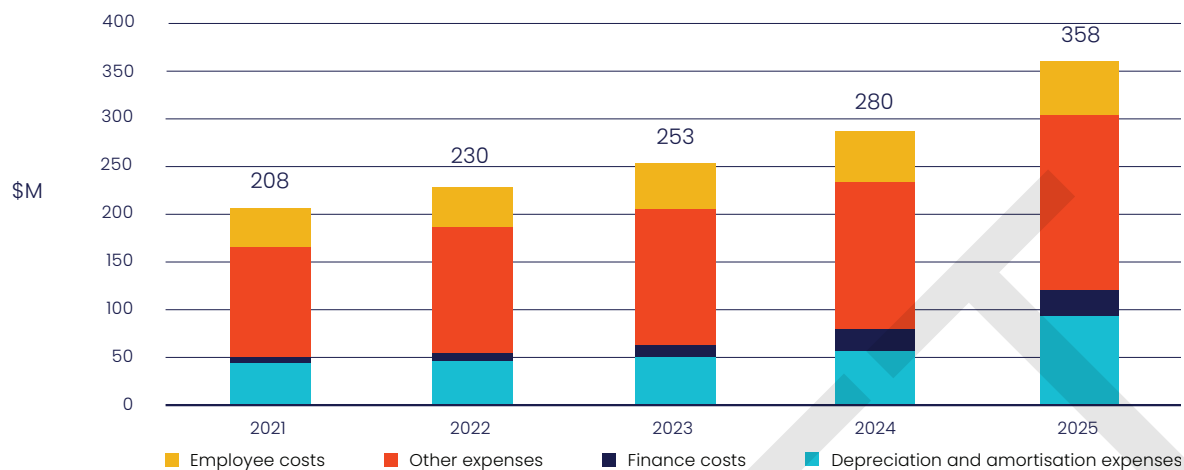
Expenditure

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



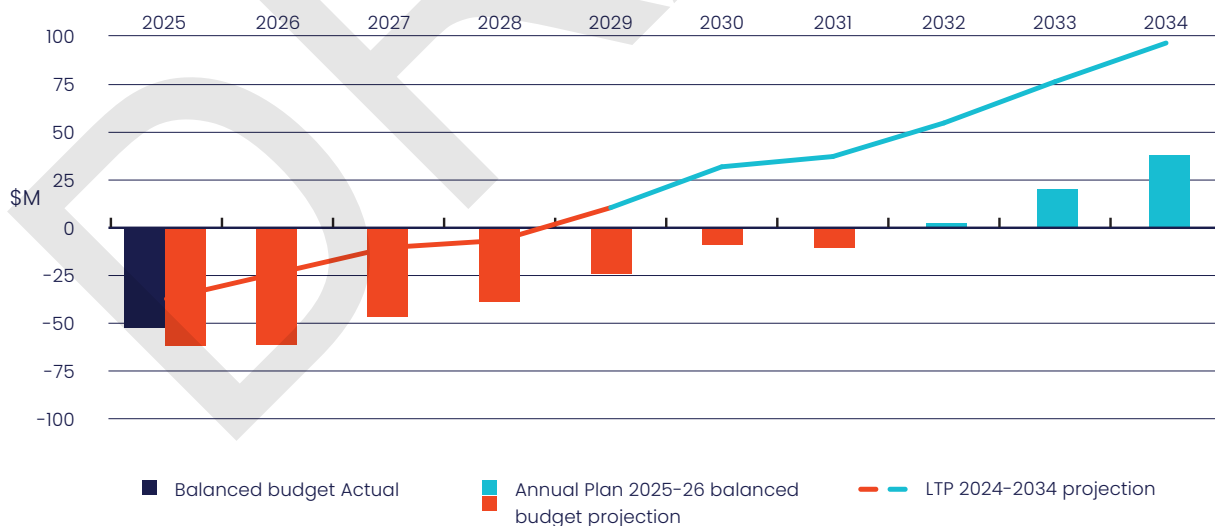
Graph 6: Group five-year expenditure trend (excluding losses on revaluation of financial instruments)

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 \$52.7 million, which was \$14.8 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 \$7.5M 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

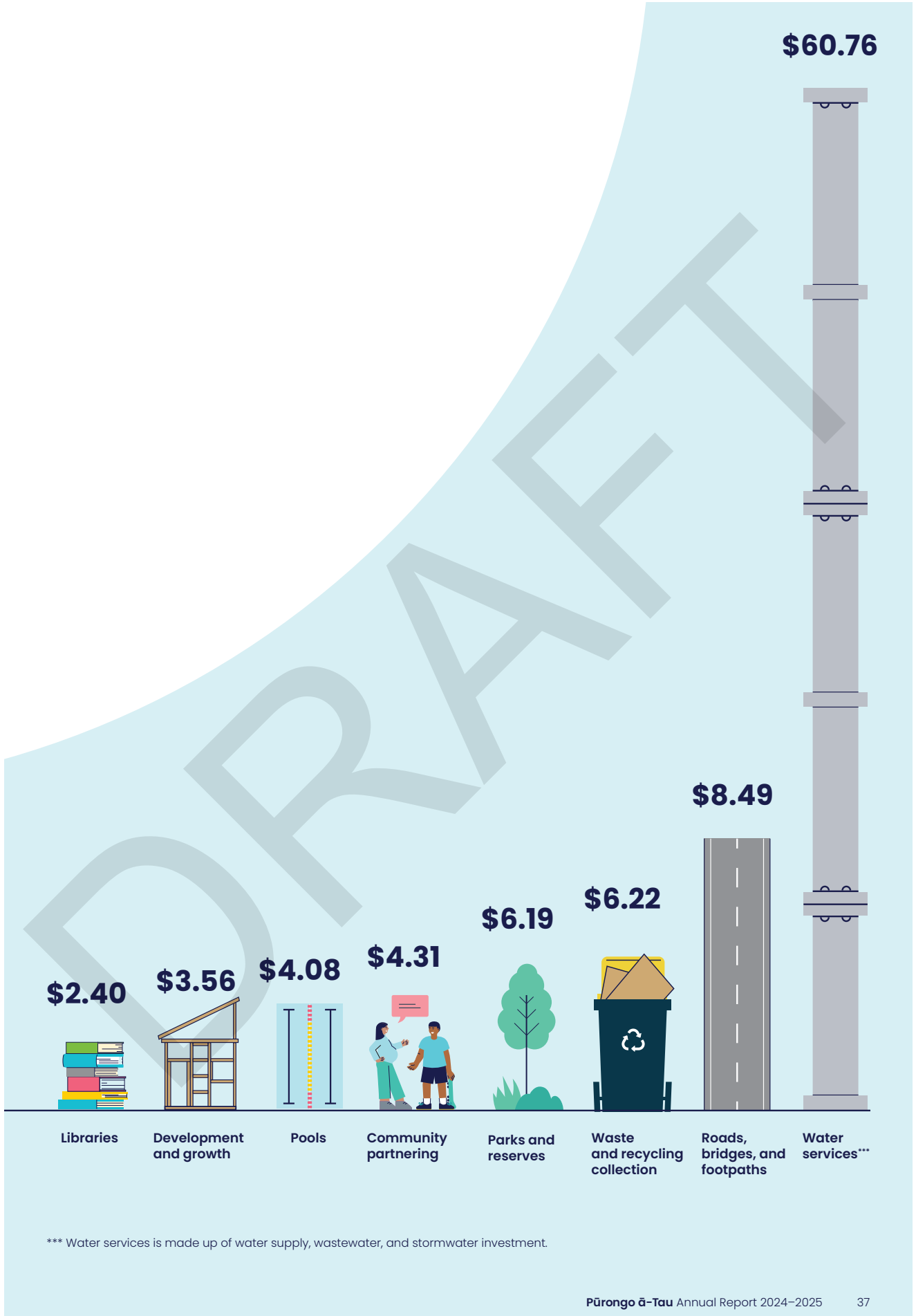
This is how we plan to spend every \$100 of rates over the next nine years*

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.



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 page number xx-xx in this Annual Report.

How Council selects Performance measures

In the Council's 10-year plan, significant steps have been taken to evaluate their 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 achieve 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. The survey asks a sample of Te Awa Kairangi ki Tai Lower Hutt residents about their satisfaction with the Council's services, facilities, and spaces, and is a key mechanism by which we measure community outcomes. The results indicate how Council performs from a resident's perspective.

The insights gained from the survey serve to improve our business practices and, therefore the services that Council delivers. Council takes great care in aiming for diverse survey representation that closely mirrors the demographic makeup of Te Awa Kairangi ki Tai Lower Hutt.

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 2024–2034 10 Year Plan, ensuring alignment with Government rules and Council's priorities and expectations for performance improvement. These KPI's 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. HCC's impact assessment highlights expected changes and required disclosures due to these new reporting standards.

Disclosure of key judgements for 2024–25

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 asset, should be as at pages xx to xx, xx to xxx and xxx 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.

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Whakarāpopoto tātaritanga

Our performance at a glance

47 were achieved

28 did not achieve the targets

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

Water management

Council achieved partial compliance with drinking water 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 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 tCO₂-e, above the target of 1,987tCO₂-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 consumption increased, as a result of NZ's electricity production being significantly more carbon intensive than the year before. With regard to the fleet, emissions from fossil fuel powered vehicles were at 67 tCO₂-e, above the target of 61 tCO₂-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 0.20 tonnes per person. Kerbside recycling volumes increased marginally to 5,171 tonnes, and while contamination has reduced to 13%, 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, while smooth travel exposure data was unavailable due to delays in reporting. 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 difficulty 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 sportsfields were closed for only 2 days and artificial turf fields for 15 days, meeting availability targets. This is in large part because the drainage improvement program 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 program 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.

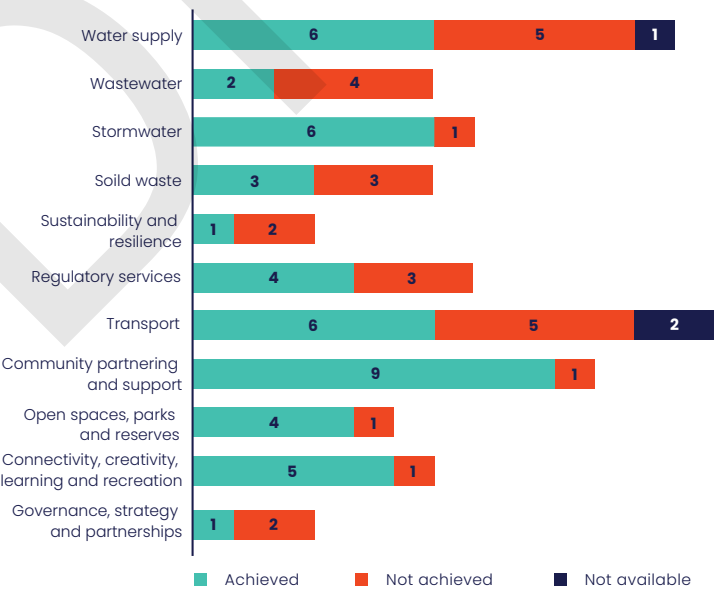
City governance

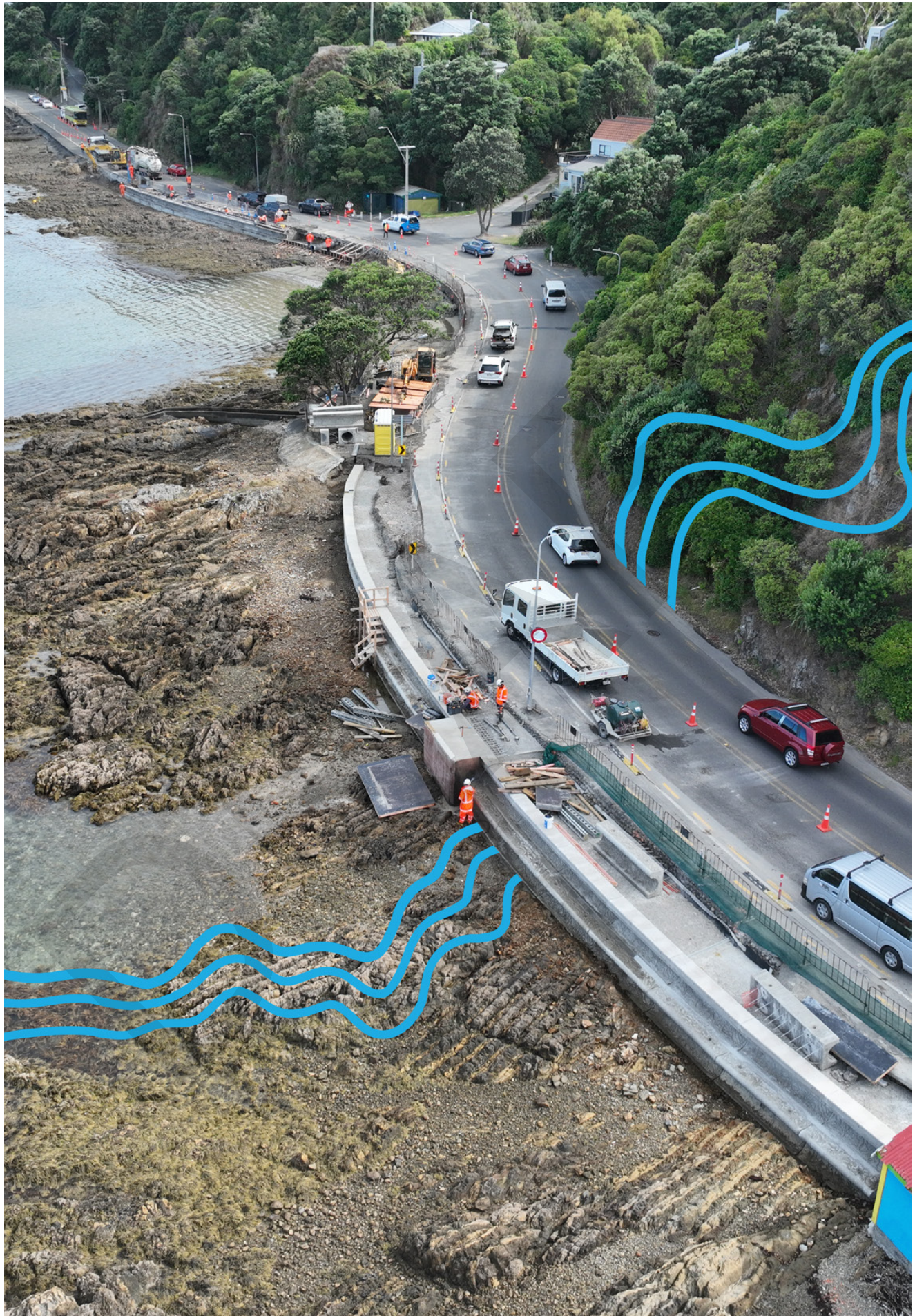
The Council met its target of 100% for making meeting and committee agendas publicly available on time. However, resident satisfaction with access to decision-making and the perceived effectiveness of public participation fell short of the 80% target, with satisfaction at 39% and feelings of being well-informed 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 libraries, hubs, 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

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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's 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	
Standards						
We want to ensure our community has access to a safe, clean, reliable water supply						
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)	Full Compliance 100%	Non Compliant	Non Compliant	Partially met 86%	✗	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)**	Full Compliance - 100%	N/A	Non Compliant	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.
The extent to which the local authority's drinking water supply complies with D3.29 microbiological monitoring rule*:**	Full Compliance 100%	N/A	N/A	All met 100%	✓	In the interim, we are continuing with our regular monitoring of the drinking water from the bores supplied from the Waiwhetu 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.

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	31.7	26.2	✗	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.
Residents satisfaction with the water supply service they receive.	≥ 90%	73%	57%	76%	✗	Satisfaction with the water supply residents receive has improved significantly over the last year and is back to where it was two 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	49 mins	✓
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	2.9 hours	✓
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	54 hours	✓
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	4 working days	✓

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	394 litres	×	Water loss reduction was achieved in FY24/25 due to increased investment in leaks. Risk remains high until funding 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.
Percentage of real water loss from networked reticulation system.	≤ 20%	37%	35%	30%	×	Water loss reduction was achieved in FY24/25 due to increased investment in leaks. 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 Water infrastructure	Hold or increase on previous year	N/A	N/A	9.6km	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 DWQAR (Drinking Water Quality Assurance Rules 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 Drinking Water Quality Assurance Rules 2022; therefore, the current and previous years' performance outcomes are comparable.

***Target will be set for 2025-26

Prospective statement of comprehensive revenue and expense

Water supply

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 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
Rates income	-	-	-	-	-	-
User charges	3,838	4,716	5,006	6,010	6,289	278
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	-	-	-	-	-	-
Total revenue	5,124	6,001	7,825	7,959	8,702	744
Expenditure						
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)
Total expenditure	28,888	34,661	35,617	47,228	53,022	(5,794)
Deficit before tax	(23,764)	(28,660)	(27,792)	(39,269)	(44,320)	(5,050)
Total capital expenditure	11,553	25,772	31,665	22,640	27,227	(4,587)
Rates funding requirement						
Deficit before tax	(23,764)	(28,660)	(27,792)	(39,269)	(44,320)	(5,050)
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	17,717	4,520
Total rates funding requirement	(24,927)	(22,494)	(22,816)	(27,894)	(28,567)	(673)
Loan funding requirement						
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)	(17,717)	(4,520)
Total loan funding requirement	(4,840)	(25,685)	(30,904)	(25,688)	(28,550)	6,312
Total funding requirement	(29,767)	(48,179)	(53,720)	(53,582)	(57,117)	5,639

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 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 meters 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 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
Capital To Meet Additional Demand			
Network Upgrades WS Growth	106	-	106
Reservoir Upgrades WS Growth	-	935	(935)
Capital To Improve Level Of Service			
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
Capital To Replace Existing Assets			
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)
	22,640	27,227	(4,587)

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 have 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	
Standards						
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						
Dry weather wastewater overflows per 1,000 connections.	≤ 20	5.3	1.7	2.3	✓	
Number of complaints per 1,000 connections.	≤ 30	22.1	24.1	28.5	✓	
Residents satisfaction with the wastewater service they receive.	≥ 90%	72%	61%	69%	✗	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.

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:						
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	111 mins	×	
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	13.07 hours	×	
Compliance with resource consents measured by the number of abatement notices, infringement notices, enforcement orders, and convictions from wastewater system.	No enforcement action	5	15	2	×	Reflection of the ageing assets.

Prospective statement of comprehensive revenue and expense

Wastewater

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 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
Rates income	-	-	-	-	-	-
User charges	1,119	1,207	1,604	1,248	1,766	518
Operating subsidies	2,687	3,234	3,409	3,971	3,983	12
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	-	-	-	-	-	-
Total revenue	4,704	5,338	7,732	7,490	7,769	279
Expenditure						
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)
Total expenditure	31,483	36,061	34,329	42,901	51,904	(9,003)
Deficit before tax	(26,779)	(30,723)	(26,597)	(35,411)	(44,135)	(8,724)
Total capital expenditure	32,197	40,813	38,422	55,276	28,857	26,419
Rates funding requirement						
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
Total rates funding requirement	(27,554)	(25,839)	(26,046)	(30,542)	(31,229)	(686)
Loan funding requirement						
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)
Total loan funding requirement	(14,639)	(27,293)	(24,772)	(36,358)	(11,750)	(28,230)
Total funding requirement	(42,193)	(53,132)	(50,818)	(66,901)	(42,979)	(28,916)

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 (Year1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
Capital To Meet Additional Demand			
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
Capital to Improve Level of Service			
Network Upgrades WW	1,238	4,148	(2,910)
Joint Venture Trunk Reticulation DBO network Cyclic Upgrade	6,446	762	5,684
Capital To Replace Existing Assets			
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)
Total Capital Projects	55,276	28,857	26,419

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	
Standards						
We want to ensure our community can enjoy recreational assets						
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%	✓	
We want to ensure our City has a safe, reliable, quality stormwater system						
Number of flooding events (where stormwater enters a habitable floor).	≤ 2	0	0	0	✓	
Number of habitable floors affected by flooding events (per 1,000 connections).	≤ 0.24	0	0	0	✓	
Number of complaints about stormwater system performance (per 1,000 connections).	<20	18.2	8.5	14.9	✓	
Residents' satisfaction with the City's stormwater system.	≥ 70%	51%	51%	58%	✗	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 minutes	0 minutes	No flooding events	✓	
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	✓	

Prospective statement of comprehensive revenue and expense

Stormwater

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 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
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	-	-	-	-	-	-
Total revenue	263	3,272	1,095	13,732	1,310	(12,422)
Expenditure						
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)
Total expenditure	10,799	12,721	13,877	15,690	26,774	(11,084)
Deficit before tax	(10,536)	(9,449)	(12,782)	(1,958)	(25,464)	(23,506)
Total capital expenditure	2,980	10,164	3,908	18,846	3,351	15,495
Rates funding requirement						
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
Total rates funding requirement	(10,655)	(12,578)	(12,997)	(15,541)	(14,231)	1,311
Loan funding requirement						
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)
Total loan funding requirement	2,064	(1,549)	2,014	1,027	4,127	(27,891)
Total funding requirement	(8,591)	(14,127)	(10,983)	(14,515)	(10,104)	(26,580)

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 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 (Year1)	Actual	Bud v Act Variance
	2024 \$000	2024 \$000	2024 \$000
Capital To Meet Additional Demand			
Stormwater development Projects	635	-	635
Network Upgrades SW Growth	1,058	-	1,058
Stormwater Valley Floor Infrastructure Growth	12,212	1,056	11,156
Capital To Improve Level Of Service			
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)
Capital To Replace Existing Assets			
Control Systems renewals SW	21	-	21
Network Renewals SW	21	1,425	(1,404)
Pump Station Reactive Renewals SW	176	377	(201)
Total Capital Projects	18,846	3,351	15,495

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 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.

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	
Disposal/ landfills						
We are working to minimize the harmful effects of refuse						
Number of resource consent-related infringement notices received from Greater Wellington Regional Council.	Full compliance (0 notices)	0 notices	0 notices	0 notices	✓	
Refuse services						
We want to reduce litter and the negative impacts it can have on our natural environment and on our community's health						
Number of illegal dumping complaints	Previous year less 10% <296	N/A	N/A	214	✓	
Recycling services						
We are looking at ways to reduce the amount of waste going to landfill						
Tonnes of kerbside waste to landfill (tonnes per person).	Less than previous year	21,431 / 113,034 = 0.18	22,543 / 114,000 = 0.19	22,317 / 114,000 = 0.20	✓	

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024–25	2022–23	2023–24	2024–25	2024–25	
Recycling services						
Percentage of kerbside recycling that is contaminated and diverted to landfill.	≤ 10%	16%	15%	13%	×	Levels of contamination continue to vary month by month, despite Council's behaviour change programme and bin removal process. Average contamination results have, however, reduced compared to the previous year.
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. 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%	N/A	N/A	78%	×	Resident feedback highlighted a desire for expanded rubbish and recycling services, including more flexible options and increased collection frequency for green waste. Operational issues such as bin damage, missed collections, and communication challenges also contributed to lower satisfaction.

Prospective statement of comprehensive revenue and expense

Solid waste

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 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
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 ccos	-	-	-	-	-	-
Gain on property revaluations, sales, disposals	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-
Other revenue	-	-	67	30	100	70
Total revenue	29,346	30,698	30,979	35,605	29,646	(5,959)
Expenditure						
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)
Total expenditure	29,343	31,368	29,937	35,526	30,923	4,603
Surplus before tax	3	(670)	1,042	79	(1,277)	(1,356)
Total capital expenditure	2,557	10,743	8,715	11,141	8,718	2,423
Rates funding requirement						
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
Total rates funding requirement	(10,424)	(12,204)	(12,132)	(13,296)	(13,319)	(23)
Loan funding requirement						
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)
Total loan funding requirement	9,694	2,324	6,181	4,274	5,460	(3,660)
Total funding requirement	(730)	(9,880)	(5,951)	(9,023)	(7,859)	(3,682)

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 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
Capital To Improve Level Of Service			
Silverstream LF Stg 2 Design & Const	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
Total capital projects	11,141	8,718	2,423

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 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, but it depends 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 climate change and sustainability activity is focused on changing the way Council does things to improve climate outcomes. This includes delivering on our Carbon Reduction Plan 2021–2031 and the Lower Hutt Climate Action Pathway. Council delivers on our climate change objectives by:

- providing advice to Council on climate change-related projects (as a result of this, the new Te Ngaengae Pool achieved a Green Star 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 2021–31 and the Lower Hutt Climate Action Pathway (such as the EV charging station roll-out, and phasing out 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).

Why 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.

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 ₂ -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 the efficiency improvements and heating plant changes), but emissions associated with electricity consumption increased, as a result of changes to the carbon intensity of New Zealand's electricity production.
Emissions from Council-owned fossil fuel vehicles (tCO ₂ -e)	≤61 30% reduction by 2024	79	67	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 24/25 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	≥30	N/A	N/A	48	✓	

*Note: emissions associated with electricity for Q3 and Q4 have been estimated because emission factors 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.

Prospective statement of comprehensive revenue and expense

Sustainability and resilience

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 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
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
Total revenue	829	2,357	2,451	2,313	2,570	257
Expenditure						
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)
Total expenditure	2,508	3,717	3,665	5,120	4,635	485
Deficit before tax	(1,679)	(1,360)	(1,215)	(2,807)	(2,065)	742
Total capital expenditure	-	-	-	259	-	259
Rates funding requirement						
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
Total rates funding requirement	(1,679)	(1,615)	(1,259)	(2,807)	(2,044)	762
Loan funding requirement						
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)
Total loan funding requirement	15	289	168	(147)	111	(259)
Total funding requirement	(1,664)	(1,326)	(1,091)	(2,954)	(1,933)	504

Operating projects

Sustainability and resilience

For the year
ended 30 June

	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2024 \$000	2024 \$000	2024 \$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
	2024 \$000	2024 \$000	2024 \$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%	×	April and May saw a drop in performance due to data cleansing requirements. June improved to 96%

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
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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	✓	
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Prospective statement of comprehensive revenue and expense

Regulatory services

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 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
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)
Total revenue	8,498	10,051	9,819	13,768	12,771	(997)
Expenditure						
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)
Total expenditure	12,532	16,135	20,996	20,664	22,602	(1,939)
Deficit before tax	(4,034)	(6,084)	(11,177)	(6,895)	(9,831)	(2,936)
Total capital expenditure	-	-	-	-	-	-
Rates funding requirement						
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
Total rates funding requirement	(4,034)	(6,084)	(11,177)	(6,895)	(9,442)	(2,547)
Loan funding requirement						
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)
Total loan funding requirement	83	90	289	(10)	(10)	0
Total funding requirement	(3,951)	(5,994)	(10,888)	(6,906)	(9,452)	(2,547)

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 was no capital projects planned or carried out during the year.

Oranga ōhanga

Economic wellbeing

DRAFT

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, 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	
Road assets						
Our transport system is safe to travel on						
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%	TBC		

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024–25	2022–23	2023–24	2024–25	2024–25	
Roading maintenance						
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	N/A	N/A	19%	✗	The 19% reflects customer service requests that were closed within 7 days. All requests were reviewed and prioritised within 7 days. The level of priority dictated the timeframes for completion
Kilometres of shared pathways and cycle lanes added	Hold or improve length	N/A	N/A	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	N/A	N/A	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%	✓	

*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	
Active modes						
We are working to strengthen our active transport network						
Residents' satisfaction with footpath condition	≥ 80%	N/A	N/A	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
Resident 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
Resident satisfaction with shared path condition.	≥ 80%	45%	51%	58%	×	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.
Road safety services:						
The number of fatalities and serious injury crashes on the local road network	Previous year less 1%	26	35	26	✓	

Prospective statement of comprehensive revenue and expense

Transport

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 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
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)
Total revenue	28,408	50,627	40,683	54,990	38,702	(16,288)
Expenditure						
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
Total expenditure	42,139	44,771	46,882	53,900	44,562	9,339
Deficit before tax	(13,731)	5,856	(6,198)	1,090	(5,860)	(6,950)
Total capital expenditure	30,839	66,460	41,950	69,647	48,293	21,354
Rates funding requirement						
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)
Total rates funding requirement	(31,360)	(33,679)	(32,719)	(37,115)	(35,263)	1,852
Loan funding requirement						
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 LTP (Year 3) 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000	Budget 2025 \$000	Actual 2025 \$000	Bud v Act Variance 2025 \$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
Total Loan Funding Requirement	7,468	(7,753)	1,007	(9,233)	(2,065)	(35,541)
Total Funding Requirement	(23,892)	(41,432)	(31,711)	(46,348)	(37,328)	(33,689)

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 LTP Budget (Year 1) 2025 \$000	Actual 2025 \$000	Bud v Act Variance 2025 \$000
Capital To Meet Additional Demand				
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	11
Subdivisions Road Improvements	Note 1	3,500	-	3,500
Road Network Improvements - Growth				
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
		2024 \$000	2024 \$000	2024 \$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
Capital To Replace Existing Assets				
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)
Total capital projects		69,647	48,292	21,355

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.

The individual projects are identified with the reference "Note 1", with the total impact on capital being a reduction of \$9M 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 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
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
Total revenue	9,984	6,061	1,457	12,318	384	(11,934)
Expenditure						
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)
Total expenditure	10,207	15,413	11,313	15,328	11,676	3,653
Deficit before tax	(223)	(9,352)	(9,856)	(3,010)	(11,292)	(8,281)
Total capital expenditure	43,951	30,574	16,211	32,003	3,484	28,519
Rates funding requirement						
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)	-	-	-	-	-	-
Total rates funding requirement	(10,121)	(15,329)	(11,111)	(15,242)	(11,292)	3,950
Loan funding requirement						
Capital to meet additional demand	-	(2,060)	(23)	-	(0)	0
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	-	-	-	-	-	-
Total loan funding requirement	(34,053)	(24,585)	(14,952)	(18,705)	(3,484)	(41,817)
Total funding requirement	(44,174)	(39,914)	(26,063)	(33,947)	(14,776)	(37,867)

Operating projects

City development

For the year
ended 30 June

	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2024 \$000	2024 \$000	2024 \$000
Development Stimulus Package	3,275	1,273	2,002
Urban Growth – Wellington Reg Growth Framework	453	303	150
Petone 2040	342	18	324
	4,070	1,594	2,476

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
Capital To Meet Additional Demand			
Civic Events Centre Renewal	57	70	(13)
Capital To Improve Level Of Service			
Petone 2040	458	0	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
Total Capital Projects	32,003	3,484	28,519

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 āhurea

Social and
cultural wellbeing

DRAFT

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	✓	
Number of households assisted by the homelessness prevention programme	≥80	93	191	103	✓	

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024–25	2022–23	2023–24	2024–25	2024–25	
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.
Resident satisfaction with neighbourhood hubs	≥ 80%	91%	88%	87%	✓	
Number of community wellbeing activities delivered by, or in partnership with, Council	≥3,000	N/A	N/A	7,141	✓	
Number of overall loans from hubs/ libraries	≥790,000	N/A	N/A	966,524	✓	
Number of digital literacy programmes/ activities delivered/ enabled	≥100	N/A	N/A	348	✓	
Number of early years literacy programmes/ activities delivered/ enabled	≥800	N/A	N/A	1,510	✓	
Number of Neighbourhood Support member households	Previous year plus 10% (87 in Nov 2023) ≥96	N/A	N/A	322	✓	

Statement of comprehensive revenue and expenses

Community partnering and support

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 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
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)
Total revenue	638	1,482	1,765	1,554	1,472	(82)
Expenditure						
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
Total expenditure	11,190	11,829	12,138	16,125	14,881	1,244
Deficit before tax	(10,552)	(10,347)	(10,373)	(14,571)	(13,409)	1,162
Total capital expenditure	1,209	1,058	519	490	318	173
Rates funding requirement						
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)
Total rates funding requirement	(10,552)	(10,347)	(10,373)	(14,571)	(13,903)	669
Loan funding requirement						
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
Total loan funding requirement	628	389	951	1,509	1,682	(172)
Total funding requirement	(9,924)	(9,958)	(9,422)	(13,062)	(12,220)	496

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

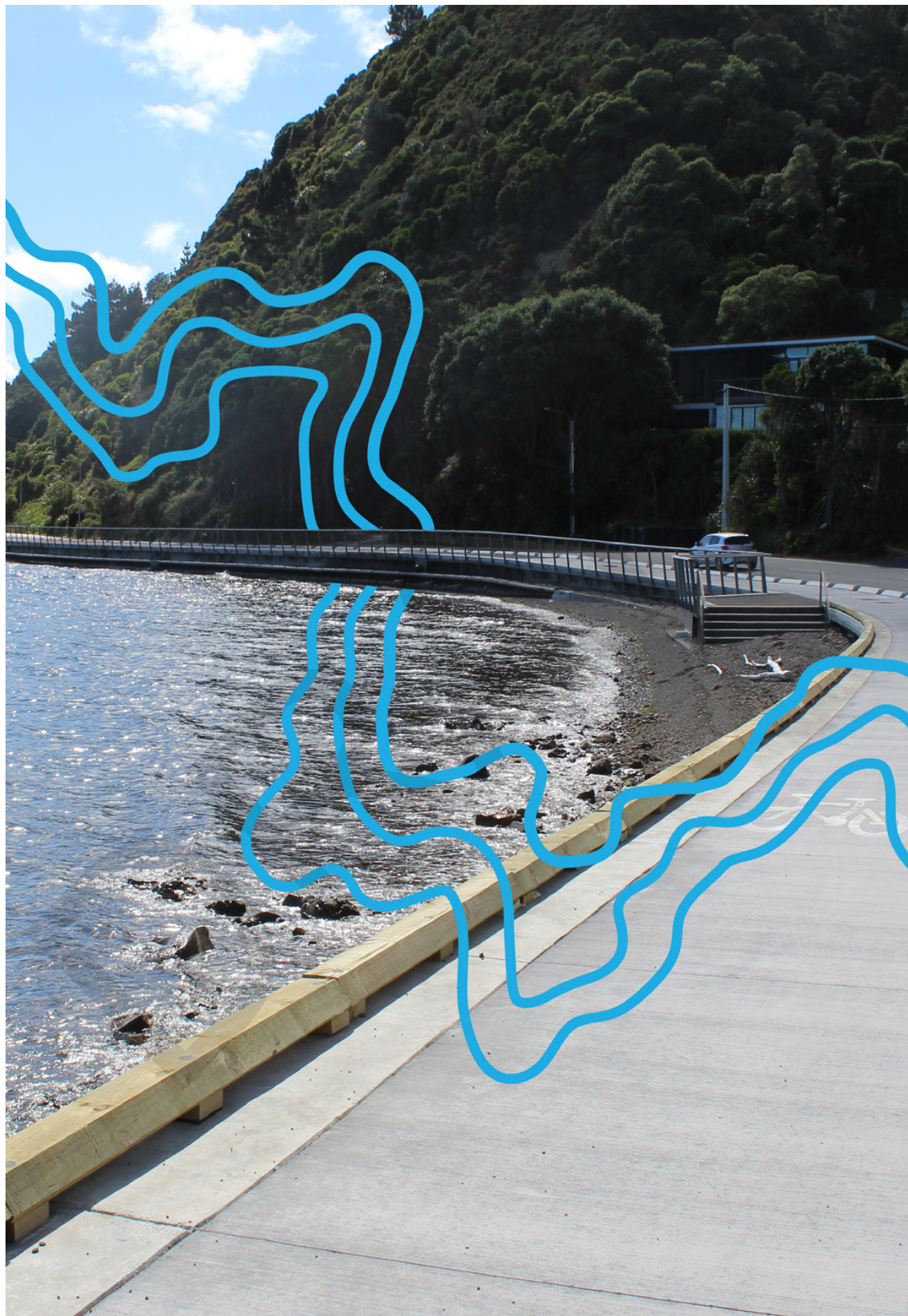
Community partnering and support

For the year
ended 30 June

	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
Capital To Improve Level Of Service			
Community Halls Improvements	-	(19)	19
Community Hubs – Building Improvements	5	(13)	18
Walter Nash Centre Equipment and Fitout	-	95	(95)
Walter NashTaita Centre Furniture	-	53	(53)
Capital To Replace Existing Assets			
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
Moera Community Hall Renewal	74	16	58
Treadwell Community Hall Renewal	33	-	33
Hardwick-Smith Lounge Renewal	137	-	137
Hutt Art Society Renewal	5	-	5
Total Capital Projects	490	318	173

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 well-being 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 to 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. In all circumstances 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 whanau. 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 (2,569 ha) and the urban park land (actively maintained) is 373 hectares.

Asset Summary

Parks and Reserves is responsible for

- | | | |
|--------------------------------|--|--|
| • 337 ha of urban parkland. | • 8 basketball half courts. | • 48 public toilets |
| • 2,569 ha of natural habitat. | • 3 cemeteries. | • 393,282m2 of gardens. |
| • 55 playgrounds. | • 5,651 park trees. | • 54.83km of bush tracks. |
| • 5 skate parks. | • 4 wharves including Petone and Days Bay. | • 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.

The Parks and Reserve Capital workload for 25-26 is around 21 million dollars which includes the repair/remediation of Petone Wharf Approach (6.5 million). Another significant piece of capital work is delivering the Reserves Investment Strategy work which will be around 4 million for the 25-26 financial year. Building renewals and the renewal of hard surfaces will be around 3.2 million, and ongoing drainage improvements to sportsfields a further 2 million.

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	
Open spaces, parks and reserves						
We provide leisure and recreational opportunities to our community						
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	✓	
Resident satisfaction with sports fields.	≥ 80%	86%	83%	80%	✓	
Resident satisfaction with parks and reserves.	≥ 80%	85%	83%	85%	✓	
Resident 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 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
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)
Total revenue	2,206	4,267	6,211	4,770	5,500	730
Expenditure						
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
Total expenditure	20,588	21,995	22,066	24,197	23,595	602
Deficit before tax	(18,382)	(17,728)	(15,856)	(19,427)	(18,095)	1,332
Total capital expenditure	12,807	5,484	5,698	15,029	7,660	7,368
Rates funding requirement						
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)
Total rates funding requirement	(19,017)	(20,328)	(19,715)	(22,427)	(22,029)	398
Loan funding requirement						
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
Total loan funding requirement	(6,193)	513	1,469	(8,211)	(99)	(6,624)
Total funding requirement	(25,210)	(19,814)	(18,245)	(30,638)	(22,128)	(6,227)

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 is higher than what was assumed in the budget. Expenditure is favourable to budget partly due to the completion of Point Howard Wharf demolition 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

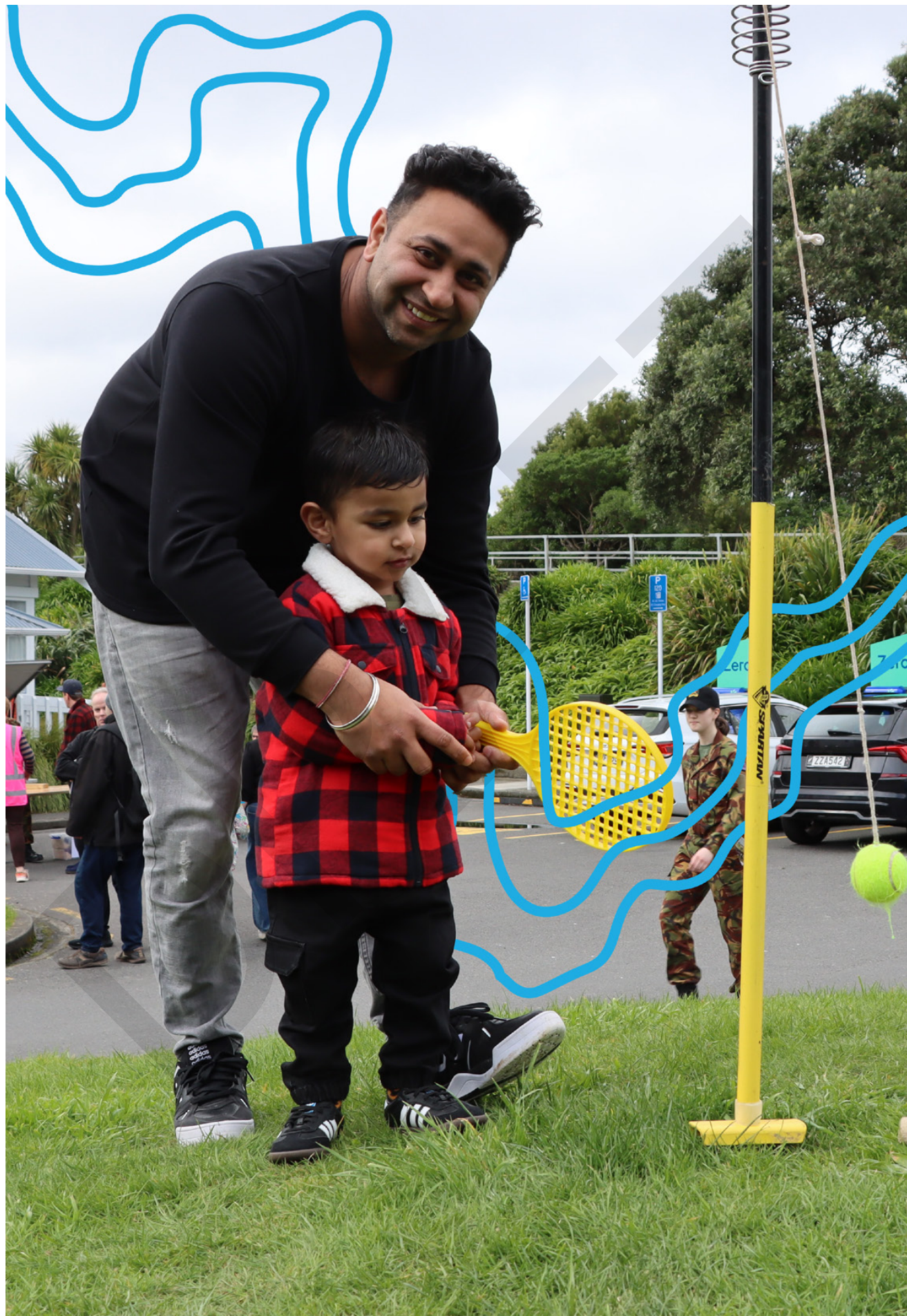
	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
Capital To Meet Additional Demand			
Reserve Developments	7,750	3,965	3,785
Bell Park Development	-	5	(5)
Black Creek reserve development	-	31	(31)
Tree Planting City Wide	-	(8)	8
High Street Pomare reserve development	-	45	(45)
Capital To Improve Level Of Service			
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
Capital To Replace Existing Assets			
Seats & Bins	65	65	0
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)
Total Capital Projects	15,029	7,660	7,368

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; and
- 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 contributors to this have been a very cold summer effecting 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	✓	
Resident satisfaction with pools.	≥ 80%	88%	81%	80%	✓	
Art spaces and museums						
We enable access to arts and culture						
Number of museums who 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	N/A	N/A	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 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
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
Total revenue	17,685	22,388	13,080	13,527	17,575	4,048
Expenditure						
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
Total expenditure	30,325	30,915	32,548	38,201	35,933	2,268
Deficit before tax	(12,640)	(8,527)	(19,468)	(24,675)	(18,359)	6,316
Total capital expenditure	30,474	30,673	25,676	18,336	15,479	2,857
Rates funding requirement						
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)
Total rates funding requirement	(24,740)	(26,077)	(27,653)	(31,425)	(31,820)	(395)
Loan funding requirement						
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)
Lessvested assets	-	-	-	-	-	-
Less asset sales	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	1,277	1,277
Total loan funding requirement	(13,459)	(8,862)	(13,172)	(5,121)	3,170	2,577
Total funding requirement	(38,199)	(34,939)	(40,825)	(36,545)	(28,650)	2,182

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 (Year1)	Actual	Bud v Act Variance
	2024 \$000	2024 \$000	2024 \$000
Capital To Improve Level Of Service			
Dowse New Artworks	54	73	(19)
Dowse 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
Capital To Replace Existing Assets			
Dowse Carpets and Soft Furnishings Gallery and Office	20	5	15
Dowse Museum Renewal	132	109	23
Dowse 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
Total Capital Projects	18,336	15,479	2,857

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	
Resident satisfaction with access to the decision-making process.	≥ 80%	41%	39%	44%	×	Residents expressed concern about transparency, communication, and efficiency in Council's decision-making processes. While some shared positive experiences, many called for clearer explanations of how public input informs final decisions.
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 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
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	-	-	-	-	-	-
Total revenue	-	-	-	-	-	-
Expenditure						
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)
Total expenditure	7,108	7,201	7,077	8,346	7,625	721
Deficit before tax	(7,108)	(7,201)	(7,077)	(8,346)	(7,625)	721
Total capital expenditure	-	-	-	-	-	-

For the year ended 30 June	2021-31 LTP (Year 3) 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000	2024-25 LTP Budget (Year 1) 2025 \$000	Actual 2025 \$000	Bud v Act Variance 2025 \$000
Rates funding requirement						
Deficit before tax	(7,108)	(7,201)	(7,077)	(8,346)	(7,625)	721
Add capital contributions	-	-	-	-	-	-
Rate funded debt repayment	-	-	-	-	-	-
Total rates funding requirement	(7,108)	(7,201)	(7,077)	(8,346)	(7,625)	721
Loan funding requirement						
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	-	-	-	-	-	-
Total loan funding requirement	-	-	7	6	7	1
Total funding requirement	(7,108)	(7,201)	(7,070)	(8,340)	(7,618)	722

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 was 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 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Revenue						
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	-	-	-	-	-	-
Total revenue	150,862	160,901	165,797	190,029	194,082	4,053
Expenditure						
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
Total expenditure	(1,193)	1,155	5,203	473	6,902	(6,430)
Surplus before tax	152,055	159,746	160,594	189,557	187,180	(2,377)
Total capital expenditure	4,648	3,982	1,746	4,278	1,573	2,705

For the year ended 30 June	2021-21 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	2025 \$000
Rates funding requirement						
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)
Total rates funding requirement	182,171	193,776	195,073	226,101	220,763	(5,338)
Loan funding requirement						
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)
Lessvested 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
Total loan funding requirement	(31,692)	(36,512)	(35,383)	(39,242)	(34,220)	(387)
Total funding requirement	150,479	157,264	159,690	186,859	186,544	(5,726)

Operating projects

For the year ended 30 June	2024-25 LTP Budget (Year 1)	Actual	Bud v Act Variance
	2025 \$000	2025 \$000	2025 \$000
Go Digital Program	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 \$5.3m 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
Capital To Improve Level Of Service			
Other (IT) Projects	57	57	-
Facilities Seismic Strengthening	1,772	-	1,772
Vehicle Purchase	828	647	181
IT CCTV	200	229	(29)
Capital To Replace Existing Assets			
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
Total Capital Projects	4,278	1,574	2,705

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

Council-Controlled Organisations and Associates

DRAFT

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 2024-25	Actual 2024-25	Target 2023-24	Actual 2023-24
Financial				
Deliver the total annual budgeted income	Achieve 100% of the total budgeted income	Not achieved – 96.8% due to lower than planned marina berth occupancy rates.	Achieve 100% of the budgeted income.	Achieved
Control operational expenses within budget	N/A – Removed as a performance measure in the 2024-25 S.o.I	N/A – Removed as a performance measure in the 2024-25 S.o.I	Operational expenses within budget \$1,376,513	Not Achieved \$1,565,581
Deliver the total annual budgeted net surplus	Net surplus within budget	Achieved – mainly due to unfilled staff positions. Additionally, the \$3.4M loan was not drawn down, resulting in finance expenses coming in below budget.	N/A	N/A
Achieve the prescribed return on equity ¹	Achieve greater than or equal to 1.0%	Achieved with 1.9% – primarily due positive return in the current year.	Achieve greater than or equal to 0.8%	Achieved 0.87%.
Manage capital expenditure ²	Complete within capital budget	Achieved – primarily due to deferred Pier refurbishment.	Complete within budget and on time.	Achieved

Measure	Target 2024-25	Actual 2024-25	Target 2023-24	Actual 2023-24
Relationship and communication				
Client Service & Customer Needs ⁴	80% satisfaction in the bi-annual survey	Not Achieved 78.3% – mainly attributable to significant price increases and long-running repair time frames.	Not included in the 2023-24 Statement of Intent	N/A
Special Interest Messages	Complete four messages per annum	Achieved – 3 x Newsletters, 31 customer messages.	Complete four messages in 2023-24	Achieved – 45 messages were sent to Seaview Marina customers in 2023-24 on various subjects.
Meet all shareholder reporting deadlines.	Reporting deadlines for 2024-25	Achieved – all reporting deadlines met.	Reporting deadlines for 2023-24	Achieved
Risk Management and human resources				
Notifiable health and safety incidents	None	Not achieved – 2 notifiable health and safety incidents.	Nil incidents	Achieved
Staff satisfaction	Achieve 85% staff satisfaction	Achieved – Staff Satisfaction of 92%	Achieve 85% staff satisfaction.	Not applicable. A survey will be undertaken in 2024-25
Marketing				
Implement a marketing strategy to improve occupancy rates ³	Berth occupancy equal or greater than 80%	Achieved – Average occupancy 80% (nearest whole %)	Berth occupancy equal to or greater than 80%	Achieved. Average occupancy 84%
Non-financial				
To provide financial or non-financial support to at least three charitable (non-profit) ventures with a marine focus during any given year.	Support to at least three organisations	Achieved – • Sailability • Petone Fishing Competition • Blue September (Prostate Cancer Foundation) via Regional News.	Support for at least three organisations	Achieved ⁴
Public benefit	N/A – Performance measure shifted to 2025-26 in the 2024-25 S.o.I, in order to alternate years with the customer satisfaction survey.	N/A – Performance measure shifted to 2025-26 in the 2024-25 S.o.I, in order to alternate years with the customer satisfaction survey.	Not applicable in the current year as the survey is biannual.	N/A
Environmental				
Reduce direct emissions	Perform analysis to establish annual baseline emissions from fossil fuelled vehicles, plant, and equipment	Achieved – Completed an initial analysis to define Seaview Marina's emissions. Further work is required to identify all emission sources and establish an appropriate baseline.	Reduce direct emissions by 50% by 2030, and achieve net-zero emissions by 2050	This is a future 2030 target. 2024/2025 will see a beginning analysis to identify individual emission levels from individual machinery items.

Measure	Target	Actual	Target	Actual
	2024-25	2024-25	2023-24	2023-24
Fleet and equipment	N/A – Removed as a performance measure in the 2024-25 S.o.I	N/A – Removed as a performance measure in the 2024-25 S.o.I	Equipment or vehicles utilising fossil fuels be replaced by equipment or vehicles that are electric or utilise other low carbon alternative.	Seaview Marina purchased an electric sweeper late 23/24. Analysis of SML's highest emitting machinery & equipment will occur 24/25. Based on findings and economic feasibility, the following items are scheduled to be replaced within 5 years. 1. Electric work vehicle (replaces diesel powered vehicle) 2. Electric water blaster (replace gasoline powered equipment) 3. Electric conversion for all hot water heating in ablution areas (replaces LPG heating) 4. Electric forklift (replaces LPG powered vehicle) Note: After replacement of this machinery, there would be only 2 machinery items that remain fossil fuel powered – 50 MT Travelift and 8MT Tractor.
Plan use of incentives	N/A – Removed as a performance measure in the 2024-25 S.o.I	N/A – Removed as a performance measure in the 2024-25 S.o.I	Explore pricing incentives to transition to electric or other low carbon propulsion, and consider actions to reduce indirect emissions from marina users	Incentives to reduce indirect emissions (i.e. encourage customers to switch to electric propulsion) are paused to documented fire risk around D.I.Y conversions. Legislation is currently being consulted on with a panel of industry professionals. D.I.Y conversions restrict vessels' ability to be insured, which is a condition of berthage at Seaview Marina.

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

U 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	Target	Achieved
	2024-25	2024-25	2023-24	2023-24
Rental Housing				
1.1 Capital expenditure within budget	Capital \$5,849,064	Achieved \$618,063 89% under budget Mainly due to the start date of civil and construction phase for 12 Hollard Grove have been rescheduled to July 2025.	Capital \$3,722,282	Achieved \$2,131,428 43% under budget
1.2 Operational expenditure within budget ¹	Operating \$1,719,552	Not Achieved 3% over budget Due to a number of vacant units undergoing refurbishment before being re-tenanted.	Operating \$1,703,405	Not Achieved \$1,884,077 11% over budget
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% ²	2.25%	Not Achieved 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.	2.25%	Not Achieved 0.47%
1.4 Tenant satisfaction with the provision of the company's rental housing greater than or equal to 90% ³	90%	Achieved 94%	90%	Achieved 90%
1.5 Percentage of total housing units occupied by low-income elderly greater than or equal to 90% ⁴	90%	Not Achieved 80.77% identified NZ National Superannuation as their primary source of income. The existing tenants at recently acquired Properties have lowered this percentage. ⁴	90%	Not Achieved 80.77% identified NZ National Superannuation as their primary source of income. The existing tenants at recently acquired Properties have lowered this percentage. ⁴

Measure	Target	Achieved	Target	Achieved
	2024-25	2024-25	2023-24	2023-24
1.6 Annual rental increases to be no greater than \$50 per week per unit	No greater than \$50 per week per unit	Achieved Rent increase \$11 per week per unit	No greater than \$50 per week per unit	Achieved Rent increase no less than \$4 and no greater than \$20 per week per unit
1.7 Increase the portfolio size to 220 units by December 2025	220 units by December 2025	Not Achieved UPL has 187 units (not including 38 Britannia St). Due to delays in starting 12 Holland Grove project. The measure will change in 2025-26 SOI to 10 units per year.	220 units by December 2023	Not Achieved UPL has 188 units (includes 5 units at 17 Britannia St, which were completed in June 2024)
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 five 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 five years of acquisition	N/A No units in the existing portfolio utilise non-renewable energy sources. No units acquired during 2024-25 utilise non-renewable energy sources	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 five years of acquisition.	N/A No units in the existing portfolio utilise non-renewable energy sources. No units acquired during 2023-24 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	Achieved	All units constructed by UPL to utilise only electricity or renewable sources of energy for space heating, water heating and cooking facilities	Achieved 5 units were constructed during 2023-24

Measure	Target	Achieved	Target	Achieved
	2024-25	2024-25	2023-24	2023-24
Property Development				
1.10 Capital expenditure within budget.	Capital \$27,958,346	Achieved \$19,924,803 29% under budget The start date of the construction phase for the Cambridge Terrace project was rescheduled to two 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 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 prior year. The Brook St project was ahead of the budget last year, however, the budget was set in the current year.	Capital \$11,858,328	Not Achieved \$12,643,390 7% over budget
1.11 Operational expenditure within budget	Operating \$2,084,096	Achieved \$1,963,510 6% under budget	Operating \$1,745,709	Achieved \$1,496,144 14% 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	Achieved	All new developments shall only utilise electricity or renewable source of energy for space heating, water heating and cooking facilities	Achieved
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	N/A No projects received HomeStar design rating accreditation within this financial year	All new housing units (standalone house or townhouse) shall achieve a certified HomeStar™ design rating of at least six stars ⁵	Achieved All housing units received a Homestar™ design rating of at least six stars
1.14 A pre-tax return of not less than 20% on Development Costs including Contingency on each commercial development project (except where the Board and Shareholder agree otherwise to achieve specified objectives)	20%	N/A – Removed as a performance measure in 2024-25 SOI	20%	N/A No 'Market' housing development projects were completed during 2023-24.
1.15 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%	Not Achieved Overall 12.08% The pre tax return was not achieved due to a reduction in property values and slow sales, increased holding costs.	15%	N/A No 'Affordable' housing development projects were completed during 2023-24

Measure	Target	Achieved	Target	Achieved
	2024-25	2024-25	2023-24	2023-24
1.16 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 less than 12.5% (except where the Board and Shareholder agree otherwise to achieve specified objectives)	12.5%	Not Achieved 5.54% Board approved a reduced sales price	12.5%	N/A No divestments to Community Housing Providers were made during 2023-24
1.17 Long-term public rental accommodation pre-tax returns at no less than (or equal to) 3.0% after depreciation.	3.0%	Not Achieved 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.	3.5%	N/A We completed 5 long-term public rental accommodations in June 2024, but they were untenanted.
Professional Property Advice				
1.18 Achieve a market return on additional services provided to the shareholder	Achieve a market return on additional services provided to the shareholder	N/A Additional services were not charged to the shareholder during 2024-25	Achieve a market return on additional services provided to the shareholder	N/A Additional services were not charged to the shareholder during 2023-24

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.

Statement of service performance

UPL Developments Limited

Measure	Target	Achieved	Target	Achieved
	2024-25	2024-25	2023-24	2023-24
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.	Achieved UPL officers completed the tender process for the Cambridge Terrace project. The Holland Grove development was awarded to one of our pre-approved project services contractors on 2 July 2025. The negotiation process was undertaken in the 2024/2025 financial year.	Undertake, negotiate, and execute tender processes for and on behalf of the Partnership and 'parent' company as required.	Achieved
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.	Achieved 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 civil and construction contracts for and on behalf of the Partnership and 'parent' company as required.	Achieved
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.	Achieved 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.	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.	Achieved
Capital expenditure within budget ²	\$32,548,134	Achieved \$19,100,045 41% under budget Mainly due to the start date of the construction phase for the Cambridge Terrace project was rescheduled to two months later and the \$3.6M land payment was not expected to happen until the new financial year. The commencing of Colson/Holland 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.	\$12,751,715	Achieved \$4,054,202 68% under budget
Operational expenditure within budget ¹ .	\$230,465	Achieved \$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.	\$177,636	Not Achieved \$191,624 8% over budget

Measure	Target 2024-25	Achieved 2024-25	Target 2023-24	Achieved 2023-24
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.	Achieved	All new developments shall only utilise electricity or renewable sources of energy for space heating, water heating and cooking facilities.	N/A No new developments were completed in the year 30 June 2024
All new housing units (standalone house or townhouse) shall achieve a certified HomeStar™ design rating of at least six stars ³ .	All new housing units (standalone house or townhouse) shall achieve a certified HomeStar™ design rating of at least six stars.	Achieved All projects that were consented in the year to 30 June 2024 achieved a HomeStar design rating of at least six stars.	All new housing units (standalone house or townhouse) shall achieve a certified HomeStar™ design rating of at least six stars.	All projects that were consented in the year to 30 June 2024 achieved a HomeStar™ design rating of at least six stars.
A pre-tax return of not less than 20% on Development Costs including Contingency on each commercial development project (except where the Board and Shareholder agree otherwise to achieve specified objectives).	N/A	N/A – Removed as a performance measure in the 2024-25 SOI	20%	N/A No commercial development projects were completed during the year to 30 June 2024.
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%	Not Achieved Overall, 12.08% The pre tax return was not achieved due to a reduction in property values and slow sales, increased holding costs.	15%	N/A No housing was released to the market as 'Affordable' during the year to 30 June 2024.
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%	Not Achieved 5.54% Board approved a reduced sales price	12.5%	N/A No divestments to Community Housing Providers were made during the year to 30 June 2024.
Long term public rental accommodation pre-tax returns at no less than (or equal to) 3.0% after depreciation	3.0%	Not Achieved 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.	3.5%	N/A We completed 5 long term public rental accommodation in June 2024, but they were untenanted.
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.	Achieved	Act as General Partner when a Limited Partnership structure is utilised for development projects.	Achieved

1. Operating expenditure before depreciation and tax expense
2. Calculated as net surplus plus depreciation, over the opening value of residential land and buildings.
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.

Statement of service performance

UPL Limited Partnership

Measure	Target	Achieved	Target	Achieved
	2024-25	2024-25	2023-24	2023-24
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	Achieved	Develop land in a manner which maximises its value at a level of risk appropriate for the investment of funds	Achieved
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	Achieved	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	Achieved
Capital expenditure within budget ¹	\$4,208,204	Achieved \$3,050,910 The projects were ahead of budget last year; however, the budget was set in the current year. Additionally, holding costs of approx. \$90k are expected to be incurred in the next financial year for the remaining unsold units.	\$8,848,328	Not Achieved \$9,734,667 The projects are ahead of the budget
Operational expenditure within budget ²	\$186,188	Not Achieved \$334,133 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. 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.	\$529,470	Achieved \$20,165
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	Achieved All consented projects 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.	Achieved All consented projects utilise electricity or renewable sources of energy for space heating, water heating and cooking facilities.

Measure	Target 2024-25	Achieved 2024-25	Target 2023-24	Achieved 2023-24
All new housing units (standalone house or town-house) shall achieve a certified HomeStar design rating of at least six stars (3)	All new housing units (standalone house or townhouse) shall achieve a certified HomeStar design rating of at least six stars.	N/A There were no new development projects submitted for accreditation within this financial year.	All new housing units (standalone house or townhouse) shall achieve a certified HomeStar design rating of at least six stars.	Achieved All projects that were consented in the year to 30 June 2024 achieved a HomeStar design rating of at least six stars.
A pre-tax return of not less than 20% on Development Costs including Contingency on each commercial development project (except where the Board and Shareholder agree otherwise to achieve specified objectives).		N/A – Removed as a performance measure in the 2024-25 SOI	20%	Achieved No housing was released to the market during the year to 30 June 2024.
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%	Not Achieved Overall 12.08% The pre tax return was not achieved due to a reduction in property values and slow sales, increased holding costs."	15%	N/A No housing was released to the market as 'Affordable' during the year to 30 June 2024
Value of divestment to Community Housing Providers (or socially- minded 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%	Not Achieved 5.54% Board approved a reduced sales price	12.5%	N/A No divestments to Community Housing Providers were made during the year to 30 June 2024
Long term public rental accommodation pre-tax returns at no less than (or equal to) 3.0% after depreciation (4)	3.0%	Not Achieved 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.	3.5%	N/A We completed 5 long term public rental accommodation in June 2024, but they were untenanted.

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 2024-25 Annual Report.

Wellington Water performance measurement systems

The following notes relate to Performance measures outlined on pages **XX,XX,XX** and **XXX-XXX** of the Annual Report.

We outsource the management of our three waters infrastructure to Wellington Water Ltd (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 HCC terminology requests for service), there is concern that HCC 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.

Key performance indicators

Wellington Water Limited

Water supply

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024–25	2022–23	2023–24	2024–25	2024–25	
Standards						
We want to ensure our community has access to a safe, clean, reliable water supply						
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)	Full Compliance –100%	Non compliant	Non compliant	Partially met: 86%	✗	
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)	Full Compliance – 100%	N/A	Non Compliant	All met: 100%	✓	
The extent to which the local authority's drinking water supply complies with D3.29 microbiological monitoring rule	Full Compliance – 100%	N/A	N/A	All met: 100%	✓	
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.	≤ 20	26.1	31.7	26.2	✗	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.
Residents satisfaction with the water supply service they receive.	≥ 90%	73%	57%	76%	✗	Satisfaction with the water supply residents receive has improved significantly over the last year and is back to where it was two years ago. This is likely a result of Council's increased investment in renewals, and in responding to and repairing leaks.

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024-25	2022-23	2023-24	2024-25	2024-25	
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	49 mins	✓	
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	2.9 hours	✓	
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	54 hours	✓	
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	4 working days	✓	
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	394 litres	✗	Water loss reduction was achieved in FY24/25 due to increased investment in leaks. Risk remains high until funding 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.
Percentage of real water loss from networked reticulation system.	≤ 20%	37%	35%	30%	✗	Water loss reduction was achieved in FY24/25 due to increased investment in leaks. 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 Water infrastructure	Hold or increase on previous year	N/A	N/A	9.6km	Baseline year*	Council delivered more renewals than budgeted, noting that capital investment this year was directed at the Seaview wastewater treatment plant.

Wastewater

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

Standards

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

Dry weather wastewater overflows per 1,000 connections	≤ 20	5.3	1.7	2.3	✓	
Number of complaints per 1,000 connections	≤ 30	22.1	24.1	28.5	✓	
Residents satisfaction with the wastewater service they receive	≥ 90%	72%	61%	69%	✗	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 has improved the wider wastewater network, however more work is required.

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:

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	111 mins	✗	
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	13.07 hours	✗	
Compliance with resource consents measured by the number of abatement notices, infringement notices, enforcement orders, and convictions from wastewater system.	No enforcement action	5	15	2	✗	Reflection of the ageing assets.

Stormwater

Measure	Target	Actual	Actual	Actual	Year End vs Target	Variance reason
	2024–25	2022–23	2023–24	2024–25	2024–25	
Standards						
We want to ensure our community can enjoy recreational assets						
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%	✓	
We want to ensure our City has a safe, reliable, quality stormwater system						
Number of flooding events (where stormwater enters a habitable floor).	≤ 2	0	0	0	✓	
Number of habitable floors affected by flooding events (per 1,000 connections).	≤ 0.24	0	0	0	✓	
Number of complaints about stormwater system performance (per 1,000 connections).	<20	18.2	8.5	14.9	✓	
Residents satisfaction with the City's stormwater system.	≥ 70%	51%	51	58%	✗	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.
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 minutes	0 minutes	No flooding events	✓	
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	✓	

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

DRAFT

DRAFT

DRAFT

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Tauākī pūtea

Financial statements

Statement of comprehensive revenue and expenses

For the year ended
30 June 2025

For the year ended 30 June 2025		Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2025 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Notes						
Revenue						
Rates	3.	187,269	185,034	158,209	186,780	157,790
Fees, charges and metered water supply	4.	62,741	69,707	58,567	68,677	64,104
Development and financial contributions	4.	8,576	7,918	8,798	8,575	8,798
Subsidies and grants	4.	50,256	82,469	48,709	50,256	48,709
Finance income	5.	6,508	4,200	6,396	4,230	5,225
Other revenue	4.	5,131	8,728	7,533	5,295	7,508
Revenue from the sale of commercial developments		-	-	-	23,246	-
Gain on revaluation of financial instruments	6.	-	-	-	-	-
Gain on disposal	6.	-	-	354	-	299
Total revenue		320,481	358,056	288,566	347,059	292,433
Expenses						
Employee costs	7.	54,043	53,688	49,499	55,916	51,293
Other expenses	8.	157,400	175,273	147,968	181,934	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
Total expense		335,019	323,700	275,323	363,068	281,675
Share of associate’s surplus/(deficit)	17.	-	-	-	-	807
Surplus/(deficit) before tax		(14,538)	34,356	13,243	(16,009)	11,565
Income tax expense/(benefit)	9.	(90)	-	97	(148)	548
Surplus/(deficit) after tax (attributed to Hutt City Council)		(14,448)	34,356	13,146	(15,861)	11,017
Other comprehensive revenue and expenses						
<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)
Total other comprehensive revenue and expenses		-	-	1,421,624	-	1,421,801
Total comprehensive revenue and expenses (attributed to Hutt City Council)		(14,448)	34,356	1,434,770	(15,861)	1,432,818

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 the note 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		Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2025 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Notes						
Balance at 1 July		3,039,527	1,801,273	1,604,757	3,097,136	1,664,318
Total comprehensive revenue and expenses for the year		(14,448)	34,356	1,434,770	(15,861)	1,432,818
Balance at 30 June		3,025,079	1,835,629	3,039,527	3,081,275	3,097,136

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

As at 30 June 2025		Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2025 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Notes						
Assets						
Current assets						
Cash and cash equivalents	10.	31,119	15,095	30,456	53,545	40,665
Debtors and other receivables	11.	36,140	21,264	47,316	34,241	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	12,897	8,257
Accrued interest		8	266	59	9	66
Other financial assets	18.	-	-	-	-	-
Non-current assets held for sale		-	1,303	-	-	-
Total current assets		82,687	46,548	88,067	127,452	123,555
Non-current assets						
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	1,388	1,388
Other financial assets	18.					
– Investment in CCO's and other similar entities		76,891	76,397	62,254	16,646	12,009
– Investment in other entities		455	455	455	455	455
Total other financial assets		77,346	76,852	62,709	17,101	12,464
Total non-current assets		3,578,526	2,453,629	3,523,750	3,594,381	3,550,522
Total assets		3,661,213	2,500,177	3,611,817	3,721,833	3,674,077
Liabilities						
Current liabilities						
Borrowings	20.	80,000	61,794	40,000	80,000	40,000
Creditors and other payables	19.	36,349	26,692	36,806	36,654	37,296
Employee entitlements	21.	5,831	5,206	5,335	5,968	5,457
Income tax payable	9.	-	-	97	-	97
Other liabilities	23.	9,182	6,506	8,437	9,506	8,762
Total current liabilities		131,362	100,198	90,675	132,128	91,612

As at 30 June 2025

As at 30 June 2025		Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2025 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Notes						
Non-current liabilities						
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.	11,025	8,023	10,390	11,025	10,390
Deferred tax liability	9.	-	-	-	3,605	3,663
Total non-current liabilities		504,772	564,350	481,616	508,430	485,329
Total liabilities		636,134	664,548	572,291	640,558	576,942
Net assets (assets minus liabilities)		3,025,079	1,835,629	3,039,527	3,081,275	3,097,136
Equity						
Accumulated funds	24.	704,728	763,399	721,205	715,864	733,754
Reserves	24.	2,320,351	1,072,230	2,318,322	2,365,411	2,363,382
Total Equity (attributable to Hutt City Council)		3,025,079	1,835,629	3,039,527	3,081,275	3,097,136

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

For the year ended 30 June 2025		Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2025 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Notes						
Cash flows from operating activities						
Cash was provided from:						
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	-
		384,472	397,345	317,013	414,030	308,481
Cash was applied to:						
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)
		(293,165)	(299,676)	(269,062)	(319,829)	(274,204)
Net cash flows from operating activities		91,307	97,669	47,951	94,201	34,277
Cash flows from investing activities						
Cash was provided from:						
Receipts from sale of property, plant and equipment		295	1,524	614	295	957
Other investment receipts		820	-	11,480	820	11,480
		1,115	1,524	12,094	1,115	12,437
Cash was applied to:						
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)
		(152,759)	(214,734)	(179,834)	(143,436)	(182,998)
Net cash flows from investing activities		(151,644)	(213,210)	(167,740)	(142,321)	(170,561)

For the year ended
30 June 2025

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
Cash flows from financing activities						
Cash was provided from:						
Proceeds from borrowings		101,000	162,958	210,000	101,000	210,000
Cash was applied to:						
Repayment of borrowings		(40,000)	(50,454)	(70,000)	(40,000)	(70,000)
Net cash flows from financing activities		61,000	112,504	140,000	61,000	140,000
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
Cash, cash equivalents and bank overdrafts at the end of the year	10.	31,119	15,095	30,456	53,545	40,665

* 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
Surplus after tax	(14,448)	13,146	(15,861)	11,017
Add/(less) non-cash items:				
Depreciation and amortisation	89,596	54,607	91,235	55,845
Share of associates (surplus)/deficit	-	-	-	(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
Add/(less) movements in working capital:				
(Increase)/decrease in accounts receivable and other assets	5,291	(16,302)	8,364	(29,309)
Increase/(decrease) in creditors	4,077	(5,127)	3,892	(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
Add/(less) items classified as investing activities:				
Surplus on sale of property, plant and equipment and other movements	680	-	683	(299)
Net cash inflows from operating activities	91,307	47,951	94,201	34,277

Reconciliation of borrowing cash flows from financing activities

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

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 per cent owned). The Urban Plus Ltd Group consists of Urban Plus Ltd and its 100 per cent owned subsidiaries UPL Development Ltd and UPL Ltd Partnership. Council's 17 per cent equity share of its associate Wellington Water Services Ltd 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

Management has exercised the following critical judgements in applying accounting policies for the year ended 30 June 2025 in relation to the classification of pensioner housing – refer to note 14: Property, plant and equipment.

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 council controlled entities 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.

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
Revenue			
Environmental wellbeing			
Water Supply	8,702	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
Economic wellbeing			
Transport	38,702	54,990	40,683
City development	384	12,318	1,457
Social and cultural wellbeing			
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
Total activity revenue	133,212	174,434	132,078
General rates	113,988	111,719	96,735
Targeted rates	73,281	71,903	61,474
Total revenue	320,481	358,056	288,566

The prior year comparative figure for revenue from Corporate Services has been reduced by \$1.7M and General Rates has increased by \$1.7M to reflect the reclassification of rates penalties as outline in note 3.

	Council		
	Actual	Budget	Actual
	2025 \$000	2025 \$000	2024 \$000
Expenditure			
Environmental wellbeing			
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
Economic wellbeing			
Transport	44,562	53,900	46,882
City development	11,676	15,328	11,313
Social and cultural wellbeing			
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	6,887	474	4,878
Total activity expenditure	335,019	323,700	275,323
Total operating expenditure	335,019	323,700	275,323
Surplus/(deficit) before tax	(14,538)	34,356	13,243

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)	(5,461)	(4,531)	(4,481)	(4,531)
Rates remissions	(646)	(526)	(646)	(626)
Total rates (excluding metered water supply rates)	187,269	158,209	186,780	157,790

* 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 \$1.7M 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 2024-34) 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
Total rates remissions	646	526	646	526

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
Fees, charges and metered water supply				
Rent	3,215	2,872	9,181	8,438
Water by meter	5,375	4,385	5,340	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
Total fees, charges and metered water supply	62,741	58,567	68,677	64,104
Subsidies and grants				
Waka Kotahi subsidies	21,061	17,692	22,369	17,692
Upper Hutt City Council	3,983	3,409	3,983	3,409
Other grants	25,212	27,608	23,904	27,608
Total subsidies and grants	50,256	48,709	50,256	48,709
Development and financial contributions				
Development contributions	4,805	4,949	4,804	4,949
Reserve financial contributions	3,711	3,849	3,771	3,849
Total development and financial contributions	8,576	8,798	8,575	8,798
Other revenue				
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
Total other revenue	5,131	7,533	5,295	7,508

* 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 \$1.7M 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 \$12.2M (2024: \$6.9M) funding for Naenae Pool and Fitness Centre and \$8.8M (2024: \$12.3M) 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 incurs 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
Finance income				
Interest revenue				
– call and term deposits	3,708	4,140	4,230	5,225
– related party loans	2,800	2,256	–	–
Total finance income	6,508	6,396	4,230	5,225
Finance costs				
Interest expense				
– interest on borrowings	27,504	21,138	27,504	21,141
– discount unwind on provisions (note 22)	519	525	519	525
Total finance costs	28,023	21,663	28,023	21,666
Net finance costs	21,515	15,267	23,793	16,441

6. Gains and losses

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

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
Total employee costs	54,043	49,499	55,916	51,293

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
Total Full Time Equivalent	574	538	588	550
Total number of staff	720	674	734	686

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	2024	2025	2024
Salary range				
\$200,000 – \$449,999	8	7	9	8
\$180,000 – \$199,999	5	5	6	5
\$160,000 – \$179,999	6	6	7	9
\$140,000 – \$159,999	24	25	25	26
\$120,000 – \$139,999	49	49	50	50
\$100,000 – \$119,999	74	74	74	74
\$80,000 – \$99,999	121	94	126	96
\$60,000 – \$79,999	165	151	169	154
Less than \$59,999	268	263	268	264
Total	720	674	734	686

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.

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

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

	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	295	291	418	388
– additional fee for auditing the financial statements and service performance – prior year	-	-	19	-
– 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
Inventories	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	57,656	50,527	58,405	50,960
Total operating costs	157,400	147,968	181,934	151,285

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

	Council	Group		Council	Group	
	2025			2024		
	Remuneration \$	Directors' fees \$	Total remuneration \$	Remuneration \$	Directors' fees \$	Total remuneration \$
Mayor and councillors						
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
T Stallinger	66,746	-	66,746	45,763	-	45,763
L Sutton	-	-	-	17,219	-	17,219
G Tupou	61,345	-	61,345	42,952	-	42,952
Total	1,096,965	29,920	1,126,885	1,063,667	29,920	1,093,587
Total number of representatives	13	2	13	13	2	13

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 \$
Eastbourne Community Board:		
B Moss (Chair)	14,971	14,434
M Gibbons	7,485	7,217
E Keddel	7,485	7,217
N Spedding	7,485	7,217
F Vickers	7,485	7,217
Total	44,911	43,302
Petone Community Board:		
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 * Currently on ACC	5,482	8,592
K Yung	8,911	8,592
Total	58,948	60,145
Wainuiomata Community Board:		
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
Total	65,709	63,357

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

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
Components of tax expense				
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
Tax expense/(benefit)	(90)	97	(148)	548
Relationship between tax expense and accounting surplus				
Net surplus/(deficit) before tax	(14,538)	13,243	(16,009)	11,565
Tax at 28%	(4,071)	3,708	(4,483)	3,238
Plus/(less) tax effect of:				
Non-deductible expenditure	-	-	(2)	5
Non-taxable revenue	4,196	(3,611)	4,284	(3,461)
Group loss offset	(118)	-	-	-
Prior period adjustment	(97)	-	(2)	(3)
Removal of tax depreciation on buildings	-	-	-	510
Deferred tax adjustment	-	-	55	259
Tax expense/(benefit)	(90)	97	(148)	548
Deferred tax asset/(liability)				
	Property, plant and equipment	Other provisions	Tax losses	Deferred tax asset/ (liability)
Council				
Balance at 30 June 2023	-	-	-	-
Balance at 30 June 2024	-	-	-	-
Balance at 30 June 2025	-	-	-	-
Group				
Balance at 30 June 2023	(1,515)	57	-	(1,458)
Charged to surplus or deficit	(613)	7	152	(454)
Charged to equity	(1,751)	-	-	(1,751)
Balance at 30 June 2024	(3,879)	64	152	(3,663)
Charged to surplus or deficit	222	(12)	(152)	58
Charged to equity	-	-	-	-
Balance at 30 June 2025	(3,657)	52	-	(3,605)

Generally, local authorities are exempt from taxation except for income derived from any Council Controlled Company 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
Cash and Cash Equivalents	31,119	30,456	53,545	40,665

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 applies the simplified ECL model of recognising lifetime ECL for short term receivables. In measuring ECL's, 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 councils 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 Maori 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	19,240	32,575	19,718	33,151
Total other receivables	23,464	37,887	21,570	38,015
Gross debtors and other receivables	37,313	47,775	35,419	47,903
Less allowance for credit losses	(1,173)	(459)	(1,178)	(527)
Total debtors and other receivables	36,140	47,316	34,241	47,376
Total receivables comprise of:				
Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements and charges that are partly subsidised by rates	31,385	44,838	31,858	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
	36,140	47,316	34,241	47,376

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 courts 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
Rates receivable – council						
Not past due	-	-	-	-	-	-
Past due 1-60 days	10,656	-	10,656	8,118	-	8,118
Past due 61-120 days	-	-	-	-	-	-
Past due >120 days	3,193	-	3,193	1,770	-	1,770
Total	13,849	-	13,849	9,888	-	9,888
Rates receivable – group						
Not past due	-	-	-	-	-	-
Past due 1-60 days	10,656	-	10,656	8,118	-	8,118
Past due 61-120 days	-	-	-	-	-	-
Past due >120 days	3,193	-	3,193	1,770	-	1,770
Total	13,849	-	13,849	9,888	-	9,888
Other receivables – council						
Not past due	16,492	-	16,492	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
Total	23,464	(1,173)	22,291	37,887	(459)	37,428
Other receivables – group						
Not past due	14,475	-	14,475	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
Total	21,570	(1,178)	20,330	38,015	(527)	37,488
Total receivables – council	37,313	(1,173)	36,140	47,775	(459)	47,316
Total receivables – group	35,419	(1,178)	34,241	47,903	(527)	47,376

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	-	-	-	-
Total expected credit losses	1,173	459	1,178	527

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	
	2024 \$000	2023 \$000	2024 \$000	2023 \$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	-	-	-	-
At 30 June	1,173	459	1,178	527

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's 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 its 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 its 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
Current asset portion				
Interest rate swaps – held for hedging	-	3	-	3
<i>Total current asset portion</i>	-	3	-	3
Non-current asset portion				
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
Total derivative financial instrument assets	324	4,095	324	4,095
Non-current liability portion				
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
Total derivative financial instrument liabilities	1,589	84	1,589	84
Total derivative financial instruments	(1,265)	4,011	(1,265)	4,011

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

Inventories 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.

Inventories 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.

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
Commercial inventories held for sale:				
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
Total inventories	2,789	2,250	26,760	27,188

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

Critical accounting estimates and assumptions

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; and
- 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.

Experienced independent valuers perform council's infrastructural asset revaluations.

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.

Independent valuer and key assumptions

Water, wastewater and stormwater – Key valuation assumptions

- Water, wastewater and stormwater – Key valuation assumptions
- Construction costs based on unit rates reflect the costs of replacing assets.
- Useful lives of assets are calculated based on information provided by Wellington Water Limited.
- 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 Wellington Water Limited.
- 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 Councils 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.

Road – Key valuation assumptions

- 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.

Operational land, buildings and site improvements – Key valuation assumptions

- Land and buildings were mainly valued based on recent equivalent sales information and market evidence.
- Where no market existed for the buildings, Optimised Depreciated Replacement Cost (ODRC) was used with allowance for the building's age, condition and configuration.

Collection items – Works of art – Key valuation assumptions

- Works of art were valued based on equivalent sales information and market evidence.

Accounting policy

Property, plant and equipment consists 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
Operational assets		
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
Breakwaters	85	1.16
Infrastructure assets		
Storm water assets	9 – 51	1.94 – 9.22
Water supply assets	15 – 26	3.88 – 6.66
Waste water assets (including treatment plant)	4 – 239	0.42 – 24.10
Roading network	0 – 35	Over 2.8 years
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.

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 per cent and 33 per cent 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.

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.

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Council 2025	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
Operational assets							
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	-	-	-	-
Total	375,437	(28,223)	347,214	91,208	-	(1,373)	-
Collection assets							
Public art collections	2,428	-	2,428	-	-	-	-
Other collection items	17,512	-	17,512	89	-	-	-
Petone Settlers	281	-	281	-	-	-	-
Total collections	20,221	-	20,221	89	-	-	-
Total operational assets	395,658	(28,223)	367,435	91,297	-	(1,373)	-
Infrastructural assets							
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)	-	-	-
Total	685,881	(1,926)	683,955	19,370	304	-	-
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	-	-	-	-
Total infrastructural assets	2,688,193	(6,048)	2,682,145	78,772	1,438	-	-
Restricted assets							
Land	203,848	-	203,848	31	41	-	-
Total restricted assets	203,848	-	203,848	31	41	-	-
Total property, plant and equipment	3,287,699	(34,271)	3,253,427	170,100	1,479	(1,373)	-

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
-	398	-	-	-	(14,253)	465,272	(42,078)	423,194
-	-	-	-	-	-	2,428	-	2,428
-	-	-	-	-	-	17,601	-	17,601
-	-	-	-	-	-	281	-	281
-	-	-	-	-	-	20,310	-	20,310
-	398	-	-	-	(14,253)	485,582	(42,078)	443,504
-	-	-	-	-	(23,732)	748,866	(25,658)	723,208
-	-	-	-	-	(2,998)	41,781	(3,239)	38,542
-	-	-	-	-	2,532	(85,092)	2,773	(82,319)
-	-	-	-	-	(24,198)	705,555	(26,124)	679,431
-	-	-	-	-	-	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
-	-	-	-	-	(75,253)	2,768,403	(81,301)	2,687,102
-	-	-	-	-	-	203,920	-	203,920
-	-	-	-	-	-	203,920	-	203,920
-	398	-	-	-	(89,506)	3,457,905	(123,379)	3,334,525

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
Operational assets							
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	-	-	-	-
Total	348,954	(43,496)	305,458	20,730	-	(13,867)	-
Collection assets							
Public art collections	2,284	-	2,284	-	-	-	-
Other collection items	15,212	-	15,212	58	-	-	-
Petone Settlers	241	-	241	1	-	-	-
Total collections	17,737	-	17,737	59	-	-	-
Total operational assets	366,691	(43,496)	323,195	20,789	-	(13,867)	-
Infrastructural assets							
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)	-	-	-
Total	223,967	(9,329)	214,638	56,052	535	-	-
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	-	-	-
Total infrastructural assets	1,332,814	(38,888)	1,293,926	100,979	3,864	-	-
Restricted assets							
Land	144,046	-	144,046	16	48	-	-
Total restricted assets	144,046	-	144,046	16	48	-	-
Total property, plant and equipment	1,843,551	(82,384)	1,761,167	121,784	3,912	(13,867)	-

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
19,620	13,254	14,396	-	-	(12,377)	375,437	(28,223)	347,214
144	-	-	-	-	-	2,428	-	2,428
2,242	-	-	-	-	-	17,512	-	17,512
39	-	-	-	-	-	281	-	281
2,425	-	-	-	-	-	20,221	-	20,221
22,045	13,254	14,396	-	-	(12,377)	395,658	(28,223)	367,435
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)
405,327	-	18,360	-	-	(10,957)	685,881	(1,926)	683,955
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
1,250,536	-	74,905	-	-	(42,065)	2,688,193	(6,048)	2,682,145
59,738	-	-	-	-	-	203,848	-	203,848
59,738	-	-	-	-	-	203,848	-	203,848
1,332,319	13,254	89,301	-	-	(54,442)	3,287,699	(34,271)	3,253,427

Group 2025	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
Operational assets							
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	-	-	-
Total	449,303	(31,847)	417,455	91,871	-	(1,389)	-
Collection Assets							
Public art collection	2,428	-	2,428	-	-	-	-
Other collection items	17,512	-	17,512	89	-	-	-
Petone Settlers	281	-	281	-	-	-	-
Total collections	20,221	-	20,221	89	-	-	-
Total operational assets	469,524	(31,847)	437,676	91,960	-	(1,389)	-
Infrastructural assets							
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)	-	-	-
Total	685,881	(1,926)	683,955	19,370	304	-	-
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	-	-	-	-
Total infrastructural assets	2,688,193	(6,048)	2,682,145	78,772	1,438	-	-
Restricted assets							
Land	203,848	-	203,848	31	41	-	-
Total restricted assets	203,848	-	203,848	31	41	-	-
Total property, plant and equipment	3,361,564	(37,895)	3,323,671	170,763	1,479	(1,389)	-

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
-	411	-	-	-	(15,891)	539,785	(47,327)	492,457
-	-	-	-	-	-	2,428	-	2,428
-	-	-	-	-	-	17,601	-	17,601
-	-	-	-	-	-	281	-	281
-	-	-	-	-	-	20,310	-	20,310
-	411	-	-	-	(15,891)	560,095	(47,327)	512,767
-	-	-	-	-	(23,732)	748,866	(25,658)	723,208
-	-	-	-	-	(2,998)	41,781	(3,239)	38,542
-	-	-	-	-	2,532	(85,092)	2,773	(82,319)
-	-	-	-	-	(24,198)	705,555	(26,124)	679,431
-	-	-	-	-	-	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
-	-	-	-	-	(75,253)	2,768,403	(81,301)	2,687,102
-	-	-	-	-	-	203,920	-	203,920
-	-	-	-	-	-	203,920	-	203,920
-	411	-	-	-	(91,144)	3,532,417	(128,628)	3,403,791

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
Operational assets							
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	-	-	-
Total	419,681	(47,388)	372,292	23,495	-	(14,456)	-
Collection Assets							
Public art collection	2,284	-	2,284	-	-	-	-
Other collection items	15,212	-	15,212	58	-	-	-
Petone Settlers	241	-	241	1	-	-	-
Total collections	17,737	-	17,737	59	-	-	-
Total operational assets	437,418	(47,388)	390,029	23,554	-	(14,456)	-
Infrastructural assets							
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)	-	-	-
Total	223,967	(9,329)	214,638	56,052	535	-	-
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	-	-	-
Total infrastructural assets	1,332,814	(38,888)	1,293,926	100,979	3,864	-	-
Restricted assets							
Land	144,046	-	144,046	16	48	-	-
Total restricted assets	144,046	-	144,046	16	48	-	-
Total property, plant and equipment	1,914,278	(86,276)	1,828,003	124,549	3,912	(14,456)	-

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
20,583	13,798	15,365	-	-	(13,622)	449,303	(31,847)	417,455
144	-	-	-	-	-	2,428	-	2,428
2,242	-	-	-	-	-	17,512	-	17,512
39	-	-	-	-	-	281	-	281
2,425	-	-	-	-	-	20,221	-	20,221
23,008	13,798	15,365	-	-	(13,622)	469,524	(31,847)	437,676
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)
405,327	-	18,360	-	-	(10,957)	685,881	(1,926)	683,955
-	-	-	-	-	-	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
-	-	-	-	-	(42,065)	2,688,193	(6,048)	2,682,145
59,738	-	-	-	-	-	203,848	-	203,848
59,738	-	-	-	-	-	203,848	-	203,848
1,333,282	13,798	90,270	-	-	(55,687)	3,361,564	(37,895)	3,323,671

Valuation

Operational and restricted land and buildings

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.

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

Infrastructural assets (excluding land under roads)

The market value for financial reporting purposes was calculated using the 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, provided established asset groupings and further to these groupings, asset component classifications levels. Aon 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 Wellington Water Limited 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.

Once an appropriate unit replacement cost and asset ages and lives were established, a straight-line depreciation was attributed to each asset component to establish the ODRC value.

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 was effective as at 31 May 2024.

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

This valuation highlighted a significant increase in the fair value of the assets. Uncertainty was raised during the revaluation over the long-term sustainability of the high unit rate costs currently in contracts procured by Wellington Water Ltd. This issue was first identified as an emphasis of matter in the June 2024 audit opinion.

This financial year a fair value assessment was completed by WSP New Zealand over the three waters assets. A significant amount of uncertainty is still present in this space in regards to Wellington Water Ltd. Since the valuation, Wellington Water Ltd have commissioned two independent reviews (AECOM and Deloitte) and has 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 Wellington Water'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, their impact has not yet been reflected in the recent contract evidence. Therefore, it was not possible to accurately quantify the impacts the changes above will have on the unit rates and on-costs as at 30 June 2025. The conclusion of the fair value assessment was to maintain the unit rates from the previous year's revaluation, resulting in no adjustments to the closing book values.

Councils' most recent estimate of the replacement cost of infrastructural asset is:

	2025 \$000	Valuation Date	2024 \$000	Valuation Date
Waste water	2,359,246	1 May 2025	565,500	31 May 2022
Waste water treatment plant	140,409	1 May 2025	119,300	31 May 2022
Storm water	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
	7,368,477		2,656,800	

Service concession arrangements

The service concession arrangement assets consist of the waste water 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).

Collection items

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.

Painting and works on paper were independently valued as at 31 May 2024 by Ben Ashley (AAA) of Aon Risk Solutions.

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 an independent valuer 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.

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
Total assets under construction	164,545	201,611	166,457	203,461

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:

	Years	Percentages
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
Council 2025							
Software	552	(497)	55	-	-	-	-
Resource consents	1,778	(1,205)	573	-	-	-	-
	2,330	(1,702)	628	-	-	-	-
Council 2024							
Software	2,461	(2,307)	154	-	-	(1,909)	-
Resource consents	1,981	(1,340)	641	-	-	(203)	-
	4,442	(3,647)	795	-	-	(2,112)	-
Group 2025							
Software	557	(499)	58	-	-	-	-
Resource consents	1,779	(1,208)	571	-	-	-	-
	2,336	(1,707)	629	-	-	-	-
Group 2024							
Software	2,522	(2,363)	159	-	-	(1,965)	-
Resource consents	1,982	(1,343)	639	-	-	(203)	-
	4,504	(3,706)	798	-	-	(2,168)	-

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
-	-	-	-	-	(89)	2,330	(1,791)	539
-	1,908	-	-	-	(98)	552	(497)	55
-	203	-	-	-	(68)	1,778	(1,205)	573
-	2,111	-	-	-	(166)	2,330	(1,702)	628
-	-	-	-	-	(21)	557	(520)	37
-	-	-	-	-	(68)	1,779	(1,276)	503
-	-	-	-	-	(89)	2,336	(1,796)	540
-	1,965	-	-	-	(101)	557	(499)	58
-	203	-	-	-	(68)	1,779	(1,208)	571
-	2,168	-	-	-	(169)	2,336	(1,707)	629

16. Depreciation and amortisation expense by group of activity

	Council	
	Actual 2025 \$000	Actual 2024 \$000
Directly attributable depreciation and amortisation expense by activity (group of activity)		
Environmental wellbeing		
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
Economic wellbeing		
Transport	17,391	17,998
City development	-	4
Social and cultural wellbeing		
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
Total directly attributable depreciation and amortisation expense by group of activity	89,596	54,607
Depreciation and amortisation not directly attributable by group of activity	-	-
Total depreciation and amortisation expense	89,596	54,607

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.

Futher 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 equity 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
Wellington Water Limited				
Balance at beginning of the year	200	200	1,388	581
New Shares issued	-	-	-	-
B Shares sold	-	-	-	-
Share of operating surplus/(deficit)	-	-	-	807
Balance at end of year	200	200	1,388	1,388

	Total Wellington Water Ltd		Group share	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Revenue	-	467,297	-	93,459
Expenditure	-	461,677	-	92,335
Surplus (Deficit) before taxation	-	5,620	-	1,124
Taxation (Expense)/benefit	-	(1,586)	-	(317)
Surplus (Deficit) after taxation	-	4,034	-	807
Assets	111,601	111,601	22,320	22,320
Liabilities	104,543	104,543	20,909	20,909
Equity	7,058	7,058	1,412	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
Current portion				
Short term deposits with original maturities greater than three months	-	-	-	-
Total other financial assets – current portion	-	-	-	-
Non-current portion				
Investment in Council Controlled Organisations and other similar entities				
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
Total investment in Council Controlled Organisations and other similar entities	76,891	62,254	16,646	12,009
Investment in other entities				
NZ Local Government Insurance Company	455	455	455	455
Total investment in other entities	455	455	455	455
Total other financial assets – non-current portion	77,346	62,709	17,101	12,464
Total other financial assets	77,346	62,709	17,101	12,464

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	30,123	29,919	30,426	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
Total creditors and other payables	36,349	36,806	36,654	37,296

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
Current portion				
Bank overdraft	-	-	-	-
Secured loans	80,000	40,000	80,000	40,000
Total current portion	80,000	40,000	80,000	40,000
Non-current portion				
Secured loans	491,700	470,700	491,700	470,700
Total non-current portion	491,700	470,700	491,700	470,700
Total borrowing	571,700	510,700	571,700	510,700

Maturity profile

	Interest cost		Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Years of Maturity						
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
Total borrowing	27,504	21,138	571,700	510,700	571,700	510,700

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, include 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
Current portion				
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
Total current portion	5,831	5,335	5,968	5,457
Non-current portion				
Retirement gratuities	458	442	511	492
Total non-current portion	458	442	511	492
Total employee entitlements	6,289	5,777	6,479	5,950

* 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. Council is investing in a new HRIS and Payroll system implementation. Once this solution is implemented, which is expected to be delivered mid 2026 at which point, any final 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 on-going 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
Total provisions	11,025	10,390	11,025	10,390
Current	-	-	-	-
Non-Current	11,025	10,390	11,025	10,390
Total provisions	11,025	10,390	11,025	10,390

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)
Balance at end of the year (non-current liability)	11,025	10,390

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 on-going 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 fifteen 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 twenty to thirty 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 EriksenGlobal Limited and is effective as at 30 June 2025.

23. Other liabilities

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Other liabilities – current portion				
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
Total other liabilities	9,182	8,437	9,506	8,762

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
Accumulated funds				
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	(14,448)	13,146	(15,861)	11,017
Accumulated funds – balance at end of the year	704,728	721,205	715,864	733,754
Council created reserves				
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
Council created reserves – balance at end of the year	45,006	42,979	45,006	42,979

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Restricted reserves				
Balance at beginning of the year	59	64	59	64
Transfers to accumulated funds	-	(8)	-	(8)
Interest earned	2	3	2	3
Restricted reserves – balance at end of the year	61	59	61	59
Asset revaluation reserve				
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)
Asset revaluation reserve – balance at end of the year	2,275,284	2,275,284	2,320,344	2,320,344
Asset revaluation reserves consist of:				
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
Total asset revaluation reserves	2,275,284	2,275,284	2,320,344	2,320,344
Total other reserves	2,320,351	2,318,322	2,365,411	2,363,382
Total equity	3,025,079	3,039,527	3,081,275	3,097,136

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
Financial assets					
Fair value through surplus or deficit					
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
Total fair value through surplus or deficit		16,870	16,004	16,870	16,004
Finance assets at amortised costs					
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	11.	36,140	47,316	34,241	47,376
Other financial assets:					
Loans to Related Parties	18.	45,700	35,700	-	-
Total finance assets at amortised costs		112,959	113,472	87,786	88,041
Other financial assets					
Fair value through other comprehensive revenue or expenditure					
– NZ Local Government Insurance Company	18.	455	455	455	455
– NZ Local Government Funding Agency	18.	100	100	100	100
Total fair value through other comprehensive revenue or expenditure		555	555	555	555
Total financial assets		130,384	130,031	105,211	104,600
Financial liabilities					
Fair value through surplus or deficit					
Derivative financial instrument liabilities	12.	1,589	84	1,589	84
Total fair value through surplus or deficit		1,589	84	1,589	84
Financial liabilities at amortised cost					
Trade creditors and other payables	19.	36,349	36,806	36,654	37,296
Income tax payable	9.	-	97	-	97
Borrowings:					
– secured loans	20.	571,700	510,700	571,700	510,700
Total financial liabilities at amortised cost		608,049	547,603	608,354	548,093
Total financial liabilities		609,638	547,687	609,943	548,177

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				Valuation Technique			
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
	Quoted market price \$000	Observable inputs \$000	Significant non-observable inputs \$000	Total \$000	Quoted market price \$000	Observable inputs \$000	Significant non-observable inputs \$000	Total \$000
Council and Group								
Financial assets								
Derivatives	-	324	-	324	-	4,095	-	4,095
Borrower Notes	-	16,546	-	16,546	-	11,909	-	11,909
Shares	-	-	555	555	-	-	555	555
Financial liabilities								
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	407	212
Purchases	5,050	5,250
Sales	(820)	(1,480)
Transfers into level 3	-	-
Transfers out of level 3	(4,637)	(3,982)
Balance at 30 June	555	555

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 it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. Council and group has a series of policies to manage the risks associated with financial instruments and seeks 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	11.	36,140	47,316	34,241	47,376
Other assets	18.	455	455	455	455
Short term deposits with original maturities greater than three months	18.	-	-	-	-
Loans to related parties	18.	45,700	35,700	-	-
Financial guarantees	28.	-	-	-	-
Derivative financial instrument assets (interest rate swaps and options)	12.	324	4,095	324	4,095
Total credit risk		113,738	118,022	88,565	92,591

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
Counterparties with credit ratings				
Cash at bank and term deposits				
AA -	31,119	30,456	53,545	40,665
Total cash at bank and term deposits	31,119	30,456	53,545	40,665
Derivative financial instrument assets				
AA -	324	4,095	324	4,095
Total derivative financial instrument assets	324	4,095	324	4,095
Counterparties without credit ratings				
Community and related party loans				
Existing counterparty with no defaults in the past	45,700	35,700	-	-
Total community, development and related party loans	45,700	35,700	-	-

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, and 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
Council 2025						
Trade and other payables	1,474	1,474	1,474	-	-	-
Net settled derivative liabilities	1,589	84	-	5	29	50
Income tax payable	-	-	-	-	-	-
Secured loans	571,700	599,205	83,849	173,672	220,103	121,581
Total	574,763	600,763	85,323	173,677	220,132	121,631
Group 2025						
Trade and other payables	1,474	1,474	1,474	-	-	-
Net settled derivative liabilities	1,589	84	-	5	29	50
Income tax payable	-	-	-	-	-	-
Secured loans	571,700	599,205	83,849	173,672	220,103	121,581
Total	574,763	600,763	85,323	173,677	220,132	121,631
Council 2024						
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
Total	513,278	534,415	44,150	151,735	145,823	192,707
Group 2024						
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
Total	513,278	534,415	44,150	151,735	145,823	192,707

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.

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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
Council 2025						
Cash and cash equivalents	31,119	31,119	31,119	-	-	-
Debtors and other receivables	36,140	36,140	36,140	-	-	-
Net settled derivative assets	324	4,095	3	1,359	835	1,898
Other financial assets:						
- loans to related parties	45,700	35,700	-	35,700	-	-
Total	113,283	107,054	67,262	37,059	835	1,898
Group 2025						
Trade and other payables	53,545	53,545	53,545	-	-	-
Net settled derivative liabilities	34,241	34,241	34,241	-	-	-
Income tax payable	324	4,095	3	1,359	835	1,898
Total	88,110	91,881	87,789	1,359	835	1,898
Council 2024						
Cash and cash equivalents	30,456	30,456	30,456	-	-	-
Debtors and other receivables	47,316	47,316	47,316	-	-	-
Net settled derivative assets	4,095	4,095	3	1,359	835	1,898
Other financial assets:						
- loans to related parties	35,700	35,700	-	35,700	-	-
Total	117,567	117,567	77,775	37,059	835	1,898
Group 2024						
Trade and other payables	40,665	40,665	40,665	-	-	-
Net settled derivative liabilities	47,376	47,376	47,376	-	-	-
Income tax payable	4,095	4,095	3	1,359	835	1,898
Total	92,136	92,136	88,044	1,359	835	1,898

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
Council and Group								
Financial assets								
Derivatives held for trading	(1,310)	-	1,229	-	(4,073)	-	526	-
Financial liabilities								
Derivatives held for trading	(4,007)	-	3,806	-	(550)	-	3,862	-
Borrowing:								
– Term loans	2,900	-	(2,900)	-	1,850	-	(1,850)	-
Total sensitivity to interest rate risk	(2,417)	-	2,135	-	(2,773)	-	2,538	-

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 \$2.90M (2024: \$1.85M). 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 and 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	-	-
Total transactions with related parties within the council group	3,718	3,204	-	-

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				
– Non-current loans to SML	(34)	3	-	-
– Current account receivable	2,700	2,700	-	-
Total outstanding balances with related parties within the council group	48,072	36,146	-	-

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	8,394	8,654	8,394	8,654
– Other	2,247	205	2,247	205
Total capital commitments	31,708	22,541	31,708	22,541

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	–
Total non-cancellable operating leases	1,324	–	1,334	48

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 lease 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
Total operating leases as lessor	3,457	3,883	4,107	5,713

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 members claim in relation to non-weather-tight defects (in a mixed claim involving both weather-tight and non-weather-tight 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 \$20m of which Council's share is \$100k. When aggregated with the uncalled capital of other shareholders, \$20m 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 2024-2034 10 Year Plan 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 \$7.0M below budget mainly due to activity volumes being lower than anticipated across a range of areas.
- Subsidies and grants is \$32.2M below budget reflecting the unavoidable delays and deferrals of capital projects resulting in lower related subsidy and grant revenue.
- Other expenses is \$18.0M 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 \$5.3M. Movements are not budgeted for and reflects the changes in interest rates.
- Depreciation and amortisation expenses is \$22.3M 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 \$14.4M compared to a budget surplus after tax of \$34.4M.

The statement of financial position (that is, what council own and owe) 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 \$14.9M higher than budget mainly due to increase level of rate debtors due at year end.
- Prepayments is \$7.0M above budget. This relates to payments made to Wellington Water Ltd for the July 2025 project and operational costs.
- Property, plant and equipment is \$1,175.8M above budget - due largely to the revaluation of three water assets as at 31 May 2024.

- Assets under construction is \$45.6M below budget – due to Council approval to defer capital projects experiencing unavoidable delays.
- Derivative financial instruments is \$5.3M below budget – due to movements in interest rates impacting on mark to market revaluation.
- Borrowings is \$45.4M below budget mainly due to Council decision to unavoidable delays and/or deferral of capital projects.
- Creditors and other payables are \$9.7M 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 \$1,190M above budgeted level.

The following are significant variances in the statement of cash flows:

- Cash out flow from operations is \$6.1M below budget relates to lower level of payment to suppliers than expected in the budget.
- Cash out flow from Investing is \$61.4M below budget relates mainly to unavoidable delays and deferrals of capital projects as noted above.
- Cash in flow from financing \$51.5M 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 Act 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 namely:

- 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 DATE.

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; and
- supports the council's housing growth and urban development objectives.

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 Ltd 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:

- derecognition of water assets resulting in an estimated \$2.0b loss in the 2026/27 reporting period;
- derecognition of estimated Water liabilities (including any associated debt) of \$295M in the 2026-27 reporting period.
- a transfer between revaluation reserves and retained earnings of approximately \$1.8b resulting 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; and
- a reduction of approximately \$102M in 2026-27 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

Asset type	Policy class	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.
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.
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.
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.
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

Council does not hold asset that are self-insured, nor does it hold reserves for the purpose of self-insurance

Rating base information

The Local Government Act (Amendment No. 3) includes a clause 30A in Section 10. The information below satisfies the disclosure requirement of that clause as at 30 June 2025.

Rating system	Capital
Rateable units	43,429
Capital value of rating units	\$42,151,310,700
Total land value of rating units	\$25,699,906,200
Average rates per residential ratepayer	\$4,063

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.

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 July 2024 \$000	Deposits \$000	Expenditure \$000	Closing balance June 2025 \$000
Council-created reserves – purpose of the fund				
<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, 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
<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 Facilities 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 Facilities 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 Facilities 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
Totals	42,979	6,048	(4,021)	45,006

	Opening balance	Deposits	Expenditure	Closing balance
	July 2024 \$000	\$000	\$000	June 2025 \$000
Restricted reserves – purpose of the fund				
<i>Taita 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
Totals	59	2	–	61

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
Number of meetings held	20	7	6	5	5	7	7	4
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	-	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
Number of meetings held	4	6	7	2	42
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	Hutt Valley Services	Chief Executive's Employment
Number of meetings held	16	7	5	5	5	6	8	4
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
Number of meetings held	5	5	5	4	42
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.



Paerewa matawhāiti

Prudence benchmarks

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.

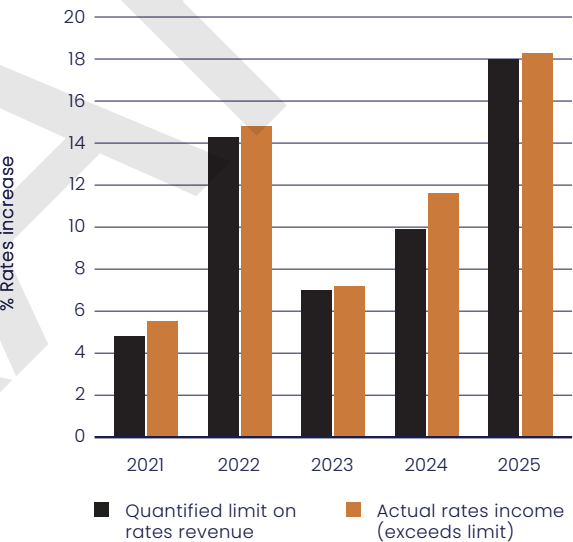
The Council is required to include these prudence benchmarks in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

The benchmarks have been prepared for the parent entity and not the group.

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. The quantified limits are set to enable the achievement of a balanced budget by 2028-29. 2021-22 includes the impact of the introducing the new rates funded rubbish, recycling, and green waste services. The rates income for 2024-25 was slightly above the limited set primarily due to growth in the city being higher than anticipated and other minor rating databases changes that have occurred in the city.

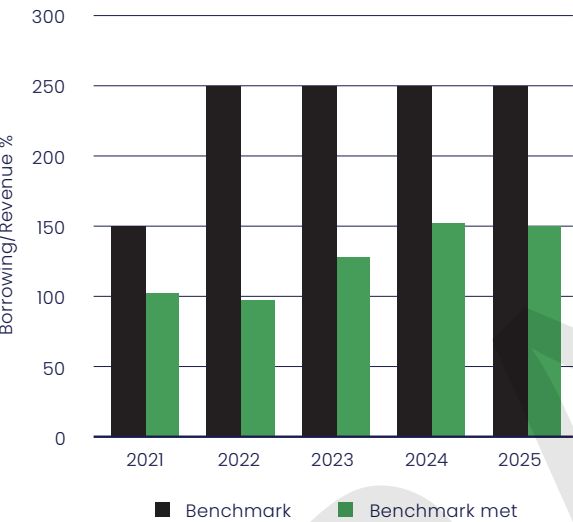


Debt affordability benchmark

Council meets its affordability benchmarks if borrowing is within each quantified limit on borrowing set in its financial strategy.

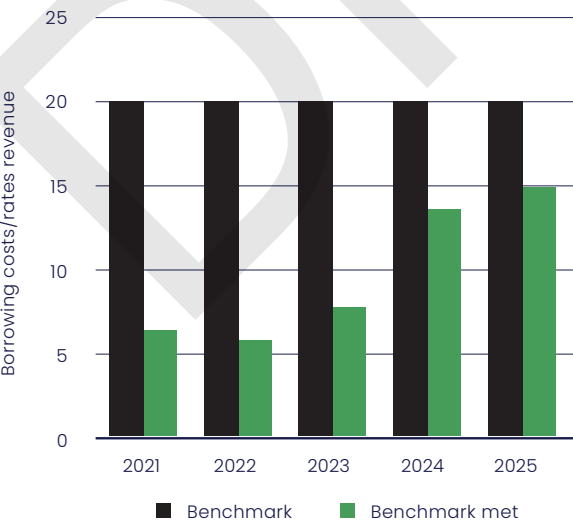
1: Debt affordability benchmark (debt as percentage of revenue)

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 (interest costs/rates revenue)

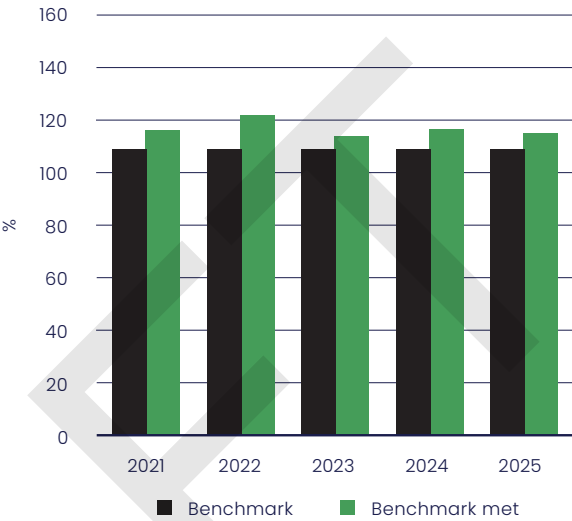
Meets the debt affordability benchmark if its interest costs for the year less than 20 per cent of its rates revenue.



3: Debt affordability benchmark (liquidity)

Council meets the benchmark if liquidity is above 110%.

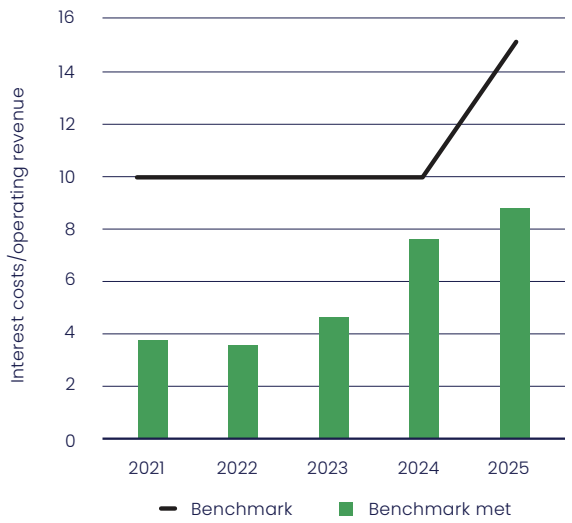
The following graph displays the Council's gross debt levels (including standby facilities and cash holdings) compared to actual debt levels.



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).



Balanced budget benchmark

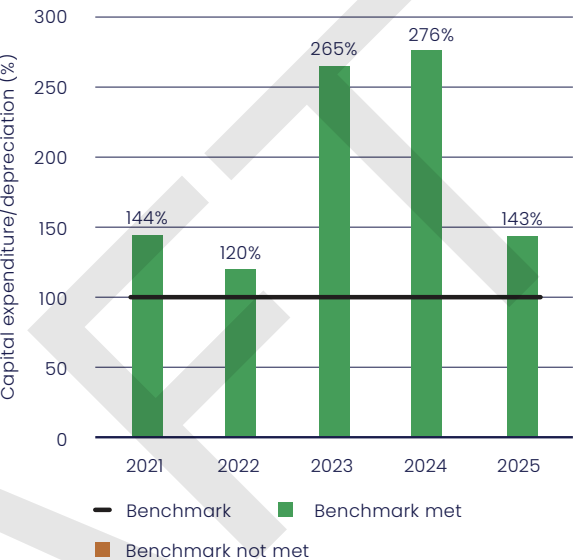
Council meets the balanced budget benchmark for each year if its revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluation on property, plant, or equipment) exceeds its operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

This benchmark is similar to the balance bench measure adopted by council as part of its Financial Strategy in the 10 Year Plan 2024-2034. Council believes its own measure is more relevant to measuring whether its day-to-day income covers its day-to-day operating costs. The main differences between the two measures are that the council measure removes capital improvements subsidies, grant revenue from infrastructure Acceleration Fund grants and central government COVID-19 Response and Recovery co-funding for Te Ngaengae Pool + Fitness and Tupua Horu Nuku. The results of the council's measure can be found under financial sustainability in section one of this Annual Report.



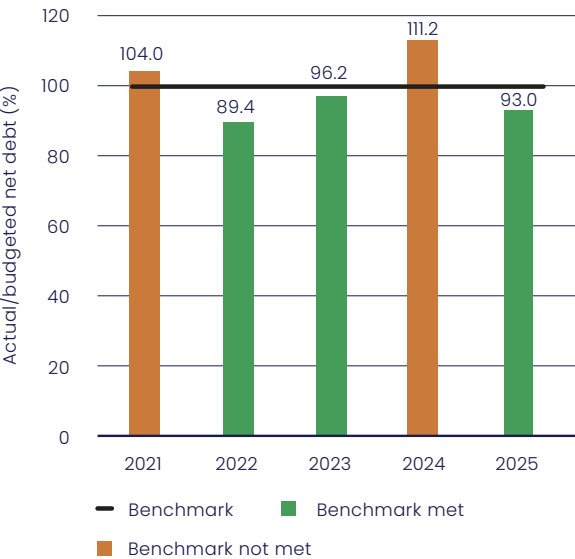
Essential services benchmark

The following graph displays council's capital expenditure on network services as a proportion of depreciation on network services. Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



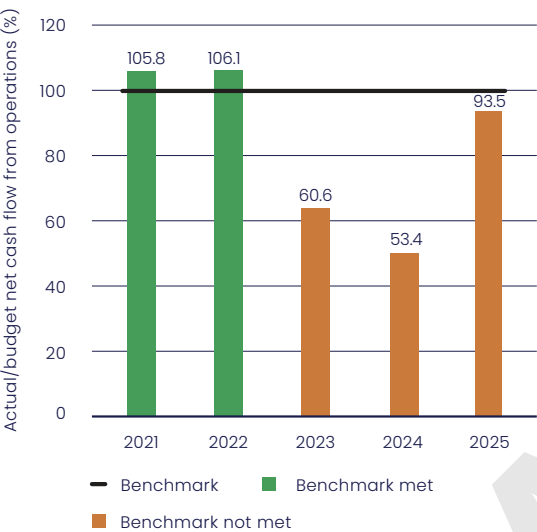
Debt control benchmark

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 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	2021–31 LTP (Year 3)	Annual Plan	Actual	2024–25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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	6,289	278
Internal charges and overheads recovered	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-
Total operating funding (A)	28,765	27,210	27,895	33,904	34,856	952
Applications of operating funding						
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	-	-	-	-	-	-
Total applications of operating funding (B)	23,215	28,286	28,971	38,774	38,144	630
Surplus (deficit) of operating funding (A-B)	5,550	(1,075)	(1,076)	(4,870)	(3,288)	1,582
Sources of capital funding						
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	28,550	2,862
Gross proceeds from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
Total sources of capital funding (C)	6,003	26,847	32,741	27,509	30,515	3,005
Application of capital funding						
Capital expenditure						
- 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	-	-	-	-	-	-
Total applications of capital funding (D)	11,553	25,772	31,665	22,640	27,227	(4,587)
Surplus (deficit) of capital funding (C-D)	(5,550)	1,075	1,076	4,870	3,288	(1,582)
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Wastewater Funding impact statement

For the year
ended 30 June

	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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	2,687	3,234	3,409	3,971	3,983	12
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	-	-	-	-	-	-
Total operating funding (A)	31,360	30,280	31,058	35,762	36,978	1,216
Applications of operating funding						
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)	-	-	-
Total applications of operating funding (B)	19,997	24,322	23,065	28,801	27,361	1,441
Surplus (deficit) of operating funding (A-B)	11,363	5,958	7,994	6,960	9,617	2,657
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	20,834	34,855	30,428	48,316	19,240	(29,076)
Application of capital funding						
Capital expenditure						
- 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	-	-	-	-	-	-
Total applications of capital funding (D)	32,197	40,813	38,422	55,276	28,857	26,419
Surplus (deficit) of capital funding (C-D)	(11,363)	(5,958)	(7,994)	(6,960)	(9,617)	(2,657)
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Stormwater Funding impact statement

For the year
ended 30 June

	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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	-	-	-	-	-	-
Total operating funding (A)	10,676	12,599	13,018	15,563	14,242	(1,321)
Applications of operating funding						
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	-	-	-	-	-	-
Total applications of operating funding (B)	5,751	7,113	7,311	9,274	7,944	1,330
Surplus (deficit) of operating funding (A-B)	4,925	5,486	5,707	6,289	6,298	8
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	(1,945)	4,678	(1,799)	12,557	(2,947)	(15,504)
Application of capital funding						
Capital expenditure						
- 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	-	-	-	-	-	-
Total applications of capital funding (D)	2,980	10,164	3,908	18,846	3,351	15,495
Surplus (deficit) of capital funding (C-D)	(4,925)	(5,486)	(5,707)	(6,289)	(6,298)	(8)
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Solid waste Funding impact statement

For the year
ended 30 June

	2021-21 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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
Total operating funding (A)	39,770	42,902	43,110	48,401	42,467	(5,934)
Applications of operating funding						
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	-	-	-	-	-	-
Total applications of operating funding (B)	27,519	29,835	28,215	33,487	28,787	4,700
Surplus (deficit) of operating funding (A-B)	12,251	13,067	14,896	14,914	13,680	(1,235)
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	(9,694)	(2,324)	(6,181)	(3,774)	(4,962)	(1,188)
Application of capital funding						
Capital expenditure						
- 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	-	-	-	-	-	-
Total applications of capital funding (D)	2,557	10,743	8,715	11,141	8,718	2,423
Surplus (deficit) of capital funding (C-D)	(12,251)	(13,067)	(14,896)	(14,914)	(13,680)	1,235
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Sustainability & resilience Funding impact statement

For the year
ended 30 June

	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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
Total operating funding (A)	2,508	3,717	3,665	5,120	4,614	(506)
Applications of operating funding						
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	-	-	-	-	-	-
Total applications of operating funding (B)	2,493	3,683	3,541	5,009	4,503	506
Surplus (deficit) of operating funding (A-B)	15	34	124	111	111	-
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	(15)	(34)	(124)	147	(111)	(258)
Application of capital funding						
Capital expenditure						
- to meet additional demand	-	-	-	-	-	-
- to improve level of service	-	-	-	259	-	259
- to replace existing assets	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
Total applications of capital funding (D)	-	-	-	259	-	259
Surplus (deficit) of capital funding (C-D)	(15)	(34)	(124)	(11)	(11)	-
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Regulatory services Funding impact statement

For the year
ended 30 June

	2021-21 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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)
Total operating funding (A)	12,532	16,135	20,996	20,664	22,214	1,550
Applications of operating funding						
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)
Total applications of operating funding (B)	12,449	16,045	20,707	20,674	22,224	(1,550)
Surplus (deficit) of operating funding (A-B)	83	90	289	(10)	(10)	-
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	(83)	(90)	(289)	10	10	-
Application of capital funding						
Capital expenditure						
- to meet additional demand	-	-	-	-	-	-
- to improve level of service	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
Total applications of capital funding (D)	-	-	-	-	-	-
Surplus (deficit) of capital funding (C-D)	(83)	(90)	(289)	10	10	-
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Transport Funding impact statement

For the year
ended 30 June

	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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)
Total operating funding (A)	41,599	44,234	45,320	53,345	49,368	(3,977)
Applications of operating funding						
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	-	-	-
Total applications of operating funding (B)	20,921	25,062	28,883	31,136	27,171	3,965
Surplus (deficit) of operating funding (A-B)	20,678	19,172	16,437	22,209	22,198	(12)
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	10,161	47,288	25,513	47,438	26,095	(21,343)
Application of capital funding						
Capital expenditure						
- 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	-	-	-	-	-	-
Total applications of capital funding (D)	30,839	66,460	41,950	69,647	48,293	21,354
Surplus (deficit) of capital funding (C-D)	(20,678)	(19,172)	(16,437)	(22,209)	(22,198)	12
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

City development Funding impact statement

For the year
ended 30 June

	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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
Total operating funding (A)	10,207	15,413	11,313	15,328	11,676	(3,653)
Applications of operating funding						
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	-	-	-	-	-	-
Total applications of operating funding (B)	10,207	15,401	11,309	15,335	11,676	3,659
Surplus (deficit) of operating funding (A-B)	-	12	4	(7)	-	7
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	43,951	30,562	16,207	32,010	3,484	(28,525)
Application of capital funding						
Capital expenditure						
- to meet additional demand	-	2,060	23	-	0	(0)
- 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	-	-	-	-	-	-
Total applications of capital funding (D)	43,951	30,574	16,211	32,003	3,484	28,519
Surplus (deficit) of capital funding (C-D)	-	(12)	(4)	7	-	(7)
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Community partnering & support Funding impact statement

For the year
ended 30 June

	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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)
Total operating funding (A)	11,190	11,829	12,138	16,125	15,374	(751)
Applications of operating funding						
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	-	-	-
Total applications of operating funding (B)	9,353	10,382	10,668	14,126	13,374	751
Surplus (deficit) of operating funding (A-B)	1,837	1,447	1,470	2,000	2,000	-
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	(628)	(389)	(951)	(1,509)	(1,682)	(173)
Application of capital funding						
Capital expenditure						
- 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	-	-	-	-	-	-
Total applications of capital funding (D)	1,209	1,058	519	490	318	173
Surplus (deficit) of capital funding (C-D)	(1,837)	(1,447)	(1,470)	(2,000)	(2,000)	(0)
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Open spaces, parks & reserves Funding impact statement

For the year
ended 30 June

	2021-21 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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)
Total operating funding (A)	20,588	21,995	22,018	24,197	23,704	(493)
Applications of operating funding						
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)
Total applications of operating funding (B)	14,609	18,598	18,710	20,380	19,927	453
Surplus (deficit) of operating funding (A-B)	5,979	3,397	3,309	3,818	3,777	(41)
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	6,828	2,087	2,390	11,211	3,883	(7,328)
Application of capital funding						
Capital expenditure						
- 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	-	-	-	-	-	-
Total applications of capital funding (D)	12,807	5,484	5,698	15,029	7,660	7,368
Surplus (deficit) of capital funding (C-D)	(5,979)	(3,397)	(3,309)	(3,818)	(3,777)	41
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Connectivity, creativity learning & recreation Funding impact statement

For the year ended 30 June	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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
Total operating funding (A)	30,325	30,915	32,548	38,201	37,210	(991)
Applications of operating funding						
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	-	-	-
Total applications of operating funding (B)	25,410	26,654	28,230	31,736	30,745	991
Surplus (deficit) of operating funding (A-B)	4,915	4,261	4,318	6,465	6,465	-
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	25,559	26,412	21,357	11,871	9,014	(2,857)
Application of capital funding						
Capital expenditure						
- 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	-	-	-	-	-	-
Total applications of capital funding (D)	30,474	30,673	25,676	18,336	15,479	2,857
Surplus (deficit) of capital funding (C-D)	(4,915)	(4,261)	(4,319)	(6,465)	(6,465)	-
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Governance, strategy and partnerships

Funding impact statement

For the year
ended 30 June

	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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	-	-	-	-	-	-
Total operating funding (A)	7,108	7,201	7,077	8,346	7,625	(721)
Applications of operating funding						
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	-	-	-	-	-	-
Total applications of operating funding (B)	7,108	7,201	7,070	8,340	7,618	722
Surplus (deficit) of operating funding (A-B)	0	7	6	7	1	1
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	-	-	(7)	(6)	(7)	(1)
Application of capital funding						
Capital expenditure						
- to meet additional demand	-	-	-	-	-	-
- to improve level of service	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-
Total applications of capital funding (D)	-	-	-	-	-	-
Surplus (deficit) of capital funding (C-D)	-	-	(7)	(6)	(7)	(1)
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Corporate services Funding impact statement

For the year
ended 30 June

	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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
Total operating funding (A)	2,697	5,289	9,309	6,407	8,972	2,565
Applications of operating funding						
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	-	-	-	-	-	-
Total applications of operating funding (B)	30,181	38,255	41,360	41,821	36,342	5,479
Surplus (deficit) of operating funding (A-B)	(27,484)	(32,966)	(32,052)	(35,414)	(27,370)	8,044
Sources of capital funding						
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	-	-	-	-	-	-
Total sources of capital funding (C)	32,130	36,948	33,797	39,692	28,943	(10,749)
Application of capital funding						
Capital expenditure						
- 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	-	-	-	-	-	-
Total applications of capital funding (D)	4,646	3,982	1,745	4,278	1,573	2,705
Surplus (deficit) of capital funding (C-D)	27,484	32,966	32,052	35,413	27,370	(8,044)
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Council Funding impact statement

For the year
ended 30 June

	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Sources of operating funding						
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	7,692	10,090	13,338	15,163	13,478	(1,685)
Fees and charges	53,034	57,378	58,578	69,707	62,752	(6,954)
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	4,085	3,832	4,151	4,678	3,590	(1,088)
Total operating funding (A)	215,319	231,555	240,880	278,887	273,704	(5,183)
Applications of operating funding						
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)
Total applications of operating funding (B)	175,207	212,674	219,442	256,413	240,219	16,194
Surplus (deficit) of operating funding (A-B)	40,112	18,882	21,438	22,474	33,485	11,011
Sources of capital funding						
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	60,345	(75,554)
Gross proceeds from sale of assets	438	436	-	1,524	-	(1,524)
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
Total sources of capital funding (C)	133,100	206,841	153,072	225,471	111,475	(113,996)
Application of capital funding						
Capital expenditure						
- 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	-	-	-	-	-	-
Total applications of capital funding (D)	173,213	225,723	174,510	247,944	144,960	102,985
Surplus (deficit) of capital funding (C-D)	(40,112)	(18,882)	(21,438)	(22,474)	(33,485)	(11,011)
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-

Reconciliation of Financial Statements to Funding Impact Statements

For the year ended 30 June	2021-31 LTP (Year 3)	Annual Plan	Actual	2024-25 LTP (Year 1)	Actual	Variance
	2024 \$000	2024 \$000	2024 \$000	2025 \$000	2025 \$000	\$000
Total revenue from Prospective Statement of Comprehensive Income	258,547	303,445	288,569	358,056	320,483	(37,572)
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
Funding Impact Statement Total Operating Funding (A)	215,319	231,557	240,880	278,888	273,704	(5,183)
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
Funding Impact Statement Total Applications of Operating Funding (B)	175,207	212,674	219,442	256,413	240,220	16,194
Funding Impact Statement Surplus (Deficit) of Operating Funding (A-B)	40,112	18,883	21,438	22,474	33,485	11,011
Total capital source of funding						
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)
Total Sources of Capital Funding (C)	173,213	225,724	174,512	247,944	144,960	(102,984)
Total Application of Capital Funding (D)	173,213	225,724	174,512	247,944	144,960	102,984
Difference of Capital Funding (C-D)	-	-	-	-	-	-

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ĀpitiHanga 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.

Central Business District (CBD) – Te Awa Kairangi ki Tai Lower Hutt's city centre.

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 – A 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, i.e. 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 CCO 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 – 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.

Submission – Feedback or proposal from a citizen or group on an issue aimed to influence judgement at the Council level at times such as draft Annual Plan, Long Term Plan, or other new significant plans.

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 (e.g. composting and recycling).

Wellington Water Ltd – 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.

Āpitihanga 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



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

Āpitihangā 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

Website: huttcity.govt.nz

Facebook: facebook.com/huttcitycouncil

Tumu Whakarae Chief Executive: Jo Miller

Email: 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

Koraunui 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



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