

## Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Finance Committee will be held on:

**Date:** Tuesday 24 June 2025  
**Time:** 9:30 am  
**Meeting Room:** Council Chamber  
**Venue:** Municipal Building, Garden Place, Hamilton

Lance Vervoort  
Chief Executive

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## Finance and Monitoring Committee

### *Te Komiti Aroturuki me ngaa Puutea*

## OPEN AGENDA

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#### Membership

**Chairperson** Cr Maxine van Oosten  
*Heamana*

**Deputy Chairperson** Cr Moko Tauariki  
*Heamana Tuarua*

<b>Members</b>	Mayor Paula Southgate	Cr Ewan Wilson
	Deputy Mayor Angela O’Leary	Cr Louise Hutt
	Cr Maria Huata	Cr Geoff Taylor
	Cr Emma Pike	Cr Andrew Bydder
	Cr Tim Macindoe	Cr Sarah Thomson
	Cr Anna Casey-Cox	Cr Kesh Naidoo-Rauf
	Vacancy	

**Quorum:** A majority of members (including vacancies)

**Meeting Frequency:** Two monthly

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Amy Viggers  
*Mana Whakahaere*  
Governance Lead

**13 June 2025**

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**Purpose:**

The Finance and Monitoring Committee is responsible for:

1. Monitoring Council's current financial strategy, and financial performance against the Long Term Plan and Annual Plan.
2. Determining financial matters within its delegations and Terms of Reference and making recommendations to Council on financial matters outside its authority.

***In addition to the common delegations on page 10, the Finance and Monitoring Committee is delegated the following Terms of Reference and powers:***

**Terms of Reference:**

3. To provide direction on Council's financial strategy and monitor performance against that strategy.
4. To monitor Council's financial performance against the Council's Long Term Plan and the impact of the financial performance on services levels and rate payers' value.
5. To monitor Council's capital expenditure against the Council's Long Term Plan.
6. To monitor Council's service delivery performance as outlined in the Council's Long Term Plan.
7. To develop and monitor policy related to the following matters:
  - a) financial management;
  - b) revenue generation; and
  - c) procurement and tendering.
8. To monitor the probity of processes relating to policies developed by the Finance and Monitoring Committee.
9. To provide clear direction to the Local Government Funding Agency on Council's expectations, including feedback on the draft statements of intent.
10. To receive six-monthly reports from the Local Government Funding Agency.

**The Committee is delegated the following powers to act:**

- Approval of operating expenditure within the Long Term Plan or Annual Plan that exceeds the Chief Executive's delegation, excluding expenditure which:
  - i. contravenes the Council's Financial Strategy; or
  - ii. significantly alters any level of service outlined in the applicable Long Term Plan or Annual Plan; or
  - iii. impacts Council policy or practice, in which case the delegation is recommendatory only and the Committee may make a recommendation to the Council for approval.
- Approval of contractual and other arrangements for supply and services, and revenue generating contracts, which:
  - i. exceed the Chief Executive's delegations, but
  - ii. exclude contracts or arrangements that are reserved for the Council or another Committee's approval.
- Approval to write-off outstanding accounts that exceeds the Chief Executive's delegation.

**The Committee is delegated the following recommendatory powers:**

- To set the direction of Council's Financial Strategy.
- The Committee may make recommendations to Council.
- The Committee may make recommendations to other Committees.

**Recommendatory Oversight of Strategies:**

- Financial Strategy

**Recommendatory Oversight of Policies and Bylaws:**

- *Funding Needs Analysis Policy*
- *Investment and Liability Management Policy*
- *Rates Remissions and Postponements Policy*
- *Rating Policy*
- *Revenue and Financing Policy*

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**1 Apologies – *Tono aroha***

**2 Confirmation of Agenda – *Whakatau raarangi take***

The Committee to confirm the agenda.

**3 Declaration of Interest – *Tauaakii whaipanga***

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

**4 Public Forum – *Aatea koorero***

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for five minutes or longer at the discretion of the Chair.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Council Chamber prior to the start of the Meeting. A member of the Council Governance Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Governance by telephoning 07 838 6699.

# Council Report

**Committee:** Finance and Monitoring Committee

**Date:** 24 June 2025

**Author:** Ash Rawiri

**Authoriser:** Amy Viggers

**Position:** Governance Advisor

**Position:** Governance Lead

**Report Name:** Confirmation of the Finance and Monitoring Committee Unconfirmed Open Minutes 29 April 2025

<b>Report Status</b>	<i>Open</i>
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## Staff Recommendation - *Tuutohu-aa-kaimahi*

1. That the Finance and Monitoring confirms the Open Minutes of the Finance and Monitoring Meeting held on 29 April 2025 as a true and correct record.

## Attachments - *Ngaa taapirihanga*

Attachment 1 - Finance and Monitoring Unconfirmed Open Minutes 29 April 2025

## Finance and Monitoring Committee

### *Te Komiti Aroturuki me ngaa Puutea*

### OPEN MINUTES

Minutes of a meeting of the Finance and Monitoring Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Tuesday 29 April 2025 at 9:30 am.

#### PRESENT

**Chairperson** Cr Maxine van Oosten  
**Heamana**

**Deputy Chairperson** Cr Moko Tauariki (via audio-visual link)  
**Heamana Tuarua**

**Members** Mayor Paula Southgate  
Deputy Mayor Angela O’Leary (via audio-visual link)  
Cr Maria Huata  
Cr Emma Pike  
Cr Anna Casey-Cox  
Cr Tim Macindoe  
Cr Ewan Wilson  
Cr Louise Hutt  
Cr Geoff Taylor  
Cr Andrew Bydder  
Cr Sarah Thomson  
Cr Kesh Naidoo-Rauf

**External Presenters** Andrew Michel – Senior Manager of Local Government Funding Agency

*The Chair opened the meeting with a karakia, noting the importance of international workers day yesterday and reflecting the memorandum of New Zealand workers unions resilience and advocacy.*

**1. Apologies – Tono aroha**

**Resolved:** (Cr van Oosten/Cr Wilson)

That the Finance and Monitoring Committee accepts the apologies of lateness from Mayor Southgate (Council Business) and Cr Tauariki and for partial attendance from Cr Macindoe , and Cr Pike (Council business).

**2. Confirmation of Agenda – Whakatau raarangi take**

**Resolved:** (Cr van Oosten/Cr Hutt)

That the Finance and Monitoring Committee confirms the agenda.

**3. Declarations of Interest – Tauaakii whaipaaanga**

No members of the Council declared a Conflict of Interest.

4. **Public Forum – Aatea koorero**  
No members of the public wished to speak.
  5. **Confirmation of the Finance and Monitoring Committee Open Minutes 27 February 2025**  
  
**Resolved:** (Cr van Oosten/Cr Casey-Cox)  
That the Finance and Monitoring Committee confirm the Open Minutes of the Finance and Monitoring Committee Meeting held on 27 February 2025 as a true and correct record.
  6. **Chair's Report**  
The Chair took their report as read.  
  
**Resolved:** (Cr van Oosten/Cr Thomson)  
That the Finance and Monitoring Committee receives the report.
  7. **Capital Portfolio Monitoring report**  
The Design & Deliver Unit Director and the Accounting Manager spoke to the report noting the three year delivery of the programme included in the report, the financial strategy to deliver the programme , Work in Progression (WIP) data simplification and the potential waters Council controlled Organisation (CCO) financial monitoring. Staff responded to questions from Members regarding the potential CCO waters strategy capital costs, portfolio risks, balancing the books, waters operations and project delivery, deferred projects, CCO statement of expectation and capitalisation assets.  
  
**Staff Action:** *Staff undertook to report back to Members with additional information concerning confidence in the proposed.*  
  
**Resolved:** (Cr Thomson/Cr Wilson)  
That the Finance and Monitoring Committee receives the report.
- Cr Pike left the meeting (09:57am) during the discussion of the above item.. She was not present when the matter was voted on.*
8. **Financial Performance & Strategy Report to 28 February 2025 (Recommendation to the Council)**  
The Chief Financial Officer and the Accounting Manager spoke to the report, noting the differences related to the yet to be approved annual report, Official Cash Rate (OCR) changes and interest swaps. They responded to questions from Members regarding financial year forecasts, loss of property and plant, cost efficiencies around rubbish services and vacancy factors.  
  
**Staff action:** *Staff undertook to provide an detailed analysis report back to Members about property and plant loss deficits as described in the staff report.*  
  
**Staff action:** *Staff undertook to provide detailed information to Members concerning vacancy factors discrepancies as described in the staff report*  
  
**Resolved:** (Cr van Oosten/Cr Huata)  
That the Finance and Monitoring Committee:  
    - a) receives the report;
    - b) recommends that the Council:
      - i. approves the capital movement as identified in the 28 February Capital Portfolio Monitoring Report dated 29 April 2025;
      - ii. approves the forecast adjustments as set out in paragraph 55 of the staff report; and

- iii. notes the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 56 to 58 of this staff report.
- c) notes that there may be further adjustment in the preparation of the Annual Report.

**The meeting was adjourned from 10:59– 11:10am**

**9. New Zealand Local Government Funding Agency - Half Year Report 31 December 2024 and Statement of Intent 2025-2028**

(Local Government Funding Advisory representative) a presentation to Members which is attached to the minutes of the meeting as Appendix 1. They responded to questions from Members regarding metro sector debt downgrading, ratepayers assistance scheme and its relation to council rebates to the sector, council maintenance of current credit rating.

**Resolved:** (Cr van Oosten/Cr Wilson)  
That the Finance and Monitoring Committee:

- a) receives the report; and
- b) approves the New Zealand Local Government Funding Agency Draft Statement of Intent 2025-2028.

Cr Tauariki joined the meeting at (11:15am) during the discussion of the above item. He was present when the matter was voted on.

Cr Macindoe retired from the meeting (11:37am) during the discussion of the above item. He was not present when the matter was voted on.

**10. Recommendations from the Infrastructure and Transport Committee**

**Resolved:** (Deputy Mayor/Cr Thomson)  
That the Finance and Monitoring Committee approves an additional Opex spend of 150,000 year 3 of the long term plan for the purpose of CPI streetscape tidying maintenance, renewals and improvements

**11. Resolution to Exclude the Public**

**Section 48, Local Government Official Information and Meetings Act 1987**

**Resolved:** (Cr van Oosten/Cr Hutt)  
That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Finance and Monitoring Committee Public Excluded Minutes 27 February 2025	) Good reason to withhold ) information exists under ) Section 7 Local Government ) Official Information and ) Meetings Act 1987	Section 48(1)(a)
C2. Waterworld Building Renewals Contract Award	)	

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)

**The meeting moved into Public Excluded Session at 11.52am.**

**The meeting was declared closed at 12.19pm.**

# Council Report

Item 6

**Committee:** Finance and Monitoring Committee

**Date:** 24 June 2025

**Author:** Iain Anderson

**Authoriser:** Andrew Parsons

**Position:** Capital Financial Lead

**Position:** General Manager  
Infrastructure and Assets

**Report Name:** Capital Portfolio Monitoring report

<b>Report Status</b>	<i>Open</i>
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## Purpose - *Take*

1. To inform the Finance and Monitoring Committee on the delivery and financial performance of the 2024-25 Capital Portfolio for the 10 months that ended 30 April 2025. The financial performance is a measure against the revised budget position.

## Staff Recommendation - *Tuutahu-aa-kaimahi*

2. That the Finance and Monitoring Committee receives the report.

## Executive Summary - *Whakaraapopototanga matua*

3. This report is to be read in conjunction with the Financial Performance and Strategy Report for the period ended 30 April 2025.
4. Financial figures are presented in billions (b), millions (m) and thousands (k).
5. The total capital expenditure budget that was approved in the 2024-34 Long-Term Plan budget is \$4.4b with associated capital revenue of \$592m.
6. In developing the 2024/34 Long-Term Plan the Council resolved:
  - i. that the capital programme can be managed as a 3-year programme, consistent with the way the renewals and compliance are being undertaken. This was to reflect that a focus on capital deferrals was not always the best way to measure delivery of the capital programme given the many uncertainties that exist;
  - ii. that a key assumption for managing the financial strategy would be to, if necessary, review and reprioritise the planned capital programme; and
  - iii. to recognise a level of deferrals within the financial modelling, this was primarily to ensure that the impacts on depreciation and borrowing costs were recognised. For the 2024-25 the approved deferral target for the year is \$50m.
7. The capital programme over the first 3 years of the 2024-34 Long-Term Plan is \$1.1b with associated revenue of \$205m.
8. The Long-Term Plan approved capital programme for the 2024-25 (current) financial year is \$344.4m with associated revenue of \$64.5m.

9. Since the adoption of the 2024-34 Long-Term Plan changes to the capital programme have been identified. These changes are grouped as follows.
  - i. deferrals from the previous financial year;
  - ii. current deferrals from the 2024-25 financial year;
  - iii. approved changes and savings; and
  - iv. impacts from the reduced New Zealand Transport Agency (NZTA) subsidy levels.
10. Deferrals from the previous financial year (2023-24) into 2024-25 are \$55.3m of expenditure with associated revenue of \$14.8m.
11. After adoption of the 2024-34 Long-Term Plan Council has faced a number of factors that created an environment of uncertainty, this included the loss of NZTA Subsidy, awaiting confirmation on the diversion of the Infrastructure Acceleration Fund (IAF) and the emergence of Local Water Done Well to potentially establish a Waters Council Controlled Organisation (CCO).
12. It took time to understand the impact of these changes in relation to the financial strategy. Until the impacts were confirmed Council took a prudent approach to the delivery of the entire Capital programme.
13. This approach has led to a higher level of deferrals in year 1 that was anticipated.
14. Given the direction to manage the capital programme as a 3 Year programme, Council requested a review of the 3-year capital program to ensure it was still deliverable. Any changes identified were to be reflected in the 2025-26 Annual Plan.
15. This review established the revised capital programme for the 3 years are \$205.9m for the current year, \$256.6m for the 2025/26 and \$410.9m for 2026/27. This aligns with the revised programme reported through the 2025-26 Annual Plan Deliberations Report.
16. The total deferrals for the current year are expected to be \$168.8m. This amount is consistent with the amount that has been reported since December 2024 and reflect the amounts used in preparing the 2025-26 Annual Plan.
17. For the 10 months ended 30 April 2025, capital expenditure is \$159.6m while the associated capital revenue is \$42.6m. These figures exclude the value of work delivered under the Private Development Agreement for the Rotokauri Greenway.
18. Capital work in progress (WIP) is \$746.4m. Within this amount is \$422.7m of assets that are in service but have not yet been capitalised. To negate the impact on the operating result, an estimate of the depreciation amount has been made and is reflected in the operating result for the period ended 30 April 2025.
19. The value of assets capitalised for the 10 months ended 30 April 2025 is \$226.5m.
20. In addition, \$110m has been analysed and is ready to be processed by the asset data teams prior to being capitalised by the Finance Unit. While the capitalisation of a further \$122m associated with the in use Peacocke assets is in progress.
21. Some of the delay on progressing the capitalisation is due to the 3 waters revaluation.
22. Three projects have been assessed as having an orange risk as noted on the activity sheets in **Attachment 1**.
23. This reports focus is against the approved Long-Term Plan capital programme, it does not reflect strategic infrastructure delivery capital work that is being delivered through innovative partnerships.



24. Using these partnerships are important insofar as they allow strategic infrastructure to be delivered earlier with the cost to Council being deferred until it is affordable within the financial strategy.
25. Going forward this report will look to incorporate these partnership agreements to ensure a complete capital delivery is presented.
26. Staff consider the matters to be of low significance and that the recommendations comply with Council's legal requirements.

## Discussion - *Matapaki*

### Definitions

27. To assist with understanding the attachments the following definitions apply:
  - i. Long-Term Plan 2024-25 – Year 1 Approved Budget;
  - ii. Deferrals - Approved budgets from current year into a subsequent year;
  - iii. Bring Forwards - Approved Budget from a future year into a current year;
  - iv. Approved Changes – Changes that increase or decrease a capital budget, they require approval from Finance committee;
  - v. Savings - Changes that reduce a capital budget that require approval from the Finance and Monitoring Committee;
  - vi. Movements – Transfers between projects. These do not change the total budget.;
  - vii. Revised Budget – the total budget reflecting the total changes described above; and
  - viii. Private Developer Agreements (PDA) – contractually committed works undertaken for Council in partnership with external parties.

### Attachments

28. **Attachment 1** – Activity sheets. With the start of the 2024-34 Long-Term Plan, the previous programme sheets have been reviewed. While the content remains consistent with previous reporting, they are now presented under the activity groups rather than the portfolio groups used previously.
29. Council has 13 Activities, however not all have an associated Capital Programme.
30. **7 activities:** Community Services, Parks and Recreation, Transportation, Venues Tourism and Major Events, Stormwater, Wastewater and Water Supply have their own sheets.
31. **4 activities:** Growth, Regulatory and Safety, Rubbish and Recycling and Support Services have been consolidated into a single sheet.
32. **2 activities:** Governance, and Partnerships Communications and Māori, do not have capital programmes.
33. The front page has an Activity Overview, target achievements for the first 3 years of the current Long-Term Plan.
34. The back page is a summary financial table for the key projects being delivered within the activity, with the focus being on the performance against budget and programme for the 2024/27 three-year period. Also included is a status classification and an update for each key projects.
35. **Attachment 2** is a summary schedule of the budget changes throughout the year. It lists the type of budget change for both expenditure and revenue. The schedule tracks the changes from the approved budget through to the changes being reported to this committee meeting. A forecast column has been added to the summary statement to provide the year end forecast position.

36. **Attachment 3** contains a full schedule of the capital expenditure budgets. This schedule is presented using the external activities. This detail relates to the summary table in paragraph 44.
37. **Attachment 4** contains a full schedule of the capital revenue budgets. This schedule mirrors the project detail in **Attachment 3**. This detail relates to the summary table in paragraph 44.

#### Capital Expenditure Actual

38. The actual capital expenditure for the 10 months ended 30 April 2025 is \$159.6m. The comparative amount from the same period last financial year is \$269.8m.

#### Capital Revenue Actual

39. Capital revenue provides a significant revenue stream for Council. The 2024-25 approved budget is \$64.5m.
40. Capital revenue is broadly categorised into two sources – New Zealand Transport Agency (NZTA) subsidies, and other Capital Contributions. Examples of others are contributions received towards network connections, Government Grants and Multi-Party funding agreements.
41. The actual capital revenue for the 10 months ended 30 April 2025 is \$42.6m. The comparative amount from the previous year is \$46.2m. Note that capital revenue is project specific and can vary significantly between years.
42. Capital revenue is also reported through the Financial Performance and Strategy Report.
43. **Table 1** provides a high-level breakdown between NZTA Subsidy and Contributions and Grants

**Table 1: New Zealand Transport Agency Subsidy, Contributions and Grants Summary**

#### Capital Revenue

as at 30 April 2025

	Actual	Approved Budget	Annual Forecast
NZTA Subsidy*	\$18.6m	\$33.5m	\$20.7m
NZTA Renewal Subsidy	\$8.9m	\$12.7m	\$9.2m
Contributions and Grants*	\$15.2m	\$18.3m	\$19.m
	<b>\$42.6m</b>	<b>\$64.5m</b>	<b>\$48.9m</b>

\* excluded from Balancing the Books

#### Current Year Changes

44. The current year's changes have been incorporated into the Financial Strategy results through the Financial Performance and Strategy Reports to the Committee, to allow the impact to be understood.
45. **Table 2** below summarises the budget changes. It starts with the approved 2024-25 Long-Term Plan and the opening deferrals and brought forwards, and then shows the reported changes along with the value of deferrals and brought forwards. A full summary table can be found in **Attachment 2**.

**Table 2: Current Year Budget Changes**

Summary Table	Expenditure	Revenue	Net Position
Opening Budget as at 1 July 2024	\$344.4m	-\$64.5m	\$279.8m
Opening Deferrals & b/fwds	\$55.3m	-\$14.8m	\$40.5m
<b>Current Year Changes</b>			
+/- 24-25 Forecast Deferrals & b/fwds	-\$168.8m	\$11.8m	-\$157.m
+/- Approved Changes and Savings	-\$25.m	\$18.6m	-\$6.3m
<b>Revised Budget as at 30 April 2025</b>	<b>\$205.9m</b>	<b>-\$48.9m</b>	<b>\$157.m</b>

46. A detailed schedule of the capital expenditure and capital revenue can be found in **Attachments 3 and 4.**

### Capital Deferrals and Brought Forwards for 2024-25

47. Deferrals and brought forwards are changes to the timing of when a project is undertaken. They do not alter the value of the project.
48. During the 2024-34 Long-Term Plan the Council considered the level of deferrals on the capital programme. The Council resolved that for the 2024-25 and 2025-26 financial years deferrals be set at \$50m per year and all years beyond were set at \$80m. These amounts were reflected in the 2024-34 Long-Term Plan financial strategy modelling.
49. As of 30 April 2025 the current year's deferrals are expected to be \$168.8m. This amount was used in determining the year end position that was used for the 2025-26 Annual Plan deliberations report. Attachment 3 contains full details.
50. The year end forecast is not expected to materially change however we will only have certainly once the 30 June 2025 month end is completed. Any change will be reported through to 26 August 2025 Finance and Monitoring committee meeting.
51. The year end deferrals forecast is higher that had been anticipated due in part to the prudent approach to delivery of year one of the 2024-25 Long-Term Plan adopted by Council to remain within an acceptable debt/revenue ratio.
52. The impact of the year 1 deferrals and the year 2 forecast is likely to impact on the level of delivery in year 3.
53. **Table 3** summarises the 3-year period, to give awareness to impact of the deferrals on the capital delivery.

**Table 3: 3-year period Summary**

#### Capital Expenditure Revised Programme 2024-27

	2024-25	2025-26	2026-27	Total
Approved 2024-34 LTP	\$344.4m	\$317.1m	\$432.7m	\$1094.1m
Opening Deferral from 2023-24	\$55.3m	-\$2.0m	\$0.1m	\$53.4m
+/- 2024-25 Deferrals	-\$168.8m	\$0.0m	\$0.0m	-\$168.8m
+/- Forecast Deferrals	\$0.0m	-\$31.1m	-\$9.1m	-\$40.2m
+/- Changes	-\$12.8m	-\$28.0m	-\$12.8m	-\$53.6m
+/- Forecast Changes	-\$12.2m	\$0.6m	\$0.0m	-\$11.6m
<b>Revised Programme</b>	<b>\$205.9m</b>	<b>\$256.6m</b>	<b>\$410.9m</b>	<b>\$873.4m</b>

54. This table aligns with the Revised Capital Programme that was presented as part of the 2025-26 Annual Plan Deliberation Report that was considered by Council on 29 May 2025.

### Capital Changes

55. Capital changes affect both expenditure and revenue. Changes modify the budget amount either as a request for additional budget or reductions in budgets due to savings.

56. In determining the year end forecast for capital expenditure savings of \$16m have been identified within the Peacocke work programme. However, this amount has subsequently been reduced by \$4.3m as Council have reached settlement on an outstanding land purchase.
57. Additional savings are expected to be identified once we know the 30 June 2025 result. These savings will be quantified and reported to the 5 August 2025 Finance and Monitoring Committee.
58. The budget changes due to the reduced NZTA Subsidy were reported and reflected in the financial modelling in August 2024. At the time the financial quantum was known but Council was still to decide on the reprioritisation of the “local share budget”. Since that time Council approved the “Green” list of projects on 28 November 2024 and on 11 March 2025 they approved the “Yellow” list.
59. A full list can be found in **Attachment 3** for Capital Expenditure and in **Attachment 4** for Capital Revenue.

### Renewals and Compliance

60. This section deals specifically with the financial performance of Renewal and Compliance programme, with the change in reporting from Programmes to Activities the Renewal and Compliance programme is not as visible as before.
61. Given this programme deals with the critical issue of looking after the city’s existing assets by ensuring the assets remain fit for purpose and deliver the required level of service to the community, this section deals specifically with the full Renewals and Compliance programme.
62. The total Renewals and Compliance programme approval for the first 3 years of the 2024-34 Long-Term Plan is \$394.2m. This total has increased by \$3.1m due to a \$1.1m deferral from the previous Long-Term Plan for Artur Porter Drive and the reclassification \$2.0m from a level of service budget to renewal for the Museum project.
63. Through review of the capital delivery programme, an amount of \$40.8m has been identified that will be deferred outside the 3-year cycle.
64. **Table 4** summarises the 3-year Renewal and Compliance Programme.

**Table 4: 3-year Renewal and Compliance Programme Summary**

#### Renewals and Compliance Programme 2024-27

	2024-25	2025-26	2026-27	Total
Approved LTP	\$112.7m	\$121.4m	\$160.2m	\$394.2m
+/- Approved Deferrals	-\$39.2m	-\$21.3m	\$19.7m	-\$40.8m
+/- Changes	\$3.1m	\$0.0m	\$0.0m	\$3.1m
<b>Revised Programme</b>	<b>\$76.6m</b>	<b>\$100.1m</b>	<b>\$179.9m</b>	<b>\$356.5m</b>

65. Actual expenditure on renewals and compliance as of 30 April 2025 is \$63.0m. We remain on target to deliver the \$76.5m by 30 June 2025.

## Work in Progress (WIP)

66. The total value of Work in Progress (WIP) for the period ended 30 April 2025 is \$746.4m, inclusive of vested assets.
67. Given the size of Councils capital programme and the nature of the large infrastructure projects undertaken, it is reasonable that at any point in time there will be a large work in progress balance.
68. While these assets are under construction, depreciation is not applicable.
69. Assets that have been completed and are in-use can cause concerns as while they remain in progress, they are not depreciating nor are they reflected within the appropriate asset management systems.
70. This group of assets is referred to as Red WIP. The value as of 30 April 2025 is \$422.7m.
71. Until the capitalisation process is completed allowing depreciation expense to begin the Finance Unit assess the depreciation value associated with the outstanding WIP and reflect this in the operating position.
72. The total value of capitalisations as at 30 April 2025 (10 months) is \$226.47m.
73. A further \$110m has been analysed but is awaiting loading into the relative asset management system. Part of the delay is related to the 3-water asset revaluation which has meant the system is on hold pending an outcome.
74. In addition to that amount, Council have now received the data necessary for the capitalisation of the in-use Peacocke assets. These have a total value in WIP of \$122m. Within this amount is \$63.6m of transport assets that will be capitalised by 30 June 2025. The balance are water assets and due to the 3 waters assets revaluation these will remain as WIP as of 30 June 2025.
75. Staff have recently completed a review of the process and are making recommendations through to Executive Leadership Team to address this long-standing issue. In the meantime, capitalisation analysis is continuing as a high priority with the intent to further reduce the outstanding balance by the 30 June 2025.

## Projects Risks

76. Three projects have been assessed as having an orange risk profile (meaning that senior executives are monitoring and managing risks, and that a future decision of the Council may be required). Two were preexisting with the Waiora Water Treatment plant project now being listed as Orange. No projects are identified as Red.

## Wastewater Bulk Storage

77. This relates to the Collins Road site which is the first major bulk wastewater storage installation.
78. It was previously reported that the project was delayed due to significant ground water conditions. The project was suspended while new design and consenting issued were worked through. The project has recommenced.
79. The project has retained its orange status due to the challenges of implementing the redesign, remaining compliant with the consent conditions and managing cost.

### Embassy Theatre Open Spaces

80. Upgrading of open spaces including Sapper Moore Jones place is being undertaken by the Theatre Trust to ensure integration with the Theatre works. As previously reported the design is now agreed and completion is aligned with the Theatre opening.
81. The project retains its orange status due to the challenge to complete the works to achieve alignment.

### Waiora Water Treatment Plant Upgrade

82. The membrane plant is in its commissioning period following practical completion. Due to pump capacity restrictions, there have been delays in validation of membrane performance across the range of expected process flows.

### **Eastern Transport Corridor (ETC)**

83. Council has received confirmation from NZTA around subsidy for the Eastern Transport Corridor. The confirmation was received after the 2025-26 Annual Plan deliberations report and therefore was not reflected in that information.
84. The adjustment will impact both the 2025-26 and 2026-27 financial years. The value of the subsidy over this period is \$2.1m. While Council had made a provision within these years we will need to increase to the expenditure budgets by \$2.0m over the next 2 years to unlock the subsidy. The overall impact is positive, and the additional revenue will have a beneficial impact on the Debt to Revenue metric.
85. Table 5 reflects the changes required to both expenditure and revenue.

Table 5 Changes required to both Expenditures and Revenue.

#### **Eastern Transport Corridor (ETC)**

<b>Expenditure</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Total</b>
Current Approved Capex	\$1.9m	\$.2m	\$2.1m
Revised Capex	\$2.2m	\$1.9m	\$4.1m
Increase to Capex	\$.3m	\$1.7m	\$2.0m
<b>Revenue</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Total</b>
Current Approved Revenue	\$0.0m	\$0.0m	\$.0m
Approved Revenue	\$1.1m	\$1.0m	\$2.1m
Additional Revenue	\$1.1m	\$1.0m	\$2.1m
<b>Net Change</b>	<b>-\$0.8m</b>	<b>\$2.7m</b>	<b>\$1.9m</b>

86. If this change is unable to be reflected in the 2025-26 Annual Plan before adoption, then it will be reported as a forecast change to the Finance and Monitoring Committee next financial year.

### **Rotokauri Land Purchase**

87. The Strategic Growth and District Plan committee considered and approved a strategic land purchase at the meeting on [10 June 2025](#). The financial impact is to bring approved funding from 2025-26 and 2026-27 to allow the purchase to occur in the 2024-25 (current) financial year.
88. Due to the timing this has not been reflected in the financial position in this report. With the purchase being approved we need to increase the capital budget in the current financial year this year by \$16.6m to \$222.5m. This would also require the 2025-26 and 2026-27 budgets to be reduced through the forecast process.

## Rotokauri Greenway

89. In December 2024 Council entered into a Private Developer Agreement for the delivery of the Rotokauri Greenway. This agreement allows critical infrastructure to be delivered ahead of when the Long-Term Plan had planned.
90. The current 2024-34 Long-Term Plan has the Greenway payment associated with the Private Developer Agreement starting in the 2027-28 (year 4). However this is simply the cashflow impact, Council is required to reflect the accrued value to be reflected in the Capital expenditure report as that work is completed.
91. The accrued value will not affect the debt levels as the payments are not due to start until 2027-28 (year 4).
92. For the current financial year, the value is estimated to be \$1.0m, this will happen in June 2025. It will have the effect of increasing the value of capital expenditure and therefore in addition to the forecast of \$205.9m
93. For 2025-26 and 2026-27 a forecast adjustment will be required.

## Portfolio Risks

### Capital Expenditure reclassification.

94. This issue is covered in a separate report

### Establishment of a Waters Council Controlled Organisation (CCO)

95. Hamilton City Council along with Waikato District Council have now resolved to establishment a Waters CCO, with responsibility for delivery of the 3 waters capital programme. The new entity will come into effect on 1 July 2026.
96. The establishment process has started, and this will see the appointment of an Establishment team and Board. It is likely that over the next 12 months there will be some disruption on the delivery of the capital programme.

## Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

97. Staff confirm that matters and recommendations within this report comply with Council's legal and policy requirements.
98. Staff have also considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matter(s) in this report.

## Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

99. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future ('the 4 well-beings').
100. The subject matter of this report has been evaluated in terms of the 4 well-beings during the process of developing this report as outlined below.
101. The recommendations set out in this report are consistent with that purpose.

## Social

102. Work is currently underway to understand social procurement opportunities across our portfolio, which involves enhanced recognition and valuing of social benefits through particularly our selection of contractors.

### Economic

103. Delivery of our capital works portfolio delivers significant economic benefits to Hamilton and the surrounding districts. In the past year over \$250m have been injected in the Hamilton economy. While no hard data is available there is acceptance that a substantial portion of this amount has been invested in local community thereby supporting business and employment.
104. Given the Capital programme approved in the 2024-34 Long-Term Plan totals \$2.5b, staff will undertake more detail economic modelling to understand better the economic benefits and report back to this Finance Committee.

### Environmental

105. Across the capital portfolio, environmental consideration is integrated throughout the project life cycle, including design, procurement, and construction.
106. In the procurement phase all physical works contracts include a component to incorporate environmental and sustainability considerations into tender evaluation, where contractor initiatives such as materials reuse, energy requirements, electric vehicle utilisation, carbon offsets etc, can be valued.
107. Across the portfolio several works projects and programmes are specifically focussed on enhancing Hamilton's natural environment or ensuring effects of city development are not at the detriment of the natural environment.

### Cultural

108. Across the portfolio, engagement and partnership with iwi is continuing at a project level, and work is underway to further align and partner at programme and portfolio levels to identify opportunities for enhanced partnership and shared outcomes. This is particularly regarding alignment with objectives of the Waikato Tainui Environmental Plan – Tai Tumu Tai Pari Tai Ao.

### Risks - *Tuuraru*

109. There are no known risks associated with the recommendations in this report.

### Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

110. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed the matters and recommendations in this report have a low level of significance.
111. Community views and preference are already known to the Council through the 2024-34 Long-Term Plan.
112. Given the low level of significance determined, the engagement level is low, and no further engagement is required.

### Attachments - *Ngaa taapirihanga*

Attachment 1 - Activity Sheets

Attachment 2 - Budget Summary

Attachment 3 - Capital Expenditure Detail

Attachment 4 - Capital Revenue Detail







# WATER SUPPLY

WATER TREATMENT AND STORAGE - WATER DISTRIBUTION

## ACTIVITY OVERVIEW

### He taaone tiaki taiao

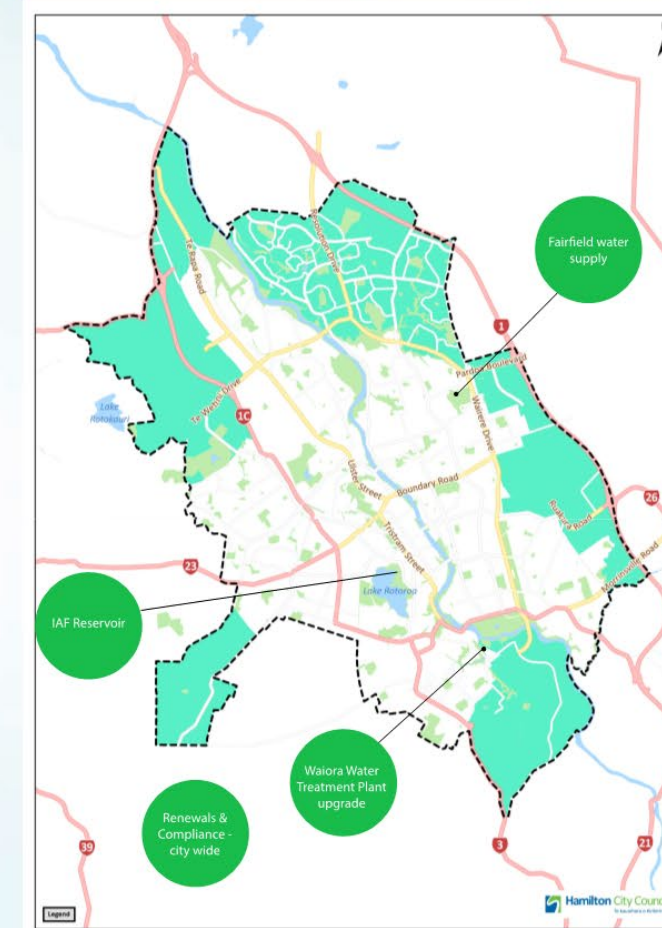
*A green city*

Our water projects provide Hamilton residents and businesses with a reliable, high-quality, and safe, treated water supply. We will continue to meet our legislative requirements to deliver water supply services that are safe, healthy and sustainable.

## TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Design and procure early contractors' involvement for new reservoir, pump station and bulk water reticulation to supply water into the central city.
- Capacity and compliance improvements at Waioira Water Treatment Plant, including wash water upgrade.
- To increase network resilience, optimise expenditure and simplify operations across the network to ensure a consistent level of service.
- To help quantify the amount of water used more accurately, establishing a framework for water-loss identification and subsequent reduction.
- Complete the planned network replacement projects to minimise the risk of asset failure.
- Water network upgrade to allow new development and resilience.

## MAP



Hydrocyclones  
& Raw Water Tank

Membrane  
Filters

WATER SUPPLY - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of April 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Infrastructure Acceleration Fund (IAF) Programme *	Detailed design commenced	\$3,440	\$9,975	-\$6,045	\$3,930	\$9,440	\$41,920	Delay in obtaining variation approval from Kainga Ora	Macroscopic has been approved for the Reservoir and pump station. This project has progressed to the planning requirements stage of this project. Bulk Water Reticulation has finished concept design following variation approval from Kainga Ora.
	Waiora Water Treatment Plant Upgrade *	Project closed out	\$2,975	\$3,045	-\$460	\$2,585	\$0	\$1,380	NA	The new membrane plant is going through testing for sign off after completion by the contractor. The project is under the defect and liability period.
	Hillcrest Area DMA Design	Finish concept design and engage detailed design	\$30	\$265	-\$115	\$150	\$1,105	\$4,780	Rephasing	Project team established and project manager appointed. Planning phase started to designate and plan site establishment.
	Fairfield Water Supply Pump Station Upgrade	Scope developed and handed over to the delivery team	\$0	\$0	\$0	\$0	\$545	\$1,085	Scope being completed	The Waters team is working with Design & Deliver to develop the best solution to procure the concept design in FY25/26. After this, the project will be progressing to construction.
	Renewals and Compliance Programme**	Maximise the amount of renewals delivered within the available funding allocation	\$6,790	\$9,245	-\$2,130	\$7,115	\$8,985	\$12,030	Rephased some projects to achieve better community engagement	Majority of projects for this year are on track and either in construction or programmed for construction.

\* CE KPI  
\*\* 3 year programme

PROJECT STATUS - LEGEND



Project is on track



Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision



Membrane Plant Filter Racks



Hamilton City Council  
Te kaunihera o Kirikiriroa



# WASTEWATER

WASTEWATER COLLECTION - WASTEWATER TREATMENT AND DISPOSAL

## ACTIVITY OVERVIEW

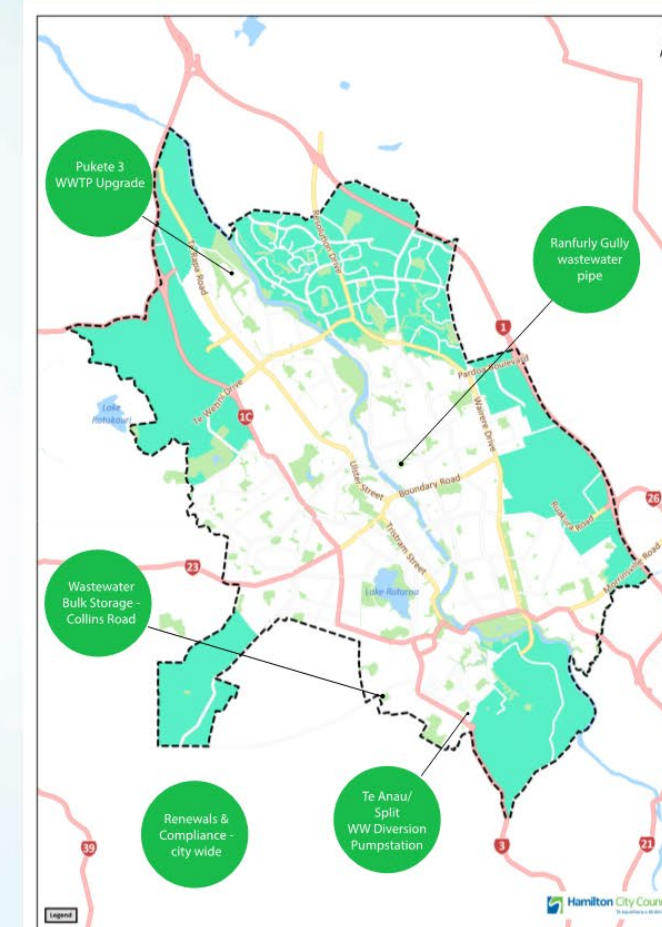
### He taaone tiaki taiao A green city

Wastewater activities provide our city with reliable and sustainable wastewater services to protect both the health of our people and our waterways. We want to continue to provide a service to collect, treat, and dispose of wastewater in a safe, healthy and sustainable way.

## TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Pukete WWTP - Complete the new inlet works facility, bioreactor retrofits, site masterplan, site redevelopment, administration/maintenance buildings, primary sedimentation tank and solids management upgrade.
- Designate three wastewater bulk storage sites, complete construction of one and commence construction of a second storage facility.
- Complete Collins Rd Bulk Waste Water storage tank construction.
- Upgrade Fitzroy pump station and install new rising main to divert flow from western catchment to Peacockes Transfer System.
- Ranfurly Gully wastewater pipeline realignment.
- Complete the planned networks replacement projects to minimise the risk of asset failure.

## MAP



Pukete Bioreactor Retrofit

Pukete Bioreactor Retrofit

WASTEWATER - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of April 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Pukete 3 Wastewater Treatment Plant Upgrade	Inlet construction Bioreactor 2 design	\$2,635	\$0	\$2,500	\$2,500	\$18,810	\$90	Rephasing	A preferred contractor was selected, and contract negotiations are underway. Construction is expected to start in July.  The bioreactor 2 design is delayed and expected to be finished next FY.
	Wastewater Bulk Storage *	Collins Rd designation and construction complete  Fairfield NOR submission for designation complete	\$3,720	\$1,120	\$5,200	\$6,320	\$5,400	\$4,110	Rephasing	Collins Rd, resource consent granted for dewatering the site. The contractor reestablished the site to continue construction. Amber is due to the additional time.  Fairfield designation on track to submit the NOR this financial year. The designations for other sites are on track.
	Wastewater Network Capacity Upgrade Sub-Programme	Te Anau construction ROI going to market this financial year.	\$330	\$5,720	-\$5,120	\$600	\$4,370	\$11,665	Rephasing	Register of Interest is ready to go to market and the project is on-track to start construction at the end of the year.
	Ranfurly Gully Wastewater Pipe realignment	Construction commenced	\$3,060	\$5,670	-\$380	\$5,290	\$9,435	\$0	NA	Heapfy Terrace section completed and progressing to other streets. Project on track.
	Renewals & Compliance Programme**	Maximise the amount of renewals delivered within the available funding allocation	\$10,065	\$18,985	-\$9,045	\$9,940	\$14,905	\$26,005	Contractor availability for relining of wastewater sewer  Some projects rephased due to constructability issues e.g. private property access.	A number of projects are on track and either in construction or programmed for construction this financial year. Will reach target within 3 Year programme.

\* CE KPI  
\*\* 3 year programme

PROJECT STATUS - LEGEND



Project is on track



Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision



Wastewater Pipeline Realignment



Hamilton City Council  
Te kaunihera o Kirikiriroa



# STORMWATER

STORMWATER NETWORK (INCLUDES COLLECTION, CONVEYANCE, TREATMENT AND DISCHARGE SERVICES)

## ACTIVITY OVERVIEW

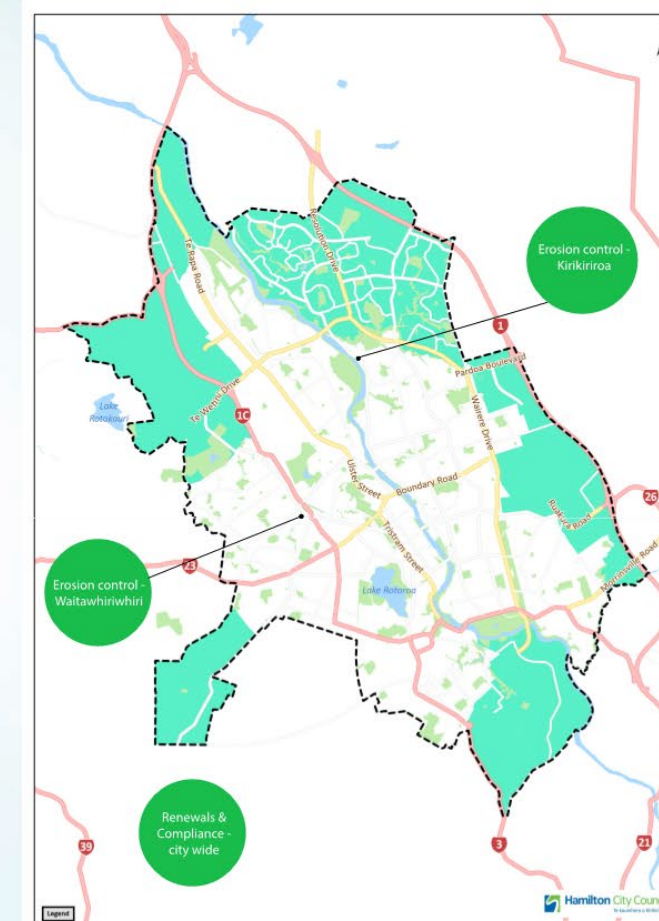
**He taaone tiaki taiao**  
*A green city*

Our stormwater activities are about providing our city with services that protect people and properties from flooding, and manage the quality of our stormwater. We want to continue to maintain stormwater services that improve, promote, and protect public health, including protecting and enhancing the Waikato River.

## TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Address small to medium scale flood hazard issues based on 100-year flood hazard data within Waitawhiriwhiri & St Andrews catchments.
- Stormwater Network Improvement programme for erosion remediation in Chartwell, Kirikiriroa, Mangakotukutuku and Waitawhiriwhiri catchment areas.
- Programme to complete stages of the city's Integrated Catchment Management Plans.
- Complete the planned pipes and outlets structure replacement projects.

## MAP



**Waitawhiriwhiri  
Erosion**

**Kirikiriroa  
Erosion**



STORMWATER - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of April 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Waitawhiriwhiri Flood Management	Project definition and design complete	\$25	\$525	-\$465	\$60	\$1,500	\$3,190	Stages of project have been rephased.	A consultant has been engaged to deliver the design for prioritised sections of the stream.
	Erosion Control Programme	Construction complete at Kirikiriroa catchment.	\$250	\$1,430	-\$560	\$870	\$2,385	\$3,045	Project rephased	Community informed and bridge installation commenced.
	Integrated Catchment Management Plan (ICMP) Sub-Programme	Waitawhiriwhiri - Completion of technical modelling reports for approval and Draft ICMP delivered.	\$560	\$1,760	-\$1,050	\$710	\$820	\$660	Stages of project have been rephased.	The ICMP project is finalizing technical documents and engaging with HCC teams. The ICMP draft is ongoing, with public release expected in 2026 and completion in early 2027.
	Renewals and Compliance Programme**	Maximise the amount of renewals delivered within the available funding allocation	\$225	\$3,090	-\$2,585	\$505	\$975	\$9,110	Project rephased	Projects behind schedule due to internal resourcing constraints and contractor resource for CCTV. Planning to reach target within 3 Year Programme.

\*\* 3 year programme

PROJECT STATUS - LEGEND



Project is on track



Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision





# TRANSPORT

## TRANSPORT NETWORK - PARKING MANAGEMENT

### ACTIVITY OVERVIEW

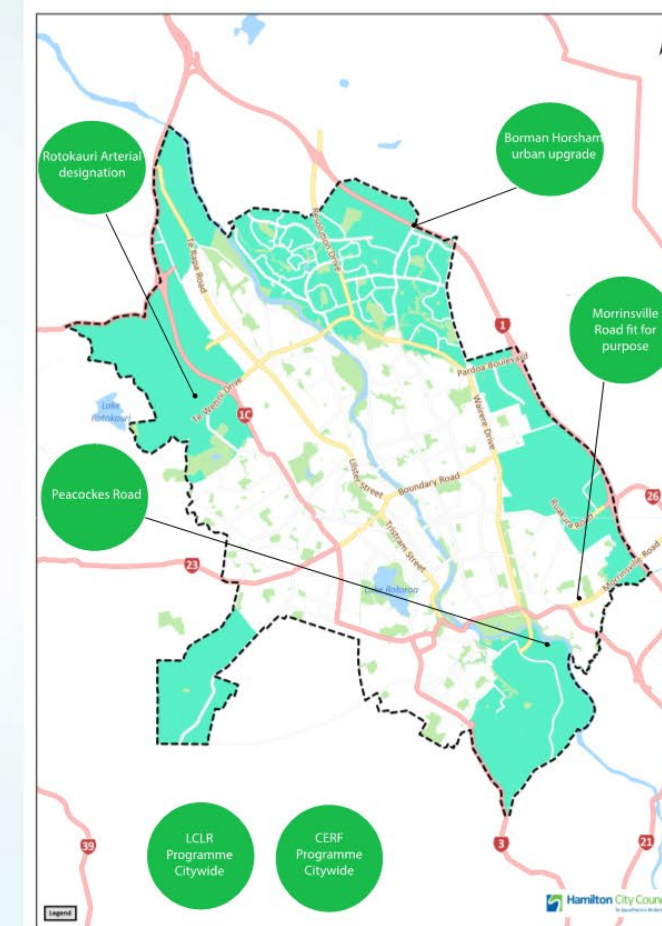
**He taaone e ngaawari noa iho ana te noho**  
*A city that's easy to live in*

We want Hamilton Kirikiriroa to be a city that is easy to get around. We want to have a safe, reliable, and sustainable transport system that is accessible to everyone. It is essential we meet our legislative obligations relating to the way we manage the road corridor and transport network within our boundaries.

### TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Complete the urbanisation of Borman/Horsham Urban Upgrade.
- Complete construction of Peacocke Road Urban Upgrade and Whatukooruru Drive, to enable residential development.
- Effectively deliver the Low Cost Low Risk works programme to significantly improve safety of our intersections and networks across the city.
- Deliver SH26 Morrinsville Road Fit for Purpose revocation.
- Close out CERF.
- Complete the Rotokauri Arterial Designation process & Hearing.

### MAP



**CERF Bike racks**  
Gardens

**Borman  
Horsham**

TRANSPORT - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of April 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Borman/Horsham Urban Upgrade *	Road open and project close out	\$6,785	\$5,105	\$1,720	\$6,825	\$120	\$1,910	NA	The project is under the defect and liability period.
	Peacocke Road Urban Upgrade and Whatukooruru Drive	Stage 2 Peacockes Road to Hall Road construction complete.	\$28,700	\$38,025	-\$6,545	\$31,480	\$10,485	\$13,820	NA	Project on track for completion in June, with surfacing nearing completion, and traffic services and landscaping under way. Stage 3 (Hall Road to Ohaupo Road) under way, completion due June 2026.
	LC/LR - Local Road Improvements **	List of projects confirmed by council. Design commenced	\$340	\$1,575	-\$175	\$1,400	\$1,000	\$3,510	NA	List of green and pink projects confirmed by Council in March 2025. Project designs commenced. This project will be closed as they are part of the new Transport programme and project structure approved by Council
	Morrinsville Road Fit for Purpose (SH26 Revocation)	Roundabout design complete	\$565	\$8,000	-\$7,120	\$880	\$5,320	\$4,985	NA	Roundabout detail design awarded and progressing as per plan.
	CERF Transport Choices Programme	Heaphy Tce Pedestrian Crossing construction. Projects/Programme close out	\$2,250	\$0	\$2,840	\$2,840	\$0	\$0	NA	Heaphy Tce Pedestrian Crossing construction completed and being monitored.
	Rotokauri - Roading & Strategic Infrastructure	Lodge Notice of Requirement	\$680	\$3,150	-\$1,780	\$1,370	\$1,000	\$1,475	Rephase	Project is on track to go to the hearing in October.

\* CE KPI  
\*\* 3 year programme

PROJECT STATUS - LEGEND



Project is on track



Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision



Whatukooruru Drive



Hamilton City Council  
Te kaunihera o Kirikiriroa



# VENUES TOURISM AND EVENTS

CLAUDELANDS, FMG STADIUM WAIKATO, SEDDON PARK - THEATRES, TOURISM AND EVENT FUNDING - HAMILTON GARDENS - TE KAARORO NATURE PRECINCT - WAIKATO MUSEUM

## ACTIVITY OVERVIEW

**He taaone hangareka, aa, he nui ngaa mahi paarekareka**

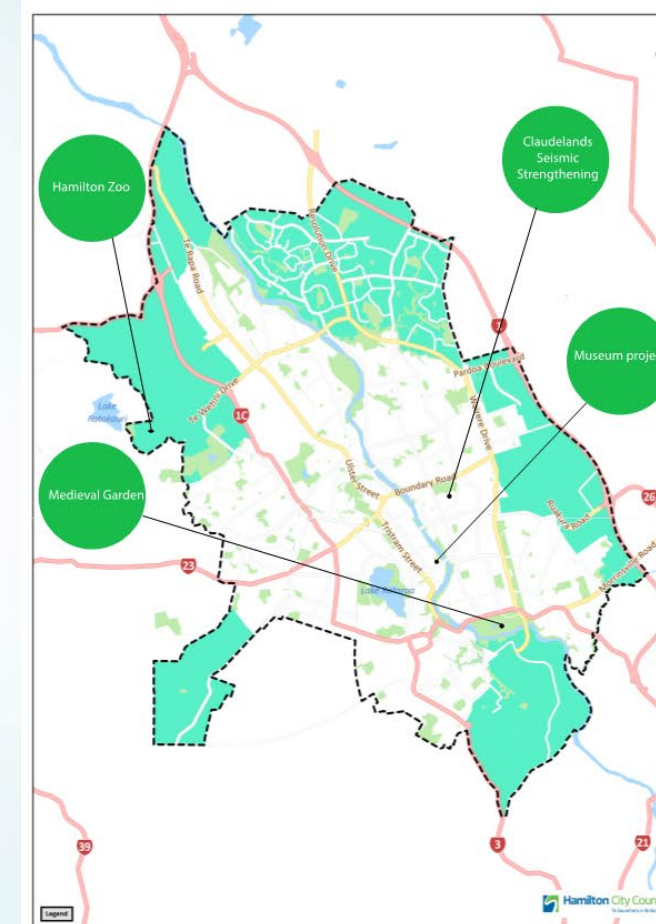
*A fun city with lots to do*

Our city's venues, events and visitor destinations provide all kinds of opportunities for memorable experiences and entertainment. We want to continue to deliver events that support our local business, stimulate our economy, and promote our city.

## TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Complete the Museum refresh project.
- Complete the delivery of the Hamilton Gardens Medieval Garden.
- Strengthen the Claudelands Grandstand building to earthquake resilience standards and complete remedial work on borer damage for re-opening.
- Complete the Giraffe barn replacement, rhino barn relocation and utility corridor - adding services to the north of the Zoo.

## MAP



**Medieval Garden**

**Museum**



# VENUES TOURISM AND EVENTS - PAGE 2

## KEY PROJECTS FOR 24/25 - 26-27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of April 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Museum Project	Building reopened 12 December 2024	\$7,580	\$4,045	\$3,515	\$7,560	\$200	\$385	NA	Project is now open and operational. Complete.
	Hamilton Gardens, Medieval Garden	Construction underway	\$675	\$0	\$905	\$905	\$645	\$150	This project relied on external funding which is now confirmed	Slightly behind schedule as this project relied on external funding which is now confirmed and overseas materials ordered. As a result construction is underway and forecast for completion by February 2026.
	Claudlands Grandstand Seismic and Strengthening	Building reopened March 2025	\$830	\$0	\$970	\$970	\$135	\$495	NA	Project had some delays due to additional heritage status requirements, however this project is now completed and open.
	Hamilton Zoo building renewals**	Completion of Utility Corridor Detailed Design complete for Giraffe and Rhino barns	\$2,025	\$1,405	\$260	\$1,665	\$2,345	\$4,310	NA	Utility Corridor is now completed.  Detailed design for Giraffe barns is on track for completion in 24/25  Concept design for Rhino barns detailed design is due for completion in September 2025

\*\*3 year programme

### PROJECT STATUS - LEGEND

<span style="color: green;">■</span>	Project is on track	<span style="color: orange;">■</span>	Project has significant risks that are being monitored and managed	<span style="color: red;">■</span>	Project has significant risks that will require Council decision
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# PARKS AND RECREATION

PARKS - INDOOR RECREATION - CEMETERIES AND CREMATORIUM - COMMUNITY FACILITIES

## ACTIVITY OVERVIEW

**He taaone hangareka, aa, he nui ngaa mahi paarekareka**

*A fun city with lots to do*

We will provide a wide range of attractive outdoor spaces, recreational and leisure activities for all Hamiltonians to enjoy. We want to provide activities and spaces that enhance the quality of life for our residents and visitors, and contribute to keeping Hamilton beautiful.

## TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Redevelopment of Embassy Park aligned with Regional Theatre.
- Improvements to Wellington Street Beach including renewed toilets, paths and shade.
- Construction of a community facility, Pukete Neighbourhood House, next to Te Rapa Sportsdrome to operate outreach programmes for the north-west of the city.
- Construction of a central city play space and increased provision for shade.
- Redevelopment of Boyes Park (site of the former Founders Theatre).

## MAP



**Donny Park**

**Fairfield Skatepark**

**Hamilton City Council**  
Te kaunihera o Kirikiriroa

# PARKS AND RECREATION - PAGE 2

## KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of April 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Embassy Theatre Open Spaces	Completion of detailed design and construction underway	\$680	\$4,990	-\$4,560	\$430	\$4,430	\$300	The construction of the Public Realm is contingent on the Theatre's timelines. This is under a PDA and Fosters are undertaking both the build and the realm elements to ensure a seamless finish.	Detail design is nearing completion, construction plans have been submitted to the Hamilton City Council consenting team.
	River Plan - Wellington Street Beach	Project complete	\$255	\$0	\$400	\$400	\$580	\$200	Plan Change 9 required additional consultation step with community.	Construction to begin at the end of June with completion due November 2025.
	Pukete Neighbourhood House	Physical works underway	\$1,200	\$3,180	-\$1,415	\$1,765	\$3,610	\$1,800	Funding has been moved to year two as a result of moving location.	Physical works have started and progressing well.
	Play Spaces Development	Shade improvements at six playgrounds and Fairfield Skate completed	\$735	\$735	\$195	\$930	\$1,160	\$1,730	N/A	Shade improvements were endorsed by the Playgrounds Working Group in November and delivery is underway. Neighbourhood playground at Boyes Park planning underway.  Garden Place play elements are underway.
	West Town Belt Implementation - Boyes Park Redevelopment	Restoration of Dame Hilda Ross fountain	\$650	\$1,365	-\$700	\$665	\$1,000	\$355	Council decision on Play Spaces programme.	Planning underway for Phase 2 for delivery in conjunction with the play spaces programme.

### PROJECT STATUS - LEGEND

	Project is on track		Project has significant risks that are being monitored and managed		Project has significant risks that will require Council decision
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# COMMUNITY SERVICES

AQUATIC FACILITIES - LIBRARIES - CUSTOMER SERVICES

## ACTIVITY OVERVIEW

**He taaone e ngaawari noa iho ana te noho**

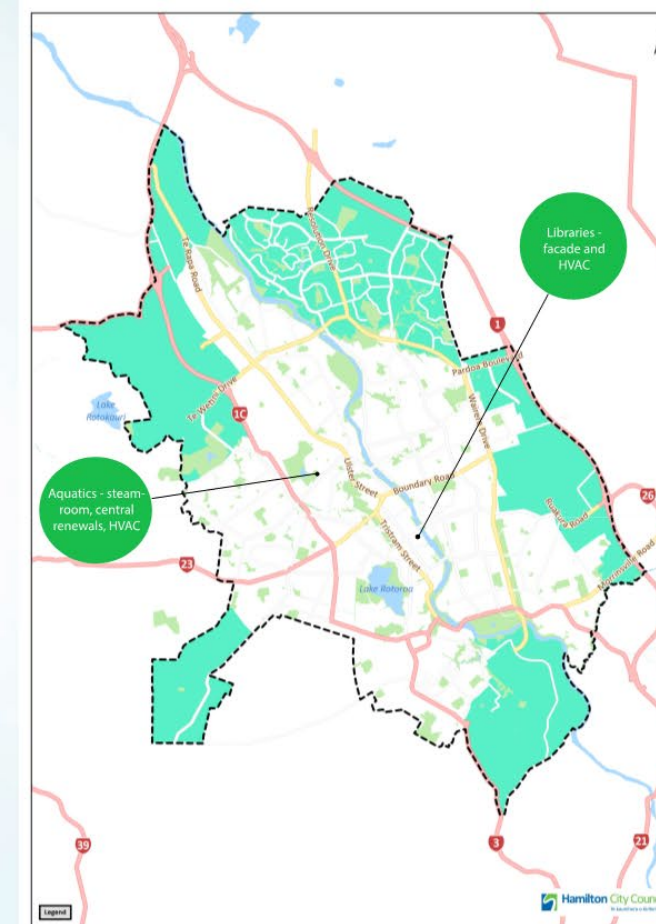
*A city that's easy to live in*

Through delivering the Community Services activities, we will provide libraries and aquatic facilities for people to visit and enjoy. These facilities and services promote the social and cultural wellbeing of Hamiltonians. Our customer services provide an easy point of contact for information.

## TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Delivery of weathertight façade for Central Library and HVAC improvements.
- Delivery of renewed changing rooms and sauna and steam facilities at Waterworld.

## MAP



**Waterworld  
Spa Area**

**Waterworld  
Changing  
Rooms**



**Hamilton  
City Council**  
Te kaunihera o Kirikiriroa

COMMUNITY SERVICES - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of April 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Central Library façade and HVAC	Detailed design complete and construction started	\$150	\$0	\$165	\$165	\$75	\$3,465	NA	Central Library façade design completed and construction due to begin August 2025.  HVAC design has commenced with construction planned for 25/26 to align with masterplan layout
	Aquatics - steam sauna changing rooms renewal and HVAC	Detailed design complete and construction started	\$130	\$0	\$165	\$165	\$4,775	\$1,350	Work phased over June/July to minimise disruption to Waterworld.	Detailed design phase is completed and on track to commence construction June 2025.

PROJECT STATUS - LEGEND



Project is on track



Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision



Central Library Facade



Hamilton City Council  
Te kaunihera o Kirikiriroa



# OTHER CAPITAL ACTIVITIES

## GROWTH

Growth is about the planning that supports the growth of the city and the wider region in a boundaryless way, while ensuring Hamilton's unique environment is protected.

## REGULATORY AND SAFETY

Regulatory and Safety is about ensuring Hamilton is a place where people feel safe and are protected from risks to their health and wellbeing. We want to make sure our public places are safe for the people that use them, and that legal standards are met.

- Target Achievement: Expansion of the Animal Control kennel to meet growing demand.

## RUBBISH AND RECYCLING

Rubbish and Recycling activities protect the health of Hamiltonians and the environment by providing a reliable kerbside collection service, and promote waste minimisation and resource recovery.

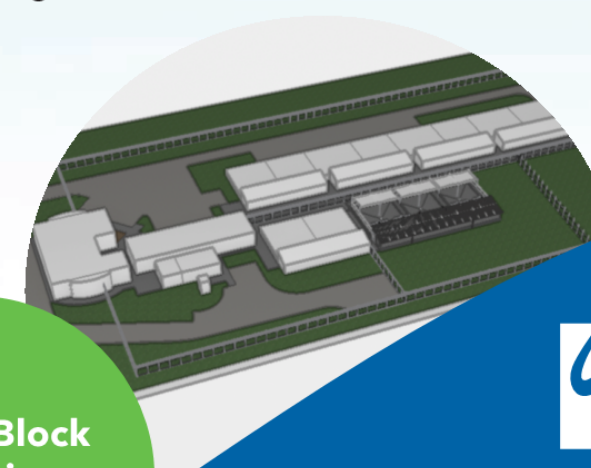
## SUPPORT SERVICES

Support services are the internal-facing functions of the organisation that underpin the delivery of Council's services.

Target Achievement:

- A safety required customer service upgrades is to be completed. Achieve fire compliance for the building. Fire alarm upgrades and pacifier remediation (fire stopping).
- Roof replacement - Municipal Building main tower block. Lift replaced in Municipal Building.

Kennel Block  
Extension



# OTHER CAPITAL ACTIVITIES - PAGE 2

## KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of April 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Animal Control - Kennel Block Extension	Construction complete of kennel expansion	\$145	\$410	\$185	\$595	\$0	\$100	Procurement delays	Currently under construction and due for completion in August 2025.
	Municipal Building**	Achieve fire compliance for the building Place order for long lead time lift equipment	\$1,360	\$5,710	-\$4,120	\$1,590	\$4,320	\$8,500	Project planning and design underway for delivery in 25/26 FY Long lead times on equipment e.g. Municipal building lifts.	Fire stopping and alarm upgrades due for completion in June 25 Lift replacement contract to go to open market Q3 2025

\*\* 3 year programme

### PROJECT STATUS - LEGEND



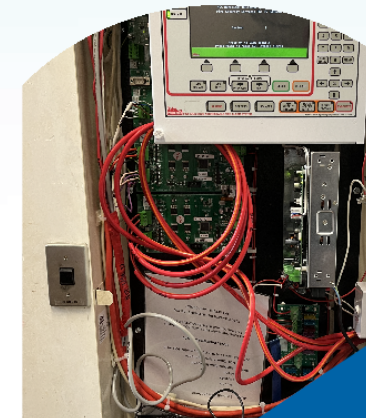
Project is on track



Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision



Fire Alarm System  
Municipal Building



**Hamilton  
City Council**  
Te kaunihera o Kirikiriroa

Summary of Changes to the Capital Budget  
for the 2024-25 Financial Year

Finance Committee Meeting Date	Long Term Plan 24/25	As at 1 Jul 2024	As at 30 Aug 2024	As at 31 Oct 2024	As at 31 Dec 2024	As at 28 Feb 2025	As at 30 April 2025	2024/25
<b>Expenditure in 000's</b>								<b>Total</b>
Approved Budget	344,384	344,384	399,672	378,914	363,806	268,706	270,763	344,384
23/24 Deferrals & brought forwards		55,289						55,289
Current Year Deferrals & brought forwards			(5,775)	(15,108)	(95,100)	(167)	(52,645)	(168,795)
Approved Changes and Savings			(225)	0	0	2,224	(12,194)	(10,196)
NZTA adjustment (only local share retained)			(14,758)					(14,758)
<b>Closing Revised Expenditure Budget</b>	<b>344,384</b>	<b>399,672</b>	<b>378,914</b>	<b>363,806</b>	<b>268,706</b>	<b>270,763</b>	<b>205,923</b>	<b>205,923</b>
<b>Revenue in 000's</b>								<b>Total</b>
Approved Budget	(64,545)	(64,545)	(79,346)	(58,042)	(53,696)	(52,181)	(51,775)	(64,545)
Deferrals & b/fwds		(14,801)	2,676	4,347	1,515	406	2,884	(2,972)
Approved Changes and Savings			115	0	0	0	0	115
Remove NZTA Subsidy			18,512					18,512
<b>Closing Revised Revenue Budget</b>	<b>(64,545)</b>	<b>(79,346)</b>	<b>(58,042)</b>	<b>(53,696)</b>	<b>(52,181)</b>	<b>(51,775)</b>	<b>(48,890)</b>	<b>(48,890)</b>



Capital Expenditure

As at 30 April 2025

CE Code	Type	Long Term Plan	Revised Budget as at	Revised Budget as at	Revised Budget as at	Revised Budget as at	Revised Budget as at	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at	Actuals as at
		24/25	1 July 2024	31 August 2024	31 October 2024	31 December 2024	28 February 2025	Current year to Future Year	Future Year to Current Year					
Community Services														
CE10001 - Aquatic facilities building renewals	R	\$417,076	\$417,076	\$417,076	\$417,076	\$417,076	\$417,076	(\$90,640)	\$21,112	\$0	\$0	\$0	\$347,549	\$633,214
CE10005 - Libraries collection purchases	R	\$1,575,726	\$1,575,726	\$1,575,726	\$1,575,726	\$1,575,726	\$1,575,726	\$0	\$0	\$0	\$0	\$0	\$1,575,726	\$1,305,313
CE10006 - Library operational renewals	R	\$384,171	\$384,171	\$384,171	\$384,171	\$384,171	\$384,171	(\$250,586)	\$0	\$0	\$0	\$0	\$133,585	\$175,361
CE10007 - Library building renewals	R	\$1,490,627	\$1,490,627	\$1,490,627	\$1,490,627	\$1,620,627	\$1,620,627	(\$1,183,058)	\$0	\$0	\$0	\$0	\$437,569	\$423,743
CE19017 - Rototuna community facilities	G	\$0	\$150,000	\$150,000	\$150,000	\$100,000	\$100,000	(\$31,678)	\$0	\$0	\$0	\$0	\$68,322	\$126,036
CE21005 - Aquatic facilities renewals	R	\$3,455,375	\$3,455,375	\$3,455,375	\$3,171,455	\$1,286,000	\$1,286,000	(\$905,247)	\$2,640	\$0	\$0	\$0	\$383,393	\$196,212
CE21044 - Libraries development	LOS	\$0	\$155,000	\$155,000	\$155,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21046 - Aquatic facilities development	LOS	\$0	\$0	\$0	\$0	\$0	\$32,275	\$0	\$0	\$0	\$0	\$0	\$32,275	\$32,417
Total Community Services		\$7,322,976	\$7,627,976	\$7,627,976	\$7,344,056	\$5,383,601	\$5,415,876	(\$2,461,209)	\$23,752	\$0	\$0	\$0	\$2,978,419	\$2,892,298
Growth														
CE24008 - Strategic Property Renewals	R	\$1,225,981	\$1,225,981	\$1,225,981	\$1,225,981	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24024 - Strategic Land Acquisition Fund	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Growth		\$1,225,981	\$1,225,981	\$1,225,981	\$1,225,981	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parks and Recreation														
CE10021 - Cemetery and crematorium building renewals	R	\$23,379	\$23,379	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10030 - Parks and recreation building renewals	R	\$4,949,930	\$4,949,930	\$4,973,309	\$4,973,309	\$3,476,322	\$3,476,322	(\$1,991,948)	\$0	\$0	\$0	\$0	\$1,484,374	\$956,617
CE17004 - River plan	LOS	\$4,987,500	\$6,233,836	\$6,233,836	\$6,233,836	\$5,233,836	\$5,233,836	(\$4,401,833)	\$0	\$0	\$0	\$0	\$832,004	\$933,235
CE19007 - Peacocke parks development	G	\$330,330	\$1,193,441	\$1,193,441	\$1,193,441	\$324,185	\$324,185	\$0	\$0	\$0	\$0	\$0	\$324,185	\$10,984
CE19009 - Rototuna parks development	G	\$0	\$2,190,998	\$2,190,998	\$2,190,998	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19070 - Community facilities building renewals	R	\$2,628,143	\$2,628,143	\$2,628,143	\$2,628,143	\$2,628,143	\$2,628,143	(\$2,424,094)	\$0	\$0	\$0	\$0	\$204,049	\$79,042
CE21001 - Nursery Renewals	R	\$672,934	\$672,934	\$672,934	\$672,934	\$718,891	\$718,891	(\$69,684)	\$13,241	\$0	\$0	\$0	\$662,448	\$692,520
CE21003 - Parks and recreation renewals	R	\$6,793,857	\$6,793,857	\$6,883,631	\$6,883,631	\$6,883,631	\$6,883,631	(\$2,540,626)	\$16,698	\$0	\$0	\$0	\$4,359,703	\$3,417,959
CE21004 - Cemeteries and crematorium renewals	R	\$89,774	\$89,774	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21006 - Nature in the city gully restoration and development	LOS	\$0	\$176,257	\$176,257	\$176,257	\$176,257	\$176,257	(\$173,739)	\$0	\$0	\$0	\$0	\$2,518	\$75,601
CE21007 - Cemeteries and crematorium development	G	\$1,357,650	\$1,357,650	\$1,357,650	\$1,357,650	\$1,924,965	\$2,397,132	(\$538,968)	\$0	\$0	\$0	\$0	\$1,858,164	\$546,066
CE21008 - Indoor recreation development	LOS	\$3,181,815	\$7,175,902	\$7,175,902	\$7,175,902	\$2,649,536	\$2,649,536	(\$882,458)	\$0	\$0	\$0	\$0	\$1,767,078	\$1,197,928
CE21010 - Parks and recreation development	LOS	\$3,465,210	\$6,805,759	\$6,805,759	\$6,805,759	\$4,137,724	\$3,633,282	(\$939,492)	\$0	\$0	\$0	\$0	\$2,693,790	\$2,505,351
CE24026 - Rotokauri Parks Development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Parks and Recreation		\$28,480,521	\$40,291,859	\$40,291,859	\$40,291,859	\$28,153,490	\$28,121,215	(\$13,962,841)	\$29,939	\$0	\$0	\$0	\$14,188,313	\$10,415,303
Regulatory And Safety														
CE21013 - Animal Control Building Renewals	R	\$14,027	\$14,027	\$14,027	\$14,027	\$14,027	\$14,027	(\$14,027)	\$0	\$0	\$0	\$0	\$0	\$0
CE21015 - City Safe Renewals	R	\$234,536	\$234,536	\$234,536	\$234,536	\$234,536	\$234,536	(\$91,222)	\$5,700	\$0	\$0	\$0	\$149,014	\$17,241
CE21016 - City Safe Upgrades	LOS	\$13,650	\$13,650	\$13,650	\$13,650	\$13,650	\$13,650	\$0	\$0	\$0	\$0	\$0	\$13,650	\$6,002
CE24029 - Animal Control Development	G	\$409,500	\$409,500	\$409,500	\$693,420	\$693,420	\$693,420	(\$99,978)	\$0	\$0	\$0	\$0	\$593,442	\$147,051
CE24031 - Animal Control Development	R	\$31,141	\$31,141	\$31,141	\$31,141	\$31,141	\$31,141	(\$15,644)	\$0	\$0	\$0	\$0	\$15,497	\$15,497
Total Regulatory And Safety		\$702,854	\$702,854	\$702,854	\$986,774	\$986,774	\$986,774	(\$220,871)	\$5,700	\$0	\$0	\$0	\$771,603	\$185,791
Rubbish and Recycling														
CE10054 - Closed landfill assets renewals	R	\$1,317,625	\$1,317,625	\$1,317,625	\$1,317,625	\$630,408	\$630,408	(\$305,827)	\$40,090	\$0	\$0	\$0	\$364,671	\$212,320
Total Rubbish and Recycling		\$1,317,625	\$1,317,625	\$1,317,625	\$1,317,625	\$630,408	\$630,408	(\$305,827)	\$40,090	\$0	\$0	\$0	\$364,671	\$212,320
Stormwater														
CE10058 - Stormwater asset renewals	R	\$2,615,611	\$2,615,611	\$2,615,611	\$2,615,611	\$2,704,661	\$2,704,661	(\$2,303,307)	\$0	\$0	\$0	\$0	\$401,354	\$127,216
CE15059 - Rototuna stormwater infrastructure	G	\$525,525	\$2,067,171	\$2,067,171	\$2,067,171	\$226,033	\$226,033	(\$175,000)	\$0	\$0	\$0	\$0	\$51,033	\$1,803
CE15060 - Rotokauri stormwater infrastructure stage 1	G	\$4,984,350	\$4,430,811	\$4,430,811	\$4,430,811	\$2,235,367	\$2,235,367	(\$339,316)	\$0	\$0	\$0	\$0	\$1,896,051	\$856,210
CE15062 - Peacocke stormwater infrastructure stage 1	G	\$2,088,245	\$3,670,370	\$3,670,370	\$3,670,370	\$3,212,821	\$3,212,821	\$0	\$0	\$0	\$0	\$0	\$3,212,821	\$906,807
CE15063 - Peacocke stormwater infrastructure stage 2	G	\$3,918,254	\$5,916,557	\$5,916,557	\$5,916,557	\$5,916,557	\$5,916,557	(\$3,000,000)	\$0	\$0	\$0	\$0	\$2,916,557	\$3,787,001
CE15067 - Comprehensive stormwater consent implementation	LOS	\$174,873	\$174,873	\$174,873	\$174,873	\$135,000	\$135,000	(\$41,863)	\$0	\$0	\$0	\$0	\$93,137	\$3,582
CE15068 - Stormwater customer connections	G	\$26,250	\$26,250	\$26,250	\$26,250	\$26,250	\$26,250	\$0	\$0	\$798,704	\$0	\$0	\$824,954	\$738,828
CE15137 - Water demand management - Newcastle reservoir zone	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15162 - Integrated Catchment Management Plan	G	\$2,286,102	\$2,412,117	\$2,412,117	\$2,412,117	\$1,010,066	\$1,010,066	(\$273,000)	\$0	\$0	\$0	\$0	\$737,066	\$571,962
CE19026 - Erosion control works	LOS	\$2,318,703	\$3,603,018	\$3,603,018	\$3,603,018	\$1,822,275	\$1,822,275	(\$608,029)	\$0	\$0	\$0	\$0	\$1,214,246	\$673,009
CE21031 - Flood management	LOS	\$525,000	\$540,019	\$540,019	\$540,019	\$60,000	\$160,000	\$0	\$0	\$0	\$0	\$0	\$160,000	\$28,971
CE21032 - Stormwater infrastructure upgrades	G	\$890,313	\$1,267,376	\$1,267,376	\$1,267,376	\$633,688	\$633,688	(\$580,310)	\$0	\$0	\$0	\$0	\$53,378	\$260
CE21062 - Stormwater asset upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21066 - Ruakura stormwater infrastructure	G	\$0	\$11,110	\$11,110	\$11,110	\$11,110	\$11,110	\$0	\$0	\$0	\$0	\$0	\$11,110	\$22,548
CE21068 - Water Stimulus – Stormwater	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23003 - IAF Stormwater	G	\$598,711	\$510,781	\$510,781	\$464,070	\$464,070	\$464,070	\$0	\$200,000	\$0	\$0	\$0	\$664,070	\$492,726
Total Stormwater		\$20,951,936	\$27,246,063	\$27,246,063	\$27,199,353	\$18,457,899	\$18,557,899	(\$7,320,825)	\$200,000	\$798,704	\$0	\$0	\$12,235,778	\$8,210,922
Support Services														
CE24001 - Fleet Vehicles Renewals	R	\$3,912,660	\$3,912,660	\$3,912,660	\$3,912,660	\$3,912,660	\$3,912,660	\$0	\$0	\$0	\$0	\$0	\$3,912,660	\$2,277,508
CE24002 - Corporate Building Renewals	R	\$5,710,019	\$5,710,019	\$5,710,019	\$5,710,019	\$3,141,885	\$3,141,885	(\$1,460,331)	\$0	\$0	\$0	\$0	\$1,681,554	\$1,370,549
CE24006 - Information Services Renewals	R	\$2,407,802	\$2,407,802	\$2,097,904	\$2,097,904	\$2,097,904	\$1,382,939	\$0	\$0	\$0	\$0	\$0	\$1,382,939	\$919,236
CE24007 - Information Services Upgrades	LOS	\$1,600,185	\$1,600,185	\$1,910,083	\$1,910,083	\$1,910,083	\$2,625,048	\$0	\$0	\$0	\$0	\$0	\$2,625,048	\$210,553
Total Support Services		\$13,630,666	\$13,630,666	\$13,630,666	\$13,630,666	\$11,062,532	\$11,062,532	(\$1,460,331)	\$0	\$0	\$0	\$0	\$9,602,202	\$4,777,847

Item 6

Attachment 3



Capital Expenditure

As at 30 April 2025

CE Code	Type	Long Term Plan 24/25	Revised Budget as at 1 July 2024	Revised Budget as at 31 August 2024	Revised Budget as at 31 October 2024	Revised Budget as at 31 Decemeber 2024	Revised Budget as at 28 February 2025	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at 30 April 2025	Actuals as at 30 April 2025
								Current year to Future Year	Future Year to Current Year					
CE10070 - Parking enforcement renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10072 - Footpath and street furniture renewals	R	\$7,712,549	\$7,712,549	\$7,712,549	\$7,712,549	\$7,712,549	\$7,712,549	\$0	\$0	\$0	\$0	\$0	\$7,712,549	\$5,888,296
CE10074 - Drainage (kerb and channel) renewals	R	\$1,031,092	\$1,031,092	\$1,031,092	\$1,031,092	\$1,031,092	\$1,031,092	\$0	\$0	\$0	\$0	\$0	\$1,031,092	\$865,356
CE10075 - Road base Renewals	R	\$9,654,580	\$10,771,112	\$10,771,112	\$10,771,112	\$10,771,112	\$10,771,112	\$0	\$0	\$0	\$0	\$0	\$10,771,112	\$5,327,647
CE10076 - Road resurfacing	R	\$5,863,309	\$5,863,309	\$5,863,309	\$5,863,309	\$5,863,309	\$5,863,309	\$0	\$0	\$0	\$0	\$0	\$5,863,309	\$8,324,862
CE10077 - Bridge and structures renewals	R	\$215,084	\$215,084	\$215,084	\$215,084	\$215,084	\$215,084	\$0	\$0	\$0	\$0	\$0	\$215,084	\$29,322
CE10078 - Retaining wall and structures renewals	R	\$158,208	\$158,208	\$158,208	\$158,208	\$158,208	\$158,208	\$0	\$0	\$0	\$0	\$0	\$158,208	\$43,891
CE10080 - Street lighting renewals	R	\$2,362,032	\$2,362,032	\$2,362,032	\$2,362,032	\$2,362,032	\$2,362,032	\$0	\$0	\$0	\$0	\$0	\$2,362,032	\$1,317,847
CE10081 - Traffic equipment renewals	R	\$795,146	\$795,146	\$795,146	\$795,146	\$795,146	\$795,146	\$0	\$0	\$0	\$0	\$0	\$795,146	\$908,183
CE15087 - Transportation upgrades to allow for development	G	\$1,189,125	\$1,589,125	\$930,350	\$930,350	\$930,350	\$930,350	(\$690,000)	\$0	\$0	\$0	\$0	\$240,350	\$1,801
CE15088 - Peacocke transport upgrades and development stage 1	G	\$49,553,070	\$33,590,589	\$33,590,589	\$33,590,589	\$26,238,365	\$26,238,365	(\$3,700,000)	\$0	\$0	\$0	\$0	\$22,538,365	\$1,930,186
CE15089 - Peacocke transport upgrades and development stage 2	G	\$16,439,850	\$19,316,095	\$19,316,095	\$19,316,095	\$13,205,419	\$13,205,419	\$0	\$16,000,000	\$0	(\$16,000,000)	\$0	\$13,205,419	\$30,486,629
CE15090 - Rotokauri transport upgrades and development	G	\$3,152,275	\$3,123,368	\$3,123,368	\$3,123,368	\$1,711,880	\$1,711,880	(\$242,770)	\$0	\$0	\$0	\$0	\$1,469,111	\$752,835
CE15092 - Rototuna transport upgrades and development	G	\$5,103,000	\$9,304,642	\$9,304,642	\$9,304,642	\$8,946,753	\$8,946,753	(\$2,008,821)	\$0	\$0	\$0	\$0	\$6,937,931	\$6,932,585
CE15093 - Ruakura transport upgrades and development	G	\$2,100,420	\$5,160,877	\$5,160,877	\$5,160,877	\$3,273,457	\$3,273,457	(\$2,197,813)	\$0	\$0	\$0	\$0	\$1,075,644	\$1,066,844
CE15096 - Cross city connector	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15097 - Northern city crossing	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19036 - Ring Road	G	\$0	\$654,000	\$654,000	\$654,000	\$554,000	\$554,000	(\$334,880)	\$0	\$0	\$0	\$0	\$219,120	\$212,496
CE19037 - Hamilton transport model	G	\$806,400	\$1,975,509	\$1,975,509	\$1,975,509	\$505,804	\$505,804	(\$80,865)	\$0	\$0	\$0	\$0	\$424,939	\$257,546
CE19052 - Intersection upgrades	LOS	\$0	\$156,560	\$156,560	\$156,560	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19057 - Biking plan implementation	G	\$17,850,000	\$18,540,966	\$9,364,277	\$9,364,277	\$1,467,777	\$1,137,777	(\$50,000)	\$1,300,000	\$0	\$0	\$0	\$2,387,777	\$343,281
CE19058 - Public Transport Mode Shift	G	\$4,400,025	\$4,410,705	\$2,262,602	\$2,262,602	\$204,602	\$659,602	(\$370,000)	\$0	\$0	\$0	\$0	\$289,602	\$193,711
CE19064 - Transport Centre rejuvenation	LOS	\$0	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	(\$671,286)	\$0	\$0	\$0	\$0	\$2,828,714	\$2,819,692
CE21012 - Transport building renewals	R	\$37,406	\$37,406	\$37,406	\$37,406	\$37,406	\$37,406	\$0	\$0	\$0	\$0	\$0	\$37,406	(\$5,218)
CE21052 - Peacocke transportation land	G	\$0	\$3,651,786	\$3,651,786	\$3,651,786	\$1,189,193	\$1,189,193	\$0	\$0	\$0	\$0	\$0	\$1,189,193	\$0
CE21053 - Central city transportation improvements	LOS	\$945,000	\$959,627	\$959,627	\$959,627	\$759,627	\$759,627	(\$609,627)	\$0	\$0	\$0	\$0	\$150,000	\$100,273
CE21055 - Te Rapa transportation upgrades and development	G	\$313,950	\$1,251,948	\$1,251,948	\$1,251,948	\$632,496	\$632,496	(\$502,496)	\$10,700	\$0	\$0	\$0	\$140,700	\$155,117
CE21058 - Transportation safety improvements	LOS	\$14,825,000	\$15,057,237	\$6,604,737	\$6,604,737	\$5,438,762	\$7,323,262	(\$2,726,627)	\$200,000	\$0	\$0	\$0	\$4,796,635	\$1,277,202
CE21060 - Public transport improvement	LOS	\$787,500	\$787,500	\$385,875	\$385,875	\$285,875	\$500,000	(\$123,000)	\$82,000	\$0	\$0	\$0	\$459,000	\$229,308
CE23001 - CERF	LOS	\$0	\$2,747,226	\$2,826,518	\$2,826,518	\$2,826,518	\$2,826,518	\$0	\$0	\$0	\$0	\$0	\$2,826,518	\$2,222,346
CE23005 - IAF Transport	G	\$606,778	\$532,463	\$532,463	\$532,463	\$532,463	\$532,463	\$0	\$0	\$0	\$0	\$0	\$532,463	\$488,566
CE24032 - Transportation Land	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$66,854
Total Transport		\$145,901,797	\$155,256,160	\$134,497,760	\$134,497,760	\$101,149,279	\$103,372,904	(\$14,308,185)	\$17,592,700	\$0	(\$16,000,000)	\$0	\$90,657,418	\$72,237,458
Venues Tourism and Major Events														
CE24009 - VTME Building Renewals	R	\$4,317,582	\$4,317,582	\$4,317,582	\$4,317,582	\$3,116,220	\$3,116,220	(\$1,219,536)	\$0	\$0	\$0	\$0	\$1,896,684	\$1,319,502
CE24010 - VTME Security And Health And Safety Programmes	LOS	\$541,800	\$541,800	\$541,800	\$541,800	\$200,000	\$200,000	(\$122,290)	\$0	\$0	\$0	\$0	\$77,710	\$110,853
CE24011 - VTME Operational Renewals	R	\$2,651,988	\$2,651,988	\$2,651,988	\$2,651,988	\$2,381,812	\$2,381,812	(\$1,483,698)	\$42,471	\$0	\$0	\$0	\$940,585	\$1,099,628
CE24012 - Hamilton Garden Renewals	R	\$691,649	\$691,649	\$691,649	\$691,649	\$691,649	\$691,649	(\$174,840)	\$0	\$0	\$0	\$0	\$516,809	\$516,809
CE24013 - Hamilton Garden Building Renewals	R	\$947,306	\$947,306	\$947,306	\$947,306	\$501,306	\$501,306	(\$77,306)	\$5,415	\$0	\$0	\$0	\$429,415	\$461,777
CE24014 - Hamilton Gardens Development	LOS	\$2,058,000	\$3,397,753	\$3,397,753	\$3,397,753	\$2,775,251	\$2,775,251	(\$346,891)	\$0	\$0	\$0	\$0	\$2,428,360	\$2,902,394
CE24016 - Hamilton Zoo Building Renewals	R	\$1,402,723	\$1,402,723	\$1,402,723	\$1,402,723	\$1,729,723	\$1,729,723	(\$237,931)	\$0	\$0	\$0	\$0	\$1,491,792	\$1,890,731
CE24017 - Hamilton Zoo Operational Renewals	R	\$1,128,070	\$1,128,070	\$1,128,070	\$1,128,070	\$778,638	\$778,638	(\$170,400)	\$0	\$0	\$0	\$0	\$608,239	\$486,984
CE24018 - Hamilton Zoo And Waiwhakareke Development	LOS	\$3,068,405	\$6,265,322	\$6,265,322	\$6,265,322	\$3,105,115	\$3,105,115	(\$605,216)	\$0	\$0	\$0	\$0	\$2,499,899	\$2,566,555
CE24019 - Museum Operational Renewals	R	\$238,073	\$238,073	\$238,073	\$238,073	\$238,073	\$238,073	(\$74,094)	\$0	\$0	\$0	\$0	\$163,980	\$84,531
CE24020 - Museum Building Renewals	R	\$2,393,981	\$2,393,981	\$3,586,981	\$3,586,981	\$4,391,444	\$4,391,444	(\$278,033)	\$0	\$0	\$0	\$0	\$4,113,411	\$4,136,568
CE24021 - Collection Acquisition Fund	LOS	\$87,239	\$180,291	\$180,291	\$180,291	\$180,291	\$180,291	(\$104,032)	\$0	\$0	\$0	\$0	\$76,258	\$76,602
CE24022 - Museum Development	LOS	\$4,043,130	\$6,111,041	\$4,918,041	\$4,918,041	\$4,113,578	\$4,113,578	(\$501,928)	\$0	\$0	\$0	\$0	\$3,611,650	\$3,654,763
Total Venues Tourism and Major Events		\$23,569,947	\$30,267,580	\$30,267,580	\$30,267,580	\$24,203,101	\$24,203,101	(\$5,396,195)	\$47,886	\$0	\$0	\$0	\$18,854,792	\$19,307,695
Wastewater														
CE10100 - Wastewater pump station asset renewals	R	\$935,149	\$935,149	\$935,149	\$935,149	\$1,262,965	\$1,262,965	(\$96,864)	\$6,290	\$0	\$0	\$0	\$1,172,391	\$1,544,512
CE10101 - Wastewater asset renewals	R	\$5,769,869	\$5,769,869	\$5,769,869	\$5,769,869	\$6,318,404	\$6,318,404	(\$3,981,792)	\$40,363	\$0	\$0	\$0	\$2,376,974	\$3,563,645
CE10115 - Wastewater treatment plant asset renewals	R	\$5,374,301	\$5,374,301	\$5,374,301	\$5,374,301	\$5,182,498	\$5,182,498	(\$2,009,153)	\$0	\$0	\$0	\$0	\$3,173,345	\$2,993,340
CE15103 - Wastewater network improvements	LOS	\$9,468,575	\$9,468,575	\$9,468,575	\$9,468,575	\$6,293,046	\$6,293,046	(\$669,527)	\$0	\$0	\$0	\$0	\$5,623,519	\$3,337,748
CE15104 - Wastewater pipe upgrades	G	\$892,500	\$892,500	\$892,500	\$892,500	\$446,250	\$446,250	(\$445,250)	\$0	\$0	\$0	\$0	\$1,000	\$1,110
CE15105 - Rototuna wastewater infrastructure	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15106 - Wastewater network upgrades to allow development	G	\$0	\$113,510	\$113,510	\$113,510	\$56,755	\$56,755	\$0	\$0	\$0	\$0	\$0	\$56,755	\$115
CE15107 - Rotokauri wastewater infrastructure	G	\$0	\$139,732	\$139,732	\$139,732	\$139,732	\$139,732	(\$139,732)	\$0	\$0	\$0	\$0	\$0	\$0
CE15109 - Peacocke wastewater infrastructure stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15111 - Increase capacity of wastewater network	G	\$0	\$1,222,025	\$1,222,025	\$1,222,025	\$689,725	\$689,725	(\$532,750)	\$0	\$0	\$0	\$0	\$156,975	\$71,711
CE15117 - Upgrade wastewater treatment plant	G	\$22,355,713	\$30,290,982	\$30,290,982	\$19,281,073	\$9,266,570	\$9,266,570	(\$6,715,570)	\$0	\$0	\$0	\$0	\$2,551,000	\$2,635,957
CE15120 - Wastewater treatment plant compliance	LOS	\$2,855,945	\$2,855,945	\$2,855,945	\$2,855,945	\$2,855,945	\$2,855,945	(\$298,192)	\$0	\$0	\$0	\$0	\$2,557,753	\$1,414,426
CE15121 - Wastewater customer connections to network	G	\$115,500	\$115,500	\$115,500	\$115,500	\$115,500	\$115,500	\$0	\$0	\$1,775,854	\$0	\$0	\$1,891,354	\$1,907,736
CE15160 - Wastewater model	R	\$252,490	\$252,490	\$252,490	\$252,490	\$392,000	\$392,000	(\$158,521)	\$93,515	\$0	\$0	\$0	\$326,994	\$269,444
CE15161 - Wastewater master plan	G	\$153,731	\$196,547	\$196,547	\$196,547	\$196,547	\$196,547	(\$152,731)	\$0	\$0	\$0	\$0	\$43,817	\$11,730
CE19040 - Peacocke wastewater infrastructure stage 2	G	\$1,478,138	\$4,743,321	\$4,743,321	\$4,743,321	\$4,743,321	\$4,743,321	\$0	\$0	\$0	\$0	\$0	\$4,743,321	\$1,951,196
CE19042 - Peacocke wastewater south network	G	\$15,449,807	\$9,569,176	\$9,569,176	\$9,569,176	\$6,943,853	\$6,943,853	\$0	\$0	\$0	\$0	\$0	\$6,943,853	\$4,517,451
CE19043 - Increase capacity wastewater west network	G	\$5,637,240	\$14,358,862	\$14,358,862	\$14,358,862	\$7,709,464	\$7,709,464	(\$1,433,062)	\$0	\$0	\$0	\$0	\$6,276,402	\$3,483,540
CE19044 - Increase capacity wastewater east network	G	\$1,050,000	\$1,974,489	\$1,974,489	\$1,974,489	\$1,174,489	\$1,174,489	(\$100,000)	\$0	\$0	\$0	\$0	\$1,074,489	\$513,874
CE21073 - Subregional wastewater treatment plant	G	\$3,150,000	\$4,374,264	\$4,374,264	\$4,374,264	\$2,324,264	\$2,324,264	(\$1,623,264)	\$0	\$0	\$0	\$0	\$701,000	\$578,344
CE23004 - IAF Wastewater	G	\$864,119	\$877,884	\$877,884	\$830,247	\$830,247	\$650,000	\$0	\$0	\$0	\$0	\$0	\$650,000	\$542,315
Total Wastewater		\$75,803,076	\$93,525,122	\$93,525,122	\$82,467,576	\$56,802,065	\$56,761,328	(\$18,356,408)	\$140,167	\$1,775,854	\$0	\$0	\$40,320,941	\$29,338,197

Capital Expenditure

As at 30 April 2025

CE Code	Type	Long Term Plan 24/25	Revised Budget as at 1 July 2024	Revised Budget as at 31 August 2024	Revised Budget as at 31 October 2024	Revised Budget as at 31 Decemeber 2024	Revised Budget as at 28 February 2025	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at 30 April 2025	Actuals as at 30 April 2025
								Current year to Future Year	Future Year to Current Year					
Water Supply														
CE10123 - Watermain renewals	R	\$5,470,621	\$5,470,621	\$5,470,621	\$5,470,621	\$6,857,644	\$6,857,644	(\$1,983,707)	\$0	\$0	\$0	\$0	\$4,873,937	\$5,073,750
CE10124 - Watermain valves and hydrants renewals	R	\$802,358	\$802,358	\$802,358	\$802,358	\$644,849	\$644,849	(\$139,849)	\$0	\$0	\$0	\$0	\$505,000	\$555,312
CE10138 - Treatment plant and reservoir renewals	R	\$1,483,146	\$1,483,146	\$1,483,146	\$1,483,146	\$1,776,000	\$1,776,000	(\$193,841)	\$0	\$0	\$0	\$0	\$1,582,159	\$996,676
CE15126 - Rototuna upgrade or new watermain	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15127 - Water pipe upgrades	G	\$767,813	\$767,813	\$767,813	\$767,813	\$383,906	\$383,906	(\$382,906)	\$0	\$0	\$0	\$0	\$1,000	\$0
CE15128 - Rotokauri upgrade and new watermain stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15130 - Peacocke watermain stage 1	G	\$0	\$7,141	\$7,141	\$7,141	\$7,141	\$7,141	\$0	\$0	\$0	\$0	\$0	\$7,141	\$0
CE15132 - Water network upgrades to allow new development	G	\$210,210	\$910,210	\$910,210	\$910,210	\$0	\$0	\$0	\$145,000	\$0	\$0	\$0	\$145,000	\$4,208
CE15133 - Water network improvements	LOS	\$230,046	\$230,046	\$230,046	\$230,046	\$17,334	\$17,334	(\$3,735)	\$32,666	\$0	\$0	\$0	\$46,265	\$109,569
CE15134 - Water demand management - Pukete reservoir zone	G	\$0	\$270,900	\$270,900	\$270,900	\$270,900	\$270,900	\$0	\$0	\$0	\$0	\$0	\$270,900	\$0
CE15135 - Peacocke water distribution mains stage 1	G	\$0	\$99,227	\$99,227	\$99,227	\$99,227	\$99,227	\$0	\$0	\$0	\$0	\$0	\$99,227	\$19,926
CE15139 - Water Treatment Plant Compliance Minor Upgrades	LOS	\$1,098,800	\$1,098,800	\$1,098,800	\$1,098,800	\$1,821	\$1,821	\$0	\$0	\$0	\$0	\$0	\$1,821	\$1,821
CE15141 - Water Demand Management Hillcrest Reservoir Zone	G	\$262,500	\$262,500	\$262,500	\$262,500	\$250,000	\$250,000	(\$100,000)	\$0	\$0	\$0	\$0	\$150,000	\$31,385
CE15144 - Upgrade water treatment plant	G	\$4,095,000	\$7,548,924	\$7,548,924	\$7,056,731	\$6,998,924	\$6,998,924	(\$4,411,481)	\$0	\$0	\$0	\$0	\$2,587,443	\$2,977,249
CE15146 - Water customer connections	G	\$52,500	\$52,500	\$52,500	\$52,500	\$52,500	\$52,500	\$0	\$0	\$1,231,192	\$0	\$0	\$1,283,692	\$1,327,528
CE15148 - Ruakura upgrade and new watermain	G	\$0	\$412,180	\$412,180	\$412,180	\$412,180	\$412,180	(\$412,180)	\$0	\$0	\$0	\$0	\$0	\$0
CE15158 - Water model	R	\$158,975	\$158,975	\$158,975	\$158,975	\$125,150	\$125,150	(\$19,890)	\$0	\$0	\$0	\$0	\$105,260	\$53,850
CE15159 - Water master plan	G	\$157,500	\$173,640	\$173,640	\$173,640	\$173,640	\$173,640	(\$123,640)	\$0	\$0	\$0	\$0	\$50,000	\$12,000
CE19045 - Ruakura reservoir and associate bulk mains	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19046 - Peacocke watermain stage 2	G	\$711,900	\$309,573	\$309,573	\$309,573	\$309,573	\$309,573	\$0	\$0	\$0	\$0	\$0	\$309,573	\$435,233
CE21036 - Rotokauri upgrade and new watermain stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23002 - IAF Water Supply	G	\$7,634,083	\$6,181,319	\$6,181,319	\$2,670,158	\$2,670,158	\$2,670,158	\$0	\$660,765	\$0	\$0	\$0	\$3,330,924	\$3,117,880
CE24030 - IAF Water Supply	LOS	\$2,340,674	\$2,340,674	\$2,340,674	\$2,340,674	\$826,000	\$600,000	\$0	\$0	\$0	\$0	\$0	\$600,000	\$319,718
Total Water Supply		\$25,476,126	\$28,580,547	\$28,580,547	\$24,577,194	\$21,876,948	\$21,650,948	(\$7,771,230)	\$838,432	\$1,231,192	\$0	\$0	\$15,949,342	\$15,036,105
Grand Total - Capital Program		\$344,383,506	\$399,672,434	\$378,914,034	\$363,806,423	\$268,706,097	\$270,762,985	(\$71,563,922)	\$18,918,665	\$3,805,750	(\$16,000,000)	\$0	\$205,923,479	\$162,613,936

Item 6

Attachment 3

Capital Revenue  
As at 30 April 2025

CE Code	Type	Long Term Plan	Revised Budget as at	Revised Budget as at	Revised Budget as at	Revised Budget as at 31	Revised Budget as at	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at	Actuals as at 30
		24/25	1 July 2024	31 August 2024	31 October 2024	December 2024	28 February 2025	Current year to	Future Year to					
								Future Year	Current Year				30 April 2025	April 2025
<b>Community Services</b>														
CE10001 - Aquatic facilities building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10005 - Libraries collection purchases	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10006 - Library operational renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10007 - Library building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19017 - Rototuna community facilities	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21005 - Aquatic facilities renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21044 - Libraries development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21046 - Aquatic facilities development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Community Services</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Growth</b>														
CE24008 - Strategic Property Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24024 - Strategic Land Acquisition Fund	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total CE24024 - Strategic Land Acquisition Fund</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Parks and Recreation</b>														
CE10021 - Cemetery and crematorium building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10030 - Parks and recreation building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE17004 - River plan	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19007 - Peacocke parks development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19009 - Rototuna parks development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19070 - Community facilities building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21001 - Nursery renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21003 - Parks and recreation renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,103)
CE21004 - Cemeteries and crematorium renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21006 - Nature in the city gully restoration and development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21007 - Cemeteries and crematorium development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21008 - Indoor recreation development	LOS	\$0	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)	\$1,400,000	\$0	\$0	\$0	\$0	\$0	\$0
CE21010 - Parks and recreation development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24026 - Rotokauri Parks Development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Parks and Recreation</b>		\$0	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)	\$1,400,000	\$0	\$0	\$0	\$0	\$0	(\$5,103)
<b>Regulatory And Safety</b>														
CE21013 - Animal Control Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21015 - City Safe Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21016 - City Safe Upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24029 - Animal Control Development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24031 - Animal Control Development	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Regulatory And Safety</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Rubbish and Recycling</b>														
CE10054 - Closed landfill assets renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Rubbish and Recycling</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Stormwater</b>														
CE10058 - Stormwater asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15059 - Rototuna stormwater infrastructure	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15060 - Rotokauri stormwater infrastructure stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15062 - Peacocke stormwater infrastructure stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15063 - Peacocke stormwater infrastructure stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15067 - Comprehensive stormwater consent implementation	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15068 - Stormwater customer connections	G	(\$26,250)	(\$26,250)	(\$26,250)	(\$26,250)	(\$26,250)	(\$26,250)	\$0	\$0	\$0	\$0	\$0	(\$26,250)	(\$792,092)
CE15162 - Integrated Catchment Management Plan	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19026 - Erosion control works	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$51,217)
CE21031 - Flood management	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21032 - Stormwater infrastructure upgrades	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21062 - Stormwater asset upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21066 - Ruakura stormwater infrastructure	G	\$0	(\$1,951,723)	(\$1,951,723)	(\$1,951,723)	(\$1,951,723)	(\$1,951,723)	\$0	\$0	\$0	\$0	\$0	(\$1,951,723)	(\$2,312,655)
CE21068 - Water Stimulus – Stormwater	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23003 - IAF Stormwater	G	(\$1,107,887)	(\$1,107,887)	(\$1,107,887)	(\$887,999)	(\$887,999)	(\$887,999)	\$0	(\$200,000)	\$0	\$0	\$0	(\$1,087,999)	(\$590,500)
<b>Total Stormwater</b>		(\$1,134,137)	(\$3,085,860)	(\$3,085,860)	(\$2,865,972)	(\$2,865,972)	(\$2,865,972)	\$0	(\$200,000)	\$0	\$0	\$0	(\$3,065,972)	(\$3,746,464)
<b>Support Services</b>														
CE24001 - Fleet Vehicles Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$83)
CE24002 - Corporate Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24006 - Information Services Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24007 - Information Services Upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Support Services</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$83)



Capital Revenue  
As at 30 April 2025

CE Code	Type	Long Term Plan 24/25	Revised Budget as at 1 July 2024	Revised Budget as at 31 August 2024	Revised Budget as at 31 October 2024	Revised Budget as at 31 December 2024	Revised Budget as at 28 February 2025	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at 30 April 2025	Actuals as at 30 April 2025
								Current year to Future Year	Future Year to Current Year					
CE Code	Type													
<b>Transport</b>														
CE10072 - Footpath and street furniture renewals	R	(\$3,503,738)	(\$3,503,738)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10074 - Drainage (kerb and channel) renewals	R	(\$474,668)	(\$474,668)	(\$474,668)	(\$474,668)	(\$474,668)	(\$474,668)	\$0	\$0	\$0	\$0	\$0	(\$474,668)	(\$456,690)
CE10075 - Road base Renewals	R	(\$4,435,919)	(\$4,435,919)	(\$4,435,919)	(\$4,435,919)	(\$4,435,919)	(\$4,435,919)	\$0	\$0	\$0	\$0	\$0	(\$4,435,919)	(\$2,807,331)
CE10076 - Road resurfacing	R	(\$2,688,438)	(\$2,688,438)	(\$2,688,438)	(\$2,688,438)	(\$2,688,438)	(\$2,688,438)	\$0	\$0	\$0	\$0	\$0	(\$2,688,438)	(\$4,393,429)
CE10077 - Bridge and structures renewals	R	(\$99,015)	(\$99,015)	(\$99,015)	(\$99,015)	(\$99,015)	(\$99,015)	\$0	\$0	\$0	\$0	\$0	(\$99,015)	(\$15,474)
CE10078 - Retaining wall and structures renewals	R	(\$72,831)	(\$72,831)	(\$72,831)	(\$72,831)	(\$72,831)	(\$72,831)	\$0	\$0	\$0	\$0	\$0	(\$72,831)	(\$23,164)
CE10080 - Street lighting renewals	R	(\$1,078,762)	(\$1,078,762)	(\$1,078,762)	(\$1,078,762)	(\$1,078,762)	(\$1,078,762)	\$0	\$0	\$0	\$0	\$0	(\$1,078,762)	(\$690,964)
CE10081 - Traffic equipment renewals	R	(\$344,524)	(\$344,524)	(\$344,524)	(\$344,524)	(\$344,524)	(\$344,524)	\$0	\$0	\$0	\$0	\$0	(\$344,524)	(\$479,244)
CE15087 - Transportation upgrades to allow for development	G	(\$956,057)	(\$956,057)	(\$297,281)	(\$297,281)	(\$297,281)	(\$297,281)	\$0	\$0	\$0	\$0	\$0	(\$297,281)	\$0
CE15088 - Peacocke transport upgrades and development stage 1	G	(\$4,738,334)	(\$4,738,334)	(\$6,342,797)	(\$6,342,797)	(\$6,342,797)	(\$6,342,797)	\$0	\$0	\$0	\$0	\$0	(\$6,342,797)	(\$197,580)
CE15089 - Peacocke transport upgrades and development stage 2	G	(\$4,738,334)	(\$4,738,334)	(\$6,342,797)	(\$6,342,797)	(\$6,342,797)	(\$6,342,797)	\$0	\$0	\$0	\$0	\$0	(\$6,342,797)	(\$14,371,606)
CE15090 - Rotokauri transport upgrades and development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15092 - Rototuna transport upgrades and development	G	\$0	(\$1,783,014)	(\$1,783,014)	(\$1,783,014)	(\$1,783,014)	(\$1,783,014)	\$0	\$0	\$0	\$0	\$0	(\$1,783,014)	(\$2,908,646)
CE15093 - Ruakura transport upgrades and development	G	\$0	(\$5,169,108)	(\$5,169,108)	(\$5,169,108)	(\$5,169,108)	(\$5,169,108)	\$0	\$0	\$0	\$0	\$0	(\$5,169,108)	(\$330,286)
CE15096 - Cross city connector	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15097 - Northern city crossing	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19036 - Ring Road	G	\$0	(\$186,019)	(\$186,019)	(\$186,019)	(\$186,019)	(\$186,019)	\$0	\$0	\$0	\$0	\$0	(\$186,019)	(\$147,759)
CE19037 - Hamilton transport model	G	(\$321,300)	(\$169,711)	(\$169,711)	(\$169,711)	(\$169,711)	(\$169,711)	\$0	\$0	\$0	\$0	\$0	(\$169,711)	(\$150,793)
CE19052 - Intersection upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19057 - Biking plan implementation	G	(\$9,103,500)	(\$9,551,476)	(\$307,970)	(\$307,970)	(\$307,970)	(\$307,970)	\$0	\$0	\$0	\$0	\$0	(\$307,970)	(\$216,962)
CE19058 - Public Transport Mode Shift	G	(\$2,142,000)	(\$2,151,468)	(\$9,468)	(\$9,468)	(\$9,468)	(\$9,468)	\$0	\$0	\$0	\$0	\$0	(\$9,468)	(\$17,331)
CE19064 - Transport Centre rejuvenation	LOS	\$0	(\$1,275,000)	(\$1,275,000)	(\$1,275,000)	(\$1,275,000)	(\$1,275,000)	\$0	\$0	\$0	\$0	\$0	(\$1,275,000)	(\$1,372,099)
CE21012 - Transport building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21052 - Peacocke transportation land	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21053 - Central city transportation improvements	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21055 - Te Rapa transportation upgrades and development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21058 - Transportation safety improvements	LOS	(\$11,480,750)	(\$11,480,750)	(\$2,918,000)	(\$2,918,000)	(\$2,918,000)	(\$2,918,000)	\$0	\$0	\$0	\$0	\$0	(\$2,918,000)	(\$652,951)
CE21060 - Public transport improvement	LOS	(\$401,625)	(\$401,625)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23001 - CERF	LOS	\$0	(\$2,729,788)	(\$2,729,788)	(\$2,729,788)	(\$2,729,788)	(\$2,729,788)	\$0	\$0	\$0	\$0	\$0	(\$2,729,788)	(\$1,953,218)
CE23005 - IAF Transport	G	(\$738,778)	(\$738,778)	(\$738,778)	(\$630,001)	(\$630,001)	(\$630,001)	\$0	\$0	\$0	\$0	\$0	(\$630,001)	(\$3,040,625)
CE24032 - Transportation Land	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Transport		(\$47,318,572)	(\$58,767,357)	(\$37,463,890)	(\$37,355,113)	(\$37,355,113)	(\$37,355,113)	\$0	\$0	\$0	\$0	\$0	(\$37,355,113)	(\$34,226,151)
<b>Venues Tourism and Major Events</b>														
CE24009 - VTME Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24010 - VTME Security And Health And Safety Programmes	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24011 - VTME Operational Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24012 - Hamilton Garden Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24013 - Hamilton Garden Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24014 - Hamilton Gardens Development	LOS	(\$1,785,000)	(\$1,785,000)	(\$1,785,000)	(\$1,785,000)	(\$1,785,000)	(\$1,785,000)	\$285,000	\$0	\$0	\$0	\$0	(\$1,500,000)	\$0
CE24016 - Hamilton Zoo Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24017 - Hamilton Zoo Operational Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24018 - Hamilton Zoo And Waiwhakareke Development	LOS	(\$2,310,000)	(\$2,310,000)	(\$2,310,000)	(\$2,310,000)	(\$2,310,000)	(\$2,310,000)	\$2,060,000	\$0	\$0	\$0	\$0	(\$250,000)	(\$42,611)
CE24019 - Museum Operational Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24020 - Museum Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24021 - Collection Acquisition Fund	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24022 - Museum Development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total CE24010 - VTME Security And Health And Safety Programmes		(\$4,095,000)	(\$4,095,000)	(\$4,095,000)	(\$4,095,000)	(\$4,095,000)	(\$4,095,000)	\$2,345,000	\$0	\$0	\$0	\$0	(\$1,750,000)	(\$42,611)
<b>Wastewater</b>														
CE10100 - Wastewater pump station asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10101 - Wastewater asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10115 - Wastewater treatment plant asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15103 - Wastewater network improvements	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15104 - Wastewater pipe upgrades	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15105 - Rototuna wastewater infrastructure	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15106 - Wastewater network upgrades to allow development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15107 - Rotokauri wastewater infrastructure	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15109 - Peacocke wastewater infrastructure stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15111 - Increase capacity of wastewater network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15117 - Upgrade wastewater treatment plant	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15120 - Wastewater treatment plant compliance	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15121 - Wastewater customer connections to network	G	(\$105,000)	(\$105,000)	(\$105,000)	(\$105,000)	(\$105,000)	(\$105,000)	\$0	\$0	\$0	\$0	\$0	(\$105,000)	(\$1,813,498)
CE15160 - Wastewater model	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15161 - Wastewater master plan	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19040 - Peacocke wastewater infrastructure stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19042 - Peacocke wastewater south network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19043 - Increase capacity wastewater west network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19044 - Increase capacity wastewater east network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21073 - Subregional wastewater treatment plant	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23004 - IAF Wastewater	G	(\$1,165,379)	(\$1,165,379)	(\$1,165,379)	(\$620,000)	(\$620,000)	(\$439,753)	\$0	\$0	\$0	\$0	\$0	(\$439,753)	(\$620,000)
Total Wastewater		(\$1,270,379)	(\$1,270,379)	(\$1,270,379)	(\$725,000)	(\$725,000)	(\$544,753)	\$0	\$0	\$0	\$0	\$0	(\$544,753)	(\$2,433,498)

Attachment 4

Item 6

Capital Revenue  
As at 30 April 2025

CE Code	Type	Long Term Plan 24/25	Revised Budget as at 1 July 2024	Revised Budget as at 31 August 2024	Revised Budget as at 31 October 2024	Revised Budget as at 31 December 2024	Revised Budget as at 28 February 2025	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at 30 April 2025	Actuals as at 30 April 2025
								Current year to Future Year	Future Year to Current Year					
Water Supply														
CE10123 - Watermain renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$193,772)
CE10124 - Watermain valves and hydrants renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10138 - Treatment plant and reservoir renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15126 - Rototuna upgrade or new watermains	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15127 - Water pipe upgrades	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15128 - Rotokauri upgrade and new watermains stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15130 - Peacocke watermains stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15132 - Water network upgrades to allow new development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15133 - Water network improvements	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15134 - Water demand management - Pukete reservoir zone	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15135 - Peacocke water distribution mains stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15139 - Water Treatment Plant Compliance Minor Upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15141 - Water Demand Management Hillcrest Reservoir Zone	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15144 - Upgrade water treatment plant	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15146 - Water customer connections	G	(\$52,500)	(\$52,500)	(\$52,500)	(\$52,500)	(\$52,500)	(\$52,500)	\$0	\$0	\$0	\$0	\$0	(\$52,500)	(\$1,989,822)
CE15148 - Ruakura upgrade and new watermains	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15158 - Water model	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15159 - Water master plan	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19045 - Ruakura reservoir and associate bulk mains	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19046 - Peacocke watermains stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21036 - Rotokauri upgrade and new watermains stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23002 - IAF Water Supply	G	(\$8,333,980)	(\$8,333,980)	(\$8,333,980)	(\$4,861,278)	(\$4,861,278)	(\$4,861,278)	\$0	(\$660,765)	\$0	\$0	\$0	(\$5,522,044)	\$0
CE24030 - IAF Water Supply	LOS	(\$2,340,674)	(\$2,340,674)	(\$2,340,674)	(\$2,340,674)	(\$826,000)	(\$600,000)	\$0	\$0	\$0	\$0	\$0	(\$600,000)	\$0
Total Water Supply		(\$10,727,153)	(\$10,727,153)	(\$10,727,153)	(\$7,254,452)	(\$5,739,778)	(\$5,513,778)	\$0	(\$660,765)	\$0	\$0	\$0	(\$6,174,544)	(\$2,183,594)
Grand Total - Capital Program		(\$64,545,242)	(\$79,345,750)	(\$58,042,283)	(\$53,695,537)	(\$52,180,863)	(\$51,774,617)	\$3,745,000	(\$860,765)	\$0	\$0	\$0	(\$48,890,382)	(\$42,637,506)

# Council Report

Item 7

**Committee:** Finance and Monitoring Committee

**Date:** 24 June 2025

**Author:** Sarah Vaz

**Authoriser:** Gary Connolly

**Position:** Accounting Manager

**Position:** Chief Financial Officer

**Report Name:** Financial Performance & Strategy Report to 30 April 2025

<b>Report Status</b>	Open
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## Purpose - *Take*

1. To inform the Finance and Monitoring Committee on Council's financial performance and strategy for the ten months ended 30 April 2025.
2. To seek a recommendation from Council for approval of the capital movement as set out in Item 1 of this agenda the (*Capital Portfolio Monitoring Report*).

## Staff Recommendation - *Tuutohu-aa-kaimahi* (Recommendation to the Council)

3. That the Finance and Monitoring Committee:
  - a) receives the report; and
  - b) recommends that the Council:
    - i. approves the forecast adjustments as set out in paragraph 53 of the report including capital movements as identified in the Capital Portfolio Monitoring Report on the agenda; and
    - ii. notes the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 55 to 57 of this staff report.

## Executive Summary - *Whakaraapopototanga matua*

4. This report should be read in conjunction with the 30 April 2025 Capital Portfolio Monitoring Report on the agenda of this meeting.
5. Financial figures are presented in billions (b), millions (m) and thousands (k). To simplify the presentation of the report, values referenced may be rounded based on materiality, such as to the nearest ten thousand.

6. The Year-to-Date 30 April 2025 financial results are as follows:

Surplus/(Deficit) Result	Actual	Budget	Variance
Accounting Surplus/(Deficit)	\$38.6m	\$52.7m	(\$14.1m) ✗
Balancing the books	(\$3.5m)	(\$26.3m)	\$22.8m ✓

7. The key impacts on the unfavourable **Year-to-Date (YTD) Accounting result** compared to the favourable Balancing the books are:
- accounting revaluation adjustment of losses on interest rate swaps compared to market at a point in time, reflecting Council's current position being over current market rates. Noting gains have been recorded in previous years where the Council's position was below market rates and over time these gains and losses, which do not reflect underlay cash movements, tend to offset; and
  - losses on disposal of property plant and equipment which is an adjustment of the estimated useful life.
8. **Balancing the books result** year to date favourability represents strong operating revenue performance, controlled operational expenditure and interest and depreciation reductions as a result of the timing of capital expenditure.
9. **Operating revenue \$8.2m (excluding interest and other revenue) ✓** - \$4.1m favourable fees and charges from event activity in Destinations, consent applications and recovery of costs. The increased waste levy on class 1 landfills resulted in a favourable variance to budget of \$1.3m. This amount is transferred to reserves set aside for specific Waste Minimisation spending.
10. **Capital revenue (\$7.7m) ✗** - \$10.8m favourable New Zealand Transport Agency (NZTA) subsidies relating to Peacocke's capital work programme deferred from 2023-24, offset by the reduction in 2024-25 NZTA capital and renewal subsidies revenue and capital contributions following the deliberate slowdown in capital programme while confirming the adjusted programme.
11. **Other revenue \$1.6m ✓** – driven by insurance claims resolved, higher rental income and the non-cash revaluation of the interest free Housing Infrastructure Fund (HIF) loan, which was budgeted in June 2024, but only received in August 2024.
12. **Net interest costs \$1.9m ✓** - more cash investment on term deposit has resulted in an increase in interest revenue, resulting in a net favourable position of \$1.9m.
13. **Operating expenditure, excluding interest and depreciation \$3.0m ✓** - favourable due to the high level of staff vacancies at the start of the year as Future Fit changes were embedded and cost efficiencies achieved across rubbish and digital contracts.
14. The forecast financial results for the year to 30 June 2025 are:

Measure	Forecast	Budget	Variance
Accounting Surplus/(Deficit)	\$36.3m	\$42.7m	(\$6.4m) ✗
Balancing the books	(\$31.4m)	(\$56.3m)	\$25.3m ✓

15. The key forecast impacts causing the unfavourable movement in the accounting result in contrast to the balancing the books result are the losses on interest swaps and property, plant and equipment disposals as details in **paragraph 7** above.

16. **Work In Progress (WIP) Assessment** – management is currently reviewing the accounting implications of capital expenditure incurred in relation to the Eastern Pathways - School Link project currently held in capex WIP. No provision has currently been made in the year-end financial forecasts included in the above results for any impairment associated with this WIP. Should the capital expenditure be impaired there will be no impact on balancing the books, though it would be reflected in the surplus or deficit within the Statement of comprehensive income and expenditure.
17. The comparison between the 2024-34 Long-Term Plan and the **full year** forecast position for key ratios is:
- debt to revenue projected at 230% and favourable against a budget of 276%;
  - net debt projected at \$1.025b and favourable against a budget of \$1.236b; and
  - balancing the books of (\$31.4m) projected favourable against a budget of (\$56.3m).
18. The impacts on the Financial Strategy are outlined in **paras 55 - 57**.
19. As of 30 April 2025 Council is compliant with counterparty credit limits. Council remains compliant with all other treasury policy measures (**Attachment 3**).
20. Council's Investment and Liability Management policy sets out counterparty credit limits. This is the maximum value Council may invest with any approved counterparty. These limits have been reviewed through the 2024-34 Long-Term Plan process and therefore mitigate any instances of non-compliance in the future.
21. Council's fixed rate hedging on 30 April 2025 is 66%, within the policy parameters of 40-95%. Council's external treasury advisors Price Waterhouse Cooper (PWC) review the swap strategy monthly and provide advice to guide Council's hedging activities.
22. Council saw a loss of (\$22.6m) on the revaluation of swaps as of 30 April 2025. Falling market floating interest rates are driving losses on the Council's fixed rate borrowing instruments.
23. Staff consider the matters in this report have low significance and that the recommendations comply with Council's legal requirements.

## Discussion - *Matapaki*

### Operating Results Year to Date

24. The Statement of Comprehensive Revenue and Expense discloses the accounting result in accordance with accounting standards. The surplus of \$38.6m is (\$14.1m) unfavourable compared to the budget surplus of \$52.7m.
25. The Balancing the Books result for the year to 30 April 2025 is (\$3.5m). This is \$22.8m favourable to the budgeted deficit of (\$26.3m).

Measure	Actual	Budget	Variance
Accounting Surplus/(Deficit)	\$38.6m	\$52.7m	(\$14.1m) ✖
Balancing the books	(\$3.5m)	(\$26.3m)	\$22.8m ✔

### Operating Results Forecast

26. The forecast Balancing the Books result for the year to 30 June 2025 is (\$27.6m) deficit. This is \$29.1m favourable to the budgeted deficit of (\$56.3m).



Measure	Forecast	Budget	Variance
Accounting Surplus/(Deficit)	\$36.3m	\$42.7m	(\$14.1m) ✖
Balancing the books	(\$31.4m)	(\$56.3m)	\$25.3m ✔

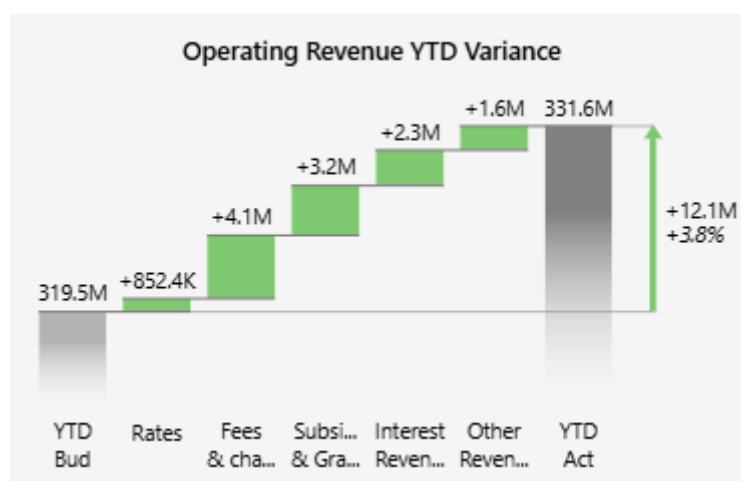
Refer to the Activity statements for details on forecast movements.

### Understanding material variances

27. The Statement of Comprehensive Revenue and Expense is in **Attachment 1**. This statement compares the result against the 2024-34 Long-Term Plan.
28. Individual Everyday Revenue and Expense statements for each of Council's activities are in **Attachment 2**.
29. Variances presented as a positive number impact the result in a favourable manner. Variances presented in brackets (\$x.xm) impact the result in an unfavourable manner.

### Operating Revenue Year to Date

30. **Total Operating Revenue \$12.1m** ✔



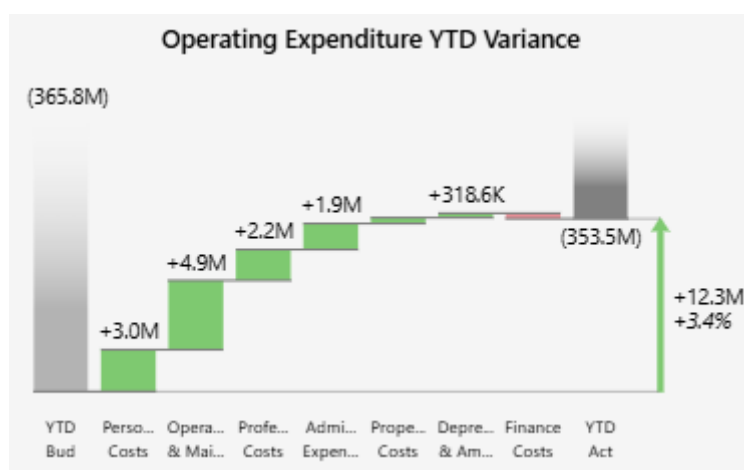
31. **Fees & charges \$4.1m** ✔ - The Destination group reported favourable variances driven by higher-than-anticipated event activity at Claudelands and increased visitor numbers at Hamilton Zoo and Gardens. Increased building consent activity in the first half of the financial year has also contributed to the favourable variance.
32. **Subsidies & Grants \$3.2m** ✔ - Waste levy revenue budgets were set prior to the expansion of proposed waste levy rates. It was unknown at the time of setting budgets what revenue would be received. The Local Waters Done Well programme is partially funded from the remaining Better-Off Grant funding in this financial year.
33. **Interest revenue \$2.3m** ✔ - Prefunded term deposits on higher market interest rates are generating slightly higher returns as part of strategic treasury management.
34. **Other revenue \$1.6m** ✔ - Insurance Claims offsetting expenditures amounting to \$0.36m have been received to date. Rental income from Council properties has exceeded expectations due to the delay in demolishing properties that are currently still leased. The final Housing Infrastructure Fund (HIF) drawdown was budgeted to occur before 30 June 2024 but was received in August 2024 resulting in the recognition of \$0.6m non-cash fair value gain. This recognises the value of the interest free loan. The change in value of the HIF loan is excluded from the balancing the books result.
35. Material variance explanations at the activity level can be found in the activity statements **Attachment 2**.

### Capital Revenue Year to Date (YTD)

36. **Total Capital Revenue (\$12.1m) ✗**
37. **Development Contributions (\$1.1m) ✗** - Development contributions are tracking slightly below budget, largely concentrated in infills and Rototuna.
38. **Capital revenue (\$7.7m) ✗** - \$10.8m of New Zealand Transport Agency (NZTA) subsidies received relating to the Peacocke's capital programme deferred from 2023-24. This somewhat offsets the reduction in NZTA subsidies resulting in a Year to Date (YTD) unfavourable variance of (\$11m), of which (\$1.7m YTD) relates to renewals that sits within balancing the books. Capital spend has been reduced in line with the reduced revenue resulting in a nil cash impact on borrowings.
39. **Vested assets (\$3.2m) ✗** – Timing and valuation of vested assets is difficult to estimate. Significant assets vested to Council relate to \$6.5m of land and infrastructure assets for Ruakura Road and 5.7m for Kwariki Drive. Vested assets are a non-cash inflow however the addition of vested assets increases operating, maintenance, and depreciation costs for Council.

### Operating Expenditure Year to Date (YTD)

40. **Total Operating Expenditure \$12.3m ✓**



41. **Personnel costs \$3.0m ✓** – Staff remuneration is \$5.2m less than budget due to staff vacancies. This is partially offset by increased casual staff and externally contracted staff costs of (\$0.3m), and (\$3.6m) reduction in capital labour recoveries due to vacancies held and delays in the transportation capital programme delivery.
42. **Operating & Maintenance costs \$4.9m ✓** – Contributors towards the favourable result include the Rubbish & Recycling Contract where lower than projected costs are materialising for the rubbish and recycling collection and initiatives targeting efficiencies in digital services costs have generated higher than anticipated savings.
43. **Professional Costs \$2.2m ✓** - Favourable results due to lower transport activity during the first six months while waiting for budget confirmation from NZTA. The successful execution of priorities within Local Waters has led to delays in other projects.
44. **Administration Expenses \$1.9m ✓** - Favourable results were achieved in software licencing costs \$2.2m, along with reduced spending on travel and accommodation, advertising and fleet related costs.

45. **Finance costs (\$0.4m) ✖** - Higher interest rates to date have resulted in the unfavourable movement in finance costs. This is offset by the increase in interest revenue, resulting in a net favourable position of \$1.9m.
46. **Depreciation \$0.3m ✔** – Overall, depreciation is slightly favourable. However, transportation depreciation is unfavourable, primarily due to increased capitalisations of higher valued renewals. This negative impact has been offset by favourable movements across other asset classes.
47. Please refer to the activity statements **Attachment 2** for material variance explanations.

#### **Gains and Losses (\$19.7m) ✖**

48. **Financial Instrument revaluations (\$22.6m) ✖** – market interest rate falls are driving losses on the Council's fixed rate borrowing instruments - see **Attachment 3** for swap interest rate movement. Gains of \$3.9m are projected for the remainder of the financial year as our swap profiles change. The 30 June 2025 forecast mark-to-market value of Council's Interest Rate Swaps is a net liability of (\$11.9m) which is expected to bring the annual movement to (\$18.7m).
49. **Loss on disposal of assets (\$3.9m) ✖** - Key losses to-date relate to the following works being undertaken resulting in the disposal of existing assets: Stormwater upgrades to Ruakura Road (\$267k), other waters infrastructure renewals and upgrades (\$2.2m) including water connections and those impacted through new developer lead upgrades, new drainage and irrigation across multiple sports parks (\$239k), fleet renewals (\$233k) and multiple building asset components (\$472k).

#### **Treasury Management**

50. The table below sets out Council's compliance with the Investment and Liability Management Policy (Council Policy) as of 30 April 2025.

<b>Investment and Liability Management</b>		
<b>Measure</b>	<b>Compliant</b>	<b>Required by</b>
Fixed Rate Debt Maturity	✔	Council Policy
Funding Maturity	✔	Council Policy
Counterparty Credit Risk	✔	Council Policy
Liquidity	✔	Local Government Funding Agency (LGFA)
Debt/ Revenue	✔	LGFA
Interest Cost/ Rates Revenue	✔	LGFA
Interest Cost/ Total Revenue	✔	LGFA

#### **Interest Rate Risk Management**

51. The movement on interest rate swaps relates to valuations completed at a point in time. These are based on Council's total external debt and the difference between current market interest rates and the fixed rates that Council has locked in. They are unrealised because, on maturity of each interest rate swap contract, no interest gain or loss eventuates.
52. The general principle of swaps is that over the lifetime of the swap, the value of losses and gains occurred over the lifetime will equal nil.
53. As of 30 April 2025 Council's fixed rate hedging is 66%. This falls within our debt interest rate policy parameters which requires a minimum fixed rate of 40% and a maximum fixed rate of 95%.



## Financial Strategy

54. Any changes in significant forecasting assumptions will result in changes to the Financial Strategy outcomes. These assumptions will be considered and, if necessary, adjusted in each Annual Plan or amended Long-Term Plan.

### Financial Strategy Graphs

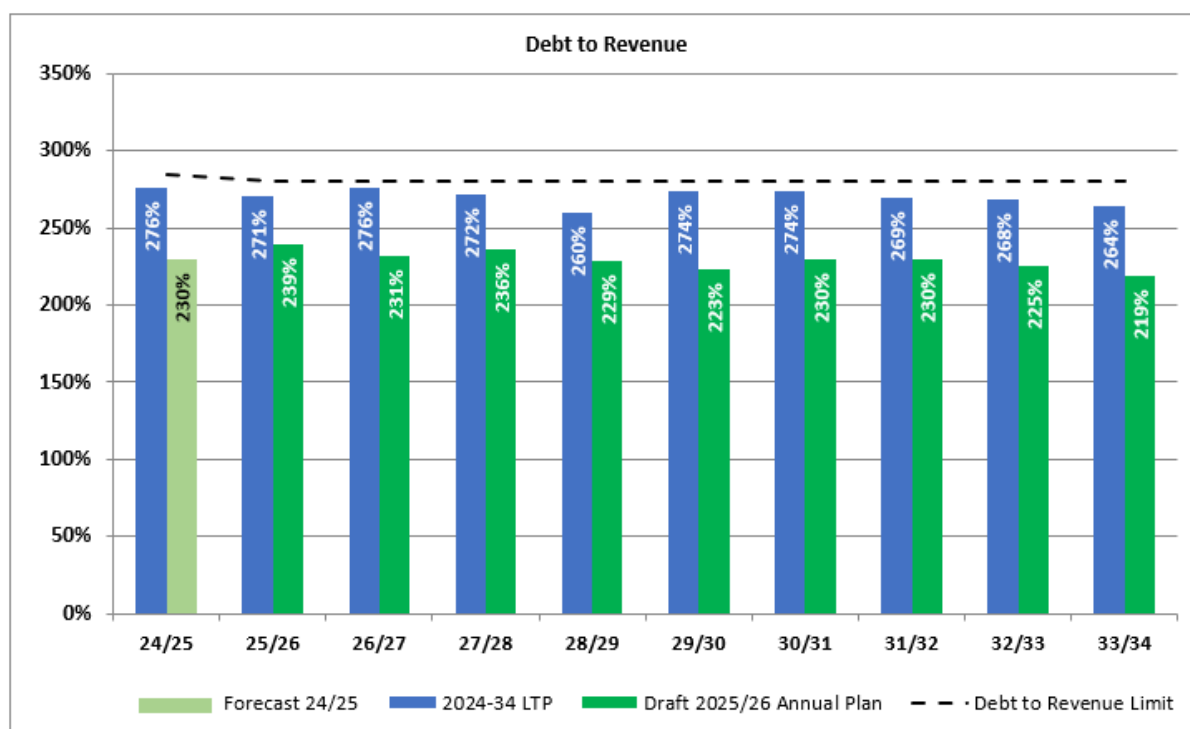
55. The following graphs show the 2024-34 Long-Term Plan budgets and actual result as set out earlier in this report.

The projected movement in debt to revenue and net debt in 2024-25 is a result of:

- the favourable opening position for the 2024-25 financial year, as a result of increased cash on hand, capital deferrals and a favourable balance sheet payables position;
  - the 2024-25 balancing the books result;
  - capital revenue, capital savings, re-phasing, and delay deferrals from 2024-25 to and from future years as detailed in the Capital Portfolio Monitoring Report;
  - the loss of NZTA subsidy revenue in years 2024-25 to 2026-27, as detailed in the Infrastructure and Transport Committee on 26 September 2024; and
  - a reduction in Council's Transport capital expenditure equivalent to the assumed NZTA subsidy revenue loss in years 2024-25 to 2026-27 (effectively retaining local share only).
56. The results in the following charts now reflect the projected forecasts as presented to Council's Annual Plan Deliberations on 29 May 2025.

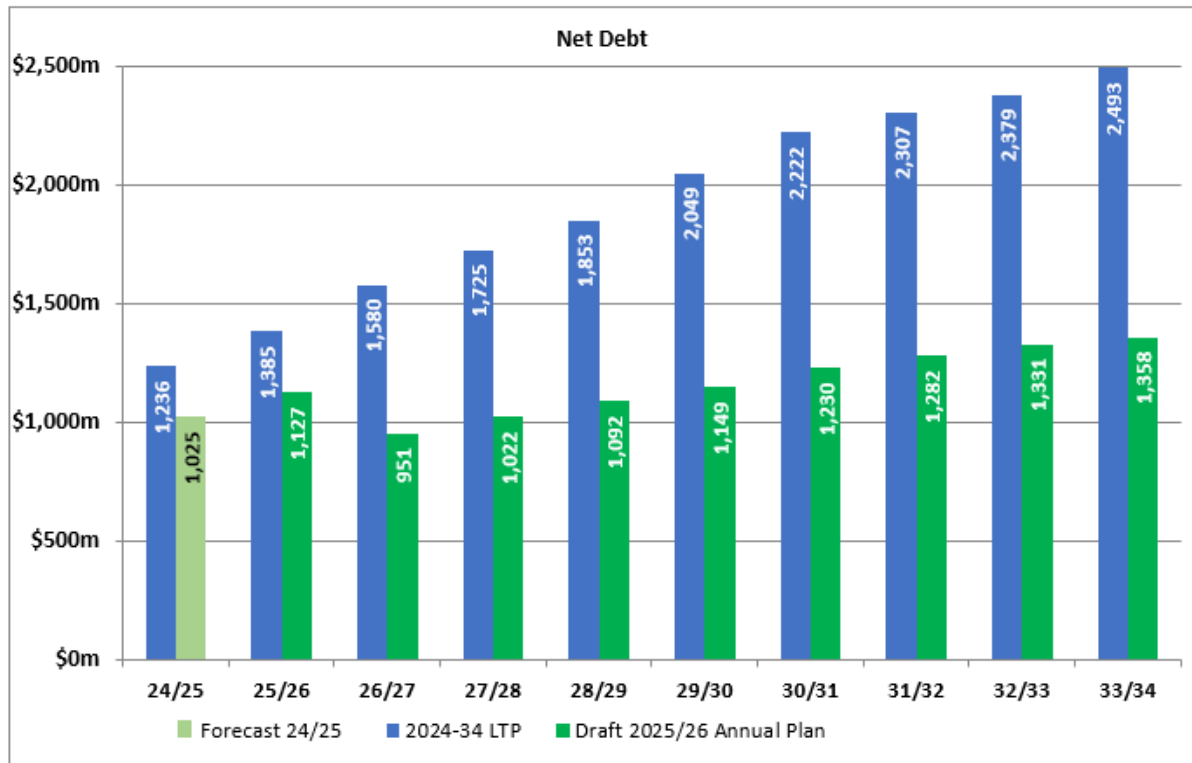
### Debt to Revenue

57. The forecast Debt to Revenue ratio of 230% is favourable against a budget of 276%.



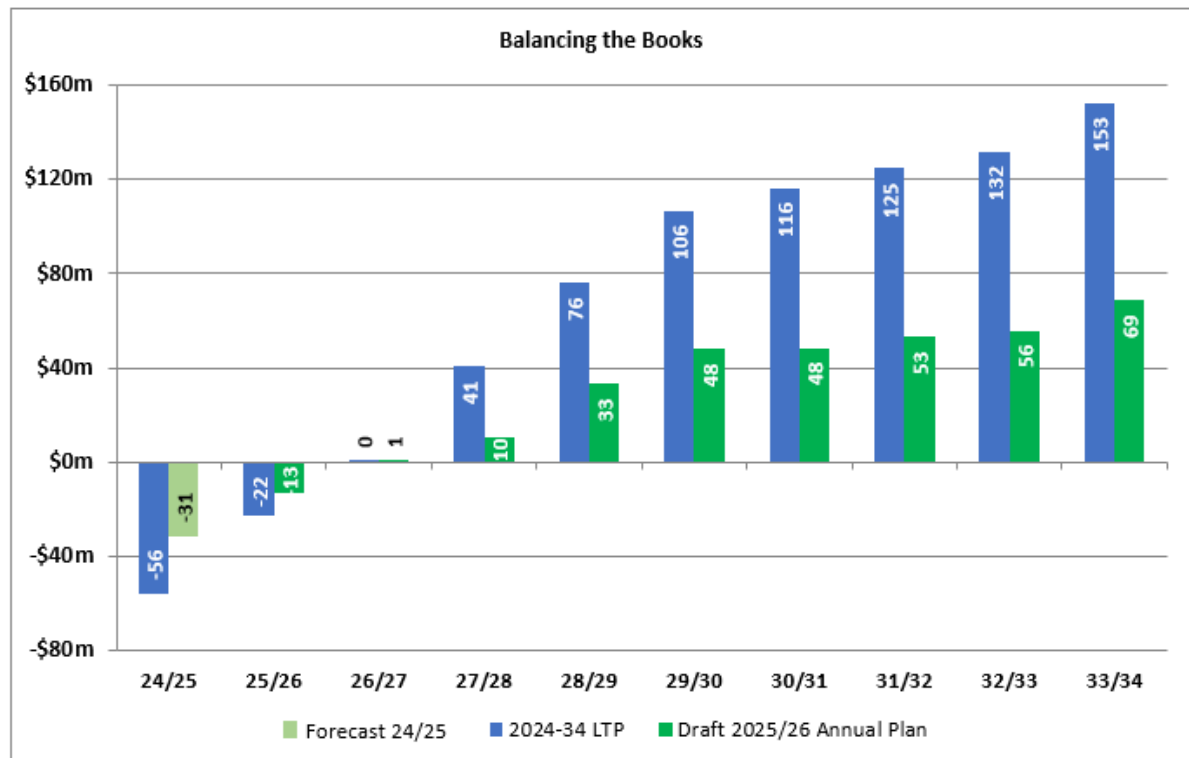
## Net Debt

58. The forecast net debt for 2024-25 of \$1.025b is favourable against a budget of \$1.236b.



## Balancing the Books

59. The forecast balancing the books deficit is (\$31m) and is favourable against a budget of (\$56m).



## **Legal and Policy Considerations - Whaiwhakaaro-aa-ture**

- 60. Staff confirm that matters in this report complies with Council's legal and policy requirements.
- 61. Staff have also considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matters in this report.

## **Wellbeing Considerations - Whaiwhakaaro-aa-oranga tonutanga**

- 62. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
- 63. The subject matter of this report has been evaluated in terms of 'the 4 wellbeings' during the process of developing this report.
- 64. The recommendations set out in this report are consistent with that purpose.
- 65. Economic wellbeing is managed through the efficient monitoring of Council's financial results. Diligent management of Council's budget and regular review of forecasts is required to ensure Council is operating effectively and policy compliance is met.
- 66. The environmental, social, and cultural wellbeings are not directly impacted by the annual monitoring report. However, the efficient review and management of Council's financial position supports the wider business in their delivery of key objectives that enhance these wellbeings.

## **Risks - Tuuraru**

- 67. There are no known risks associated with the decisions of this report.

## **Significance & Engagement Policy - Kaupapa here whakahira/anganui**

- 68. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have low significance. Given the low level of significance determined, the engagement level is low. No engagement is required.

## **Attachments - Ngaa taapirihanga**

Attachment 1 - Statement of Comprehensive Revenue and Expense 30 April 2025

Attachment 2 - Council Activity Statements 30 April 2025

Attachment 3 - Treasury Position 30 April 2025

## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

### FOR THE PERIOD ENDED 30 APRIL 2025

Attachment 1

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
211,521	Rates	251,549	250,697	852	302,672	83%	303,454	783
42,061	Fees & Charges	44,647	40,531	4,116	50,052	89%	56,862	6,810
21,780	Subsidies & Grants	14,400	11,158	3,242	12,316	117%	15,062	2,746
14,467	Interest Revenue	12,442	10,137	2,305	12,163	102%	13,208	1,045
23,691	Other Revenue	8,584	7,017	1,567	8,173	105%	10,629	2,456
<b>313,520</b>	<b>TOTAL OPERATING REVENUE</b>	<b>331,623</b>	<b>319,539</b>	<b>12,084</b>	<b>385,375</b>	<b>86%</b>	<b>399,215</b>	<b>13,840</b>
<b>Capital Revenue</b>								
26,735	Development Contributions	16,496	17,647	(1,151)	21,174	78%	21,174	-
46,248	Capital Revenue	42,638	50,379	(7,742)	64,545	66%	48,890	(15,655)
47,750	Vested Assets	27,423	30,627	(3,204)	36,750	75%	36,750	-
<b>120,733</b>	<b>TOTAL CAPITAL REVENUE</b>	<b>86,557</b>	<b>98,653</b>	<b>(12,097)</b>	<b>122,469</b>	<b>71%</b>	<b>106,814</b>	<b>(15,655)</b>
<b>434,253</b>	<b>TOTAL REVENUE</b>	<b>418,179</b>	<b>418,192</b>	<b>(13)</b>	<b>507,845</b>	<b>82%</b>	<b>506,030</b>	<b>(1,815)</b>
<b>Expenditure</b>								
97,308	Personnel Costs	103,084	106,066	2,983	132,650	78%	129,245	3,405
67,075	Operating & Maintenance Costs	67,706	72,637	4,931	100,784	67%	92,944	7,840
8,887	Professional Costs	8,008	10,211	2,203	16,950	47%	14,006	2,944
21,556	Administration Expenses	18,939	20,806	1,866	25,520	74%	23,769	1,751
13,122	Property Costs	14,325	14,741	416	16,812	85%	16,645	167
46,588	Finance Costs	50,759	50,371	(388)	61,248	83%	59,999	1,249
90,897	Depreciation & Amortisation Expense	90,630	90,949	319	112,104	81%	111,391	713
<b>345,434</b>	<b>TOTAL EXPENDITURE</b>	<b>353,451</b>	<b>365,780</b>	<b>12,329</b>	<b>466,068</b>	<b>76%</b>	<b>447,998</b>	<b>18,071</b>
<b>88,819</b>	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>64,728</b>	<b>52,412</b>	<b>12,316</b>	<b>41,776</b>	<b>155%</b>	<b>58,032</b>	<b>16,256</b>
<b>Gains and Losses</b>								
45	Gain/(Loss) on revaluation of interest rate swaps	(22,629)	-	(22,629)	-	-	(18,723)	(18,723)
	Gain/(Loss) on fair value of investment properties	-	270	(270)	-	-	915	915
(3,024)	Gain/(Loss) on property, plant and equipment	(3,493)	-	(3,493)	915	(382%)	(3,970)	(4,885)
<b>(2,978)</b>	<b>TOTAL GAINS AND LOSSES</b>	<b>(26,122)</b>	<b>270</b>	<b>(26,392)</b>	<b>915</b>	<b>(2855%)</b>	<b>(21,778)</b>	<b>(22,693)</b>
<b>85,841</b>	<b>TOTAL SURPLUS/(DEFICIT)</b>	<b>38,606</b>	<b>52,682</b>	<b>(14,076)</b>	<b>42,691</b>	<b>90%</b>	<b>36,254</b>	<b>(6,437)</b>

Refer to Activity Statements for variances against budget.

## BALANCING THE BOOKS RESULT

### FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>85,841</b>	<b>Surplus/(Deficit)</b>	<b>38,606</b>	<b>52,682</b>	<b>(14,076)</b>	<b>42,691</b>	<b>90%</b>	<b>36,254</b>	<b>(6,437)</b>
<b>Remove capital revenue</b>								
(47,750)	Vested assets	(27,423)	(30,627)	3,204	(36,750)	75%	(36,750)	-
(17,378)	Part of Development and Financial contributions	(11,547)	(12,353)	805	(14,822)	78%	(14,822)	-
(24,728)	Capital Subsidy (excluding subsidy on transport renewals)	(18,578)	(27,946)	9,368	(33,532)	55%	(20,695)	12,838
(11,688)	Other Capital Contributions & Grants	(15,193)	(11,851)	(3,342)	(18,315)	83%	(22,747)	(4,432)
(16,168)	Other items not considered everyday operating revenue	(3,493)	(479)	(3,013)	(583)	599%	(3,243)	(2,660)
<b>Remove (gains)/losses</b>								
2,978	All Gains/(Losses)	26,122	(270)	26,392	(915)	(2855%)	21,778	22,693
<b>Remove other expenses</b>								
9,607	Other items not considered everyday operating expenses	8,014	4,586	3,428	5,928	135%	8,832	2,904
<b>(19,285)</b>	<b>EVERYDAY SURPLUS/(DEFICIT)</b>	<b>(3,492)</b>	<b>(26,258)</b>	<b>22,766</b>	<b>(56,298)</b>	<b>6%</b>	<b>(31,392)</b>	<b>24,906</b>

## FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
211,521	Rates**	251,549	250,697	852	302,672	83%	303,454	783
42,061	Fees & Charges	44,647	40,531	4,116	50,052	89%	56,862	6,810
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14,467	Interest Revenue	12,442	10,137	2,305	12,163	102%	13,208	1,045
23,691	Other Revenue	8,584	7,017	1,567	8,173	105%	10,629	2,456
<b>313,520</b>	<b>Total Operating Revenue</b>	<b>331,623</b>	<b>319,539</b>	<b>12,084</b>	<b>385,375</b>	<b>86%</b>	<b>399,215</b>	<b>13,840</b>
<b>Operating Expenditure</b>								
97,308	Personnel Costs	103,084	106,066	2,983	132,650	78%	129,245	3,405
67,075	Operating & Maintenance Costs	67,706	72,637	4,931	100,784	67%	92,944	7,840
8,887	Professional Costs	8,008	10,211	2,203	16,950	47%	14,006	2,944
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46,588	Finance Costs**	50,759	50,371	(388)	61,248	83%	59,999	1,249
90,897	Depreciation & Amortisation Expense**	90,630	90,949	319	112,104	81%	111,391	713
2,978	Gains & Losses	26,122	(270)	(26,392)	(915)	(2855%)	21,778	(22,693)
<b>348,413</b>	<b>Total Operating Expenditure</b>	<b>379,573</b>	<b>365,510</b>	<b>(14,063)</b>	<b>465,153</b>	<b>82%</b>	<b>469,776</b>	<b>(4,623)</b>
<b>(34,892)</b>	<b>Operating Surplus/(Deficit)*</b>	<b>(47,951)</b>	<b>(45,971)</b>	<b>(1,979)</b>	<b>(79,778)</b>	<b>60%</b>	<b>(70,561)</b>	<b>9,218</b>
<b>Capital Revenue</b>								
26,735	Development Contributions**	16,496	17,647	(1,151)	21,174	78%	21,174	-
46,248	Capital Revenue**	42,638	50,379	(7,742)	64,545	66%	48,890	(15,655)
47,750	Vested Assets**	27,423	30,627	(3,204)	36,750	75%	36,750	-
<b>120,733</b>	<b>Total Capital Revenue</b>	<b>86,557</b>	<b>98,653</b>	<b>(12,097)</b>	<b>122,469</b>	<b>71%</b>	<b>106,814</b>	<b>(15,655)</b>
<b>85,841</b>	<b>Total Surplus/(Deficit)</b>	<b>38,606</b>	<b>52,682</b>	<b>(14,076)</b>	<b>42,691</b>	<b>90%</b>	<b>36,254</b>	<b>(6,437)</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

#### Material variances between YTD Actual and YTD Budget explained below:

##### Rates\*\*: \$852k favourable.

The favourability is due to capital value growth, mainly due to subdivision, building work and commercial growth, that was higher than forecast.

##### Interest Revenue: \$2,305k favourable.

Pre-funded term deposits on higher market interest rates are generating slightly higher returns as part of strategic treasury management.

##### Finance Costs\*\*: (\$388k) unfavourable.

Higher interest rates to date have resulted in the unfavourable movement in finance costs. This is offset by the increase in interest revenue, resulting in a net favourable position of \$1,917k.

##### Depreciation & Amortisation Expense\*\*: \$319k favourable.

Overall, depreciation is slightly favourable. However, transportation depreciation is unfavourable, primarily due to increased capitalisations of higher valued renewals. This negative impact has been offset by favourable movements across other asset classes.

##### Gains & Losses: (\$26,392k) unfavourable.

Financial Instrument revaluations (\$22.6m). Falling market floating interest rates are driving losses on the Council's fixed rate borrowing instruments.

Losses on disposal of assets (\$3.9m). Key losses to-date relate to the following works being undertaken resulting in the disposal of existing assets: Stormwater upgrades to Ruakura Road (\$267k), other waters infrastructure renewals and upgrades (\$2.2m) including water connections and those impacted through new developer lead upgrades, new drainage and irrigation across multiple sports parks (\$239k), fleet renewals (\$233k) and multiple building asset components (\$472k).

##### Development Contributions\*\*: (\$1,151k) unfavourable.

Development contributions are tracking above budget. Current revenue received is largely concentrated in infills and Rototuna.

##### Capital Revenue\*\*: (\$7,742k) unfavourable.

\$10.8m of NZTA subsidies relating to Peacocke's capital work programme deferred from 2023-24 have been received. This has been offset by the expected reduction in NZTA capital revenue as reflected in the forecast.

##### Vested Assets\*\*: (\$3,204k) unfavourable.

Timing and valuation of vested assets is difficult to estimate. Significant assets vested to Council relate to land with respect to Cumberland Drive \$5.9m and Kwariki Drive \$2.3m as well as transportation infrastructure of \$2m in Kwariki Drive.

#### Material variances between Annual Budget and Forecast explained below:

##### Rates\*\*: \$783k favourable.

Refer to comment above.

##### Interest Revenue: \$1,045k favourable.

This favourability has been generated through strategic treasury management, including entering into favourable Term Deposit agreements before the reduction of the OCR rate.

##### Finance Costs\*\*: \$1,249k favourable.

Finance costs are forecast to be favourable to budget at year end as a result of Council's lower debt position, and the resetting of some of the higher rate swaps later on in the year.

##### Depreciation & Amortisation Expense\*\*: \$713k favourable.

Depreciation is expected to be favourable at year end, the favourability represents 1% of the depreciation budget.

##### Gains & Losses: (\$22,693k) unfavourable.

Financial Instrument revaluations are currently generating an unrealised loss of (\$22.6m). As interest rates fall it drives losses on the Council's fixed rate borrowing instruments. However, gains of \$3.9m are projected for the remainder of the financial year as higher fixed rate swaps fall off with the 30 June 2025 forecast mark-to-market value of Council's Interest Rate Swaps being a loss of (\$11.9m). The forecast also takes into account the key losses-to-date for renewal works as mentioned above.

##### Capital Revenue\*\*: (\$15,655k) unfavourable.

The unfavourability of the forecast largely relates to the confirmed reduction in NZTA subsidies, refer to the capital monitoring report.

## FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
15,419	Rates**	23,050	22,991	59	27,596	84%	27,702	106
3,827	Fees & Charges	4,609	4,313	296	5,219	88%	5,409	189
95	Subsidies & Grants	6	2	5	2	310%	4	2
498	Interest Revenue**	500	408	93	489	102%	525	36
52	Other Revenue	53	47	6	56	95%	59	3
<b>19,891</b>	<b>Total Operating Revenue</b>	<b>28,219</b>	<b>27,760</b>	<b>458</b>	<b>33,362</b>	<b>85%</b>	<b>33,698</b>	<b>336</b>
<b>Operating Expenditure</b>								
10,093	Personnel Costs	11,888	11,748	(140)	14,190	84%	13,628	562
2,048	Operating & Maintenance Costs	1,978	2,034	56	3,036	65%	2,952	83
87	Professional Costs	91	115	24	192	48%	133	59
680	Administration Expenses	687	702	15	995	69%	938	57
1,083	Property Costs	1,303	1,140	(163)	1,346	97%	1,627	(281)
1,557	Finance Costs**	1,920	1,863	(57)	2,235	86%	2,248	(13)
5,279	Depreciation & Amortisation Expense**	4,863	5,310	447	6,371	76%	6,394	(23)
271	Gains & Losses	10	-	(10)	-	-	10	(10)
<b>21,099</b>	<b>Total Operating Expenditure</b>	<b>22,740</b>	<b>22,913</b>	<b>173</b>	<b>28,365</b>	<b>80%</b>	<b>27,930</b>	<b>435</b>
<b>(1,208)</b>	<b>Operating Surplus/(Deficit)*</b>	<b>5,479</b>	<b>4,848</b>	<b>631</b>	<b>4,997</b>	<b>110%</b>	<b>5,767</b>	<b>770</b>
<b>Capital Revenue</b>								
	Capital Revenue**	-	-	-	-	-	-	-
	<b>Total Capital Revenue</b>	-	-	-	-	-	-	-
<b>(1,208)</b>	<b>Total Surplus/(Deficit)</b>	<b>5,479</b>	<b>4,848</b>	<b>631</b>	<b>4,997</b>	<b>110%</b>	<b>5,767</b>	<b>770</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

## Material variances between YTD Actual and YTD Budget explained below:

**Fees & Charges: \$296k favourable.**

The activity has had strong performance against revenue targets YTD. This has been driven by an increase in printing and usage of library facilities such as meeting rooms, and higher than budgeted LIM requests \$259k.

**Personnel Costs: (\$140k) unfavourable.**

Personnel costs are higher than budgeted due to high staff retention rates, and the safety critical nature of pools roles. As a result, savings from vacancies will not be realised. This is also reflected in the forecast to budget at year-end.

**Property Costs: (\$163k) unfavourable.**

As a result of natural gas shortages nationally, contracted rates have increased resulting in additional gas charges.

## Material variances between Annual Budget and Forecast explained below:

**Fees & Charges: \$189k favourable.**

Refer to comment above.

**Personnel Costs: \$562k favourable.**

A provision of \$600k for the resolution of pay equity claim has been released in line with the recent Equal Pay Amendment Act 2025.

**Property Costs: (\$281k) unfavourable.**

Forecasts have been updated to reflect the increase in gas costs discussed above.



## FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
32,764	Rates**	38,874	38,622	252	46,441	84%	46,680	239
12,463	Fees & Charges	13,062	10,439	2,623	12,269	106%	15,834	3,566
449	Subsidies & Grants	88	80	8	98	90%	98	-
1,006	Interest Revenue**	947	771	175	926	102%	1,093	167
941	Other Revenue	1,071	998	73	1,220	88%	1,241	21
<b>47,623</b>	<b>Total Operating Revenue</b>	<b>54,042</b>	<b>50,910</b>	<b>3,132</b>	<b>60,953</b>	<b>89%</b>	<b>64,946</b>	<b>3,993</b>
<b>Operating Expenditure</b>								
14,985	Personnel Costs	15,682	15,711	28	19,418	81%	19,788	(370)
9,882	Operating & Maintenance Costs	8,822	8,828	6	10,928	81%	11,873	(945)
257	Professional Costs	177	235	59	357	50%	399	(42)
8,502	Administration Expenses	2,473	2,446	(26)	4,332	57%	4,478	(146)
2,183	Property Costs	2,436	2,489	53	2,786	87%	2,907	(121)
3,144	Finance Costs**	3,635	3,527	(108)	4,232	86%	4,256	(25)
9,294	Depreciation & Amortisation Expense**	9,597	9,965	368	11,957	80%	11,847	111
210	Gains & Losses	115	-	(115)	-	-	115	(115)
<b>48,457</b>	<b>Total Operating Expenditure</b>	<b>42,936</b>	<b>43,201</b>	<b>265</b>	<b>54,010</b>	<b>79%</b>	<b>55,662</b>	<b>(1,653)</b>
<b>(834)</b>	<b>Operating Surplus/(Deficit)*</b>	<b>11,106</b>	<b>7,708</b>	<b>3,397</b>	<b>6,944</b>	<b>160%</b>	<b>9,284</b>	<b>2,340</b>
<b>Capital Revenue</b>								
722	Capital Revenue**	43	-	43	4,095	1%	1,750	(2,345)
<b>722</b>	<b>Total Capital Revenue</b>	<b>43</b>	<b>-</b>	<b>43</b>	<b>4,095</b>	<b>1%</b>	<b>1,750</b>	<b>(2,345)</b>
<b>(113)</b>	<b>Total Surplus/(Deficit)</b>	<b>11,148</b>	<b>7,708</b>	<b>3,440</b>	<b>11,039</b>	<b>101%</b>	<b>11,034</b>	<b>(5)</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

#### Material variances between YTD Actual and YTD Budget explained below:

##### Fees & Charges: \$2,623k favourable.

Increased event activity at the H3 venues, and Gardens and Zoo paid admission tracking slightly above budget, has led to a favourable variance.

##### Gains & Losses: (\$115k) unfavourable.

The loss on disposal of assets relates to works undertaken as part of the renewals programme. This included renewals at the Zoo for the Spider monkey boardwalk, Tuatara exhibit mesh, and fridge/freezers. These losses were unbudgeted.

#### Material variances between Annual Budget and Forecast explained below:

##### Fees & Charges: \$3,566k favourable.

We are expecting to continue on with our favourable trend of unbudgeted event revenue, resulting in a further \$943k of favourability in Fees & Charges for May and June.

##### Personnel Costs: (\$370k) unfavourable.

Whilst personnel costs are slightly favourable for the YTD, this favourability is forecast to disappear with other staff related costs incurred, along with casual staff demands with increased event and visitor activity across the destinations.

##### Operating & Maintenance Costs: (\$945k) unfavourable.

Increased event revenue (in Fees & Charges above) has created increased event costs, resulting in a forecast higher than budget. This will be slightly offset by maintenance underspend due to the reduced requirement for reactive maintenance this year.

##### Administration Expenses: (\$146k) unfavourable.

A donation was made from the Zoo Conservation Reserve to fund research work by the University of Arizona into the impact of eco-tourism on the extinction risk of species. This donation was unbudgeted, but fully funded by the Zoo's Conservation Reserve, which collects \$1 from each admission ticket. There were also unbudgeted software costs and bank transaction fees relating to the transition to the new Roller Admission/Point of Sale system introduced across the three destination sites this year. Printing costs will also be higher than budgeted due to the larger number of Annual Pass cards needing to be printed for paid entry at Hamilton Gardens.

##### Property Costs: (\$121k) unfavourable.

Due to gas charges being higher on the new gas contract (\$50k at Claudelands) and higher electricity costs (\$43k) at Hamilton Zoo due to new heating and ventilation units in the Chimpanzee House.

##### Gains & Losses: (\$115k) unfavourable.

Refer to comment above.

## Attachment 2

## GOVERNANCE

Democracy Services | Mayor's Office | Mayoral Support Services

## FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
2,504	Rates**	2,808	2,794	14	3,352	84%	3,370	17
-	Fees & Charges	-	-	-	-	-	1	1
-	Subsidies & Grants	-	-	-	-	-	-	-
-	Interest Revenue**	-	-	-	-	-	-	-
2	Other Revenue	-	-	-	-	-	-	-
<b>2,506</b>	<b>Total Operating Revenue</b>	<b>2,808</b>	<b>2,794</b>	<b>14</b>	<b>3,352</b>	<b>84%</b>	<b>3,371</b>	<b>18</b>
<b>Operating Expenditure</b>								
431	Personnel Costs	375	370	(6)	460	82%	460	(1)
7	Operating & Maintenance Costs	7	4	(3)	14	51%	21	(7)
295	Professional Costs	206	224	19	392	52%	432	(40)
1,328	Administration Expenses	1,350	1,421	71	1,855	73%	1,824	32
-	Property Costs	-	-	-	-	-	-	-
-	Finance Costs**	-	-	-	-	-	-	-
-	Depreciation & Amortisation Expense**	-	-	-	-	-	-	-
-	Gains & Losses	-	-	-	-	-	-	-
<b>2,060</b>	<b>Total Operating Expenditure</b>	<b>1,938</b>	<b>2,018</b>	<b>80</b>	<b>2,721</b>	<b>71%</b>	<b>2,737</b>	<b>(16)</b>
<b>445</b>	<b>Operating Surplus/(Deficit)*</b>	<b>870</b>	<b>776</b>	<b>94</b>	<b>631</b>	<b>138%</b>	<b>634</b>	<b>3</b>
<b>445</b>	<b>Total Surplus/(Deficit)</b>	<b>870</b>	<b>776</b>	<b>94</b>	<b>631</b>	<b>138%</b>	<b>634</b>	<b>3</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation &amp; Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

## Material variances between YTD Actual and YTD Budget explained below:

No material variances to report.

## Material variances between Annual Budget and Forecast explained below:

No material variances to report.

## FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
10,595	Rates**	10,459	10,427	32	12,515	84%	12,565	50
2,617	Fees & Charges	2,937	2,183	754	2,617	112%	3,327	709
241	Subsidies & Grants	35	-	35	-	-	35	35
96	Interest Revenue**	42	34	8	41	102%	44	3
2,051	Other Revenue	2,104	1,689	415	2,035	103%	2,422	387
<b>15,600</b>	<b>Total Operating Revenue</b>	<b>15,577</b>	<b>14,334</b>	<b>1,243</b>	<b>17,209</b>	<b>91%</b>	<b>18,394</b>	<b>1,185</b>
<b>Operating Expenditure</b>								
8,253	Personnel Costs	8,415	9,143	729	11,304	74%	10,649	655
788	Operating & Maintenance Costs	843	851	8	971	87%	940	31
3,130	Professional Costs	2,003	2,192	189	3,135	64%	2,913	222
698	Administration Expenses	465	753	288	1,049	44%	823	227
236	Property Costs	229	245	16	249	92%	261	(13)
(925)	Finance Costs**	(918)	158	1,076	189	(486%)	(1,372)	1,561
18	Depreciation & Amortisation Expense**	11	19	8	22	48%	13	9
(489)	Gains & Losses	(477)	(270)	207	(915)	52%	(915)	( )
<b>11,710</b>	<b>Total Operating Expenditure</b>	<b>10,569</b>	<b>13,090</b>	<b>2,521</b>	<b>16,005</b>	<b>66%</b>	<b>13,313</b>	<b>2,692</b>
<b>3,891</b>	<b>Operating Surplus/(Deficit)*</b>	<b>5,008</b>	<b>1,245</b>	<b>3,764</b>	<b>1,204</b>	<b>416%</b>	<b>5,081</b>	<b>3,877</b>
<b>Capital Revenue</b>								
	Capital Revenue**	-	-	-	-	-	-	-
	<b>Total Capital Revenue</b>							
<b>3,891</b>	<b>Total Surplus/(Deficit)</b>	<b>5,008</b>	<b>1,245</b>	<b>3,764</b>	<b>1,204</b>	<b>416%</b>	<b>5,081</b>	<b>3,877</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

#### Material variances between YTD Actual and YTD Budget explained below:

##### Fees & Charges: \$754k favourable.

A new fee charge for simple or complex notice of requirements and plan changes was introduced, as well as receiving contributions to Council's growth planning costs from developers. Remaining favourability coming from recoveries from private plan changes and charges as well as extra planning fees beyond deposit.

##### Other Revenue: \$415k favourable.

Variance mostly relates to rental income from properties for which budget was removed based on uncertainty of future revenue due to potential demolition.

##### Personnel Costs: \$729k favourable.

Variance relates to vacancies held across the group, which is partially offset by externally contracted staff expenses, as well as higher capital internal recoveries with labour being charged to capital projects.

##### Professional Costs: \$189k favourable.

Variance in professional costs relates to cost savings in consultant spend due to more work being done in-house, as well as reprioritisation of projects. This also includes a reduction in legal spend year-to-date.

##### Administration Expenses: \$288k favourable.

Cost savings have been identified in advertising, promotion, and engagement expenses, as well as printing costs, due to increased opportunities for utilising technology in communication for example, information sent with rates billing.

#### Material variances between Annual Budget and Forecast explained below:

##### Fees & Charges: \$709k favourable.

Refer to comment above.

##### Other Revenue: \$387k favourable.

Refer to comment above.

##### Personnel Costs: \$655k favourable.

Refer to comment above.

##### Professional Costs: \$222k favourable.

Refer to comment above.

##### Administration Expenses: \$227k favourable.

Refer to comment above.

Attachment 2

## PARKS AND RECREATION

Parks | Cemeteries and Crematorium | Nursery | Community Facilities

FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
23,899	Rates**	28,845	28,812	33	34,575	83%	34,630	55
4,432	Fees & Charges	4,780	4,729	51	5,964	80%	6,058	94
1,590	Subsidies & Grants	20		20	-	-	18	18
1,088	Interest Revenue**	1,264	1,030	234	1,236	102%	1,326	90
213	Other Revenue	238	149	89	177	134%	289	112
<b>31,222</b>	<b>Total Operating Revenue</b>	<b>35,146</b>	<b>34,720</b>	<b>426</b>	<b>41,952</b>	<b>84%</b>	<b>42,321</b>	<b>370</b>
<b>Operating Expenditure</b>								
9,708	Personnel Costs	9,991	10,157	166	12,578	79%	12,367	212
5,751	Operating & Maintenance Costs	5,672	5,644	(28)	8,476	67%	8,197	279
479	Professional Costs	295	520	225	1,574	19%	1,115	460
401	Administration Expenses	471	556	85	642	73%	590	52
508	Property Costs	604	594	(9)	698	86%	708	(10)
7,598	Finance Costs**	4,853	4,709	(144)	5,650	86%	5,683	(33)
6,075	Depreciation & Amortisation Expense**	6,310	6,598	288	7,917	80%	7,999	(82)
1,609	Gains & Losses	607	-	(607)	-	-	607	(607)
<b>32,127</b>	<b>Total Operating Expenditure</b>	<b>28,802</b>	<b>28,777</b>	<b>(25)</b>	<b>37,536</b>	<b>77%</b>	<b>37,265</b>	<b>272</b>
<b>(905)</b>	<b>Operating Surplus/(Deficit)*</b>	<b>6,344</b>	<b>5,942</b>	<b>402</b>	<b>4,415</b>	<b>144%</b>	<b>5,057</b>	<b>641</b>
<b>Capital Revenue</b>								
925	Development Contributions**	524	545	(21)	654	80%	654	-
855	Capital Revenue**	5	-	5	-	-	-	-
9,202	Vested Assets**	3,400	-	3,400	-	-	3,400	3,400
<b>10,981</b>	<b>Total Capital Revenue</b>	<b>3,929</b>	<b>545</b>	<b>3,384</b>	<b>654</b>	<b>601%</b>	<b>4,054</b>	<b>3,400</b>
<b>10,076</b>	<b>Total Surplus/(Deficit)</b>	<b>10,273</b>	<b>6,487</b>	<b>3,786</b>	<b>5,069</b>	<b>203%</b>	<b>9,111</b>	<b>4,042</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation &amp; Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

**Material variances between YTD Actual and YTD Budget explained below:****Personnel Costs: \$166k favourable.**

Favourable variance due to vacancies and staff secondment opportunities, recruitment is underway.

**Professional Costs: \$225k favourable.**

Refer commentary below.

**Gains & Losses: (\$607k) unfavourable.**

Upgrades have been made across 16 parks resulting in losses of (\$450k).

Disposal of Elliot Park Toilets &amp; Changing Rooms (\$139k) - the vesting of the old changing rooms and public toilets to Western Community Centre was approved at the 12 November 2024, Community and Natural Environment Committee meeting.

**Material variances between Annual Budget and Forecast explained below:****Other Revenue: \$112k favourable.**

Increased income from new fees &amp; charges (effective this financial year) combined with an unbudgeted parks insurance claim received from arson damage \$17k.

**Personnel Costs: \$212k favourable.**

Refer to comment above.

**Operating & Maintenance Costs: \$279k favourable.**

Favourable variance due to savings in buildings operational spend \$96k (mainly cleaning) and reduced reactive maintenance requirements \$90k.

**Professional Costs: \$460k favourable.**

Favourable variance in consultants \$380k and legal expenses \$48k. Spending has been managed prudently and savings achieved where possible.

**Gains & Losses: (\$607k) unfavourable.**

Refer to comment above.

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
3,668	Rates**	9,061	9,016	45	10,819	84%	10,875	56
99	Fees & Charges	93	60	33	60	155%	96	36
1,805	Subsidies & Grants	13	16	(3)	16	83%	16	-
-	Interest Revenue**	-	-	-	-	-	60	60
-	Other Revenue	3	-	3	-	-	3	3
<b>5,573</b>	<b>Total Operating Revenue</b>	<b>9,171</b>	<b>9,092</b>	<b>79</b>	<b>10,894</b>	<b>84%</b>	<b>11,050</b>	<b>156</b>
<b>Operating Expenditure</b>								
4,682	Personnel Costs	4,937	4,921	(16)	6,135	80%	6,227	(92)
346	Operating & Maintenance Costs	194	312	118	658	29%	550	108
230	Professional Costs	121	262	141	584	21%	376	208
1,931	Administration Expenses	1,873	1,994	121	2,825	66%	2,588	237
428	Property Costs	130	130	-	131	99%	130	-
-	Finance Costs**	-	-	-	-	-	-	-
-	Depreciation & Amortisation Expense**	-	-	-	1	0%	-	-
-	Gains & Losses	-	-	-	-	-	-	-
<b>7,618</b>	<b>Total Operating Expenditure</b>	<b>7,255</b>	<b>7,619</b>	<b>364</b>	<b>10,334</b>	<b>70%</b>	<b>9,872</b>	<b>462</b>
<b>(2,045)</b>	<b>Operating Surplus/(Deficit)*</b>	<b>1,916</b>	<b>1,473</b>	<b>443</b>	<b>560</b>	<b>342%</b>	<b>1,178</b>	<b>618</b>
<b>Capital Revenue</b>								
-	Capital Revenue**	-	-	-	-	-	-	-
-	<b>Total Capital Revenue</b>	-	-	-	-	-	-	-
<b>(2,045)</b>	<b>Total Surplus/(Deficit)</b>	<b>1,916</b>	<b>1,473</b>	<b>443</b>	<b>560</b>	<b>342%</b>	<b>1,178</b>	<b>618</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

#### Material variances between YTD Actual and YTD Budget explained below:

##### Operating & Maintenance Costs: \$118k favourable.

The PCM group have identified service provider budget savings in non-critical programmes of work.

##### Professional Costs: \$141k favourable.

Consultant costs are favourable in Amorangi Maaori for two reasons:

- (1) This is the first year of implementation of the He Pou Manawa Ora programme, so the budget hasn't been fully consumed due to the programme ramping up progressively over the year.
- (2) Our THaWK partnership operational costs have been lower as we have ensured all project specific stakeholder engagement costs have been capitalised instead of expensed (as per accounting requirements). Also, THaWK used to charge us for only the first hour of attendance at hui/engagements (regardless of how long they ran for). Going forward, all time spent by THaWK will be invoiced for, resulting in closer spend against budget.

##### Administration Expenses: \$121k favourable.

The PCM group have identified advertising and engagement and event budget savings in non-critical programmes of work.

#### Material variances between Annual Budget and Forecast explained below:

##### Operating & Maintenance Costs: \$108k favourable.

Refer to comment above.

##### Professional Costs: \$208k favourable.

Refer to comment above.

##### Administration Expenses: \$237k favourable.

Refer to comment above.



## Attachment 2

## REGULATORY &amp; SAFETY

Building Control | Animal Education and Control | Environmental Health | Liquor Licensing | City Safety | Civil Defence

## FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
4,460	Rates**	6,898	6,869	30	8,249	84%	8,291	42
8,201	Fees & Charges	8,005	7,147	857	8,585	93%	11,243	2,658
2,702	Subsidies & Grants	43	57	(13)	65	66%	65	-
	Interest Revenue**	58	48	11	57	102%	61	4
163	Other Revenue	97	50	47	60	162%	246	186
<b>15,527</b>	<b>Total Operating Revenue</b>	<b>15,102</b>	<b>14,170</b>	<b>932</b>	<b>17,017</b>	<b>89%</b>	<b>19,907</b>	<b>2,890</b>
<b>Operating Expenditure</b>								
8,583	Personnel Costs	8,403	8,513	110	10,669	79%	10,654	15
1,135	Operating & Maintenance Costs	1,225	1,371	146	1,721	71%	1,596	124
299	Professional Costs	440	533	93	936	47%	857	79
316	Administration Expenses	348	426	77	663	53%	493	170
42	Property Costs	306	308	2	310	99%	310	( )
1	Finance Costs**	224	218	(7)	261	86%	263	(2)
91	Depreciation & Amortisation Expense**	177	83	(94)	100	178%	301	(202)
	Gains & Losses	-	-	( )	-	-	-	-
<b>10,466</b>	<b>Total Operating Expenditure</b>	<b>11,124</b>	<b>11,452</b>	<b>327</b>	<b>14,660</b>	<b>76%</b>	<b>14,476</b>	<b>185</b>
<b>5,061</b>	<b>Operating Surplus/(Deficit)*</b>	<b>3,977</b>	<b>2,718</b>	<b>1,259</b>	<b>2,357</b>	<b>169%</b>	<b>5,432</b>	<b>3,075</b>
<b>Capital Revenue</b>								
	Capital Revenue**	-	-	-	-	-	-	-
	<b>Total Capital Revenue</b>	-	-	-	-	-	-	-
<b>5,061</b>	<b>Total Surplus/(Deficit)</b>	<b>3,977</b>	<b>2,718</b>	<b>1,259</b>	<b>2,357</b>	<b>169%</b>	<b>5,432</b>	<b>3,075</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation &amp; Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

**Material variances between YTD Actual and YTD Budget explained below:****Fees & Charges: \$857k favourable.**

Consent numbers remain slightly lower compared to the same period last year, which aligns with industry predictions. The construction sector is anticipated to remain turbulent for the remainder of the financial year. However, year-to-date revenue has surpassed budget expectations, driven by the submission of larger commercial projects.

A cost recovery process regarding enforcement action by Council relating to an industrial noise issue. This resulted in a dispute being heard by the Environment Court, in which the Court found in Council's favour and ordered the company to pay \$134k of Council's costs.

**Personnel Costs: \$110k favourable.**

Favourability relates to unbudgeted charges to capital projects for building inspections and cost savings from externally contracted staff.

**Operating & Maintenance Costs: \$146k favourable.**

Favourability relates to cost savings on the vacancies for Emergency Management Officers as a component of the service level agreement costs in service providers.

**Material variances between Annual Budget and Forecast explained below:****Fees & Charges: \$2,658k favourable.**

Refer to comment above regarding consents and cost recovery. Further favourability relates to one-off adjustment following the review of the revenue recognition process and alignment to accounting standards, as well as the reconciliation of balances brought forward from Agency accounts.

**Other Revenue: \$186k favourable.**

Favourability relates to infringements issued for dog owners who have not yet registered their dogs for the 2024/2025 year, however this needs to be

**Operating & Maintenance Costs: \$124k favourable.**

Refer to comment above.

**Administration Expenses: \$170k favourable.**

Favourability due to provision movements.



\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
7,930	Rates**	11,110	11,128	(18)	13,354	83%	13,422	68
(114)	Fees & Charges	(71)	(169)	98	(265)	27%	(265)	-
2,728	Subsidies & Grants	3,371	1,479	1,892	1,534	220%	3,327	1,794
34	Interest Revenue**	25	20	5	24	102%	26	2
395	Other Revenue	411	424	(14)	509	81%	509	-
<b>10,972</b>	<b>Total Operating Revenue</b>	<b>14,846</b>	<b>12,883</b>	<b>1,963</b>	<b>15,156</b>	<b>98%</b>	<b>17,019</b>	<b>1,864</b>
<b>Operating Expenditure</b>								
1,078	Personnel Costs	972	1,372	400	1,694	57%	1,165	529
7,201	Operating & Maintenance Costs	7,722	9,172	1,450	11,056	70%	9,630	1,426
368	Professional Costs	307	321	13	385	80%	417	(32)
8	Administration Expenses ***	22	121	99	(1,727)	(1%)	(1,727)	-
53	Property Costs	63	68	5	73	86%	73	-
105	Finance Costs**	96	93	(3)	919	10%	920	(1)
464	Depreciation & Amortisation Expense**	438	456	18	548	80%	538	10
	Gains & Losses	-	-	-	-	-	-	-
<b>9,277</b>	<b>Total Operating Expenditure</b>	<b>9,620</b>	<b>11,603</b>	<b>1,984</b>	<b>12,948</b>	<b>74%</b>	<b>11,016</b>	<b>1,932</b>
<b>1,695</b>	<b>Operating Surplus/(Deficit)*</b>	<b>5,226</b>	<b>1,279</b>	<b>3,947</b>	<b>2,208</b>	<b>237%</b>	<b>6,004</b>	<b>3,796</b>
<b>Capital Revenue</b>								
	Capital Revenue**	-	-	-	-	-	-	-
	<b>Total Capital Revenue</b>	-	-	-	-	-	-	-
<b>1,695</b>	<b>Total Surplus/(Deficit)</b>	<b>5,226</b>	<b>1,279</b>	<b>3,947</b>	<b>2,208</b>	<b>237%</b>	<b>6,004</b>	<b>3,796</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

\*\*\* Annual Provision for Closed Landfill included in Annual Budget

#### Material variances between YTD Actual and YTD Budget explained below:

##### Subsidies & Grants: \$1,892k favourable.

Waste Levy revenue is favourable due to Council being allocated more Waste Levy funding from the Ministry for the Environment (MfE) than budgeted. Waste Levy must be used to promote and achieve waste minimisation in accordance with our Waste Management and Minimisation Plan (WMMP). We are required to report spending against the levy to MfE each year. Any unspent levy must be allocated to the Waste Minimisation Reserve so that it can be used to support our WMMP activities in future years and cannot be used to offset other expenditure.

##### Personnel Costs: \$400k favourable.

Favourability due to the vacancies within the Resource Recovery activity.

##### Operating & Maintenance Costs: \$1,450k favourable.

Initial budget projections were based on high growth in new builds, which would lead to increased households requiring a kerbside collection service. However, this growth has not happened as anticipated.

#### Material variances between Annual Budget and Forecast explained below:

##### Subsidies & Grants: \$1,794k favourable.

Refer to comment above.

##### Personnel Costs: \$529k favourable.

Refer to comment above.

##### Operating & Maintenance Costs: \$1,426k favourable.

Refer to comment above.

## FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
16,920	Rates**	15,134	15,046	88	18,509	82%	18,605	96
330	Fees & Charges	304	142	162	190	160%	460	270
8	Subsidies & Grants	27	-	27	-	-	28	28
674	Interest Revenue**	515	420	95	504	102%	540	37
	Other Revenue	-	-	-	-	-	-	-
<b>17,933</b>	<b>Total Operating Revenue</b>	<b>15,980</b>	<b>15,608</b>	<b>372</b>	<b>19,202</b>	<b>83%</b>	<b>19,634</b>	<b>431</b>
<b>Operating Expenditure</b>								
1,901	Personnel Costs	1,245	1,936	691	2,396	52%	1,870	526
356	Operating & Maintenance Costs	764	955	191	1,157	66%	1,212	(55)
142	Professional Costs	246	312	66	404	61%	278	126
31	Administration Expenses	26	31	5	37	70%	38	(1)
452	Property Costs	488	487	(1)	487	100%	488	(1)
2,108	Finance Costs**	1,977	1,919	(59)	2,302	86%	2,316	(13)
9,574	Depreciation & Amortisation Expense**	9,194	9,280	86	11,524	80%	11,051	473
88	Gains & Losses	429	-	(429)	-	-	429	(429)
<b>14,651</b>	<b>Total Operating Expenditure</b>	<b>14,369</b>	<b>14,919</b>	<b>550</b>	<b>18,307</b>	<b>78%</b>	<b>17,682</b>	<b>625</b>
<b>3,282</b>	<b>Operating Surplus/(Deficit)*</b>	<b>1,611</b>	<b>689</b>	<b>922</b>	<b>895</b>	<b>180%</b>	<b>1,952</b>	<b>1,056</b>
<b>Capital Revenue</b>								
5,191	Development Contributions**	1,981	1,668	314	2,001	99%	2,001	-
2,962	Capital Revenue**	3,746	945	2,801	1,134	330%	4,383	3,249
6,006	Vested Assets**	7,960	4,180	3,780	5,015	159%	7,960	2,944
<b>14,159</b>	<b>Total Capital Revenue</b>	<b>13,687</b>	<b>6,793</b>	<b>6,895</b>	<b>8,151</b>	<b>168%</b>	<b>14,344</b>	<b>6,193</b>
<b>17,441</b>	<b>Total Surplus/(Deficit)</b>	<b>15,298</b>	<b>7,481</b>	<b>7,817</b>	<b>9,046</b>	<b>169%</b>	<b>16,296</b>	<b>7,250</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

#### Material variances between YTD Actual and YTD Budget explained below:

##### Fees & Charges: \$162k favourable.

Reactive maintenance work, particularly in the Waitawhiriwhiri stream, funded by Waikato Regional Council has been completed earlier than expected to take advantage of good weather.

##### Personnel Costs: \$691k favourable.

Favourability driven by current vacancies held across the group as well as centralised time cost process (see comment under Support Services I&A Activity).

##### Operating & Maintenance Costs: \$191k favourable.

Favourability due to planned reductions in operational programme delivery to enable operational savings.

##### Gains & Losses: (\$429k) unfavourable.

Unbudgeted losses as a result of Stormwater upgrades to Ruakura Road (\$267k), various renewals and upgrades of stormwater assets through the capital works programme, as well as developer led upgrades.

#### Material variances between Annual Budget and Forecast explained below:

##### Fees & Charges: \$270k favourable.

Additional funding has been approved by Waikato Regional Council for Te Awa O Katipaki stream and gully cleaning. This is offset by higher operational spend in this area.

##### Personnel Costs: \$526k favourable.

Refer to comment above.

##### Professional Costs: \$126k favourable.

Favourability reflects a focus on critical outcomes and strategic resource use, reducing non-essential consultancy costs while advancing key priorities.

##### Gains & Losses: (\$429k) unfavourable.

Refer to comment above.

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
	Rates**	( )	-	( )	-			-
311	Fees & Charges	229	201	28	331	69%	351	19
1,573	Subsidies & Grants	773	805	(32)	805	96%	776	(29)
253	Interest Revenue**	157	128	29	153	102%	164	11
378	Other Revenue	138	104	34	104	132%	138	34
<b>2,514</b>	<b>Total Operating Revenue</b>	<b>1,296</b>	<b>1,237</b>	<b>59</b>	<b>1,393</b>	<b>93%</b>	<b>1,428</b>	<b>35</b>
<b>Operating Expenditure</b>								
16,689	Personnel Costs	18,763	19,021	258	24,706	76%	23,610	1,097
6,853	Operating & Maintenance Costs	4,432	6,665	2,232	14,806	30%	8,287	6,518
1,470	Professional Costs	1,235	1,168	(68)	2,972	42%	2,279	693
4,752	Administration Expenses	8,090	8,726	636	10,572	77%	9,702	870
161	Property Costs	194	602	408	828	23%	260	568
209	Finance Costs**	12	24	13	29	40%	23	6
3,468	Depreciation & Amortisation Expense**	3,726	3,971	244	4,765	78%	4,465	299
(45)	Gains & Losses	22,629	-	(22,629)	-	-	18,723	(18,723)
<b>33,558</b>	<b>Total Operating Expenditure</b>	<b>59,082</b>	<b>40,176</b>	<b>(18,906)</b>	<b>58,678</b>	<b>101%</b>	<b>67,350</b>	<b>(8,672)</b>
<b>(31,044)</b>	<b>Operating Surplus/(Deficit)*</b>	<b>(57,786)</b>	<b>(38,939)</b>	<b>(18,847)</b>	<b>(57,285)</b>	<b>101%</b>	<b>(65,921)</b>	<b>(8,637)</b>
<b>Capital Revenue</b>								
	Capital Revenue**	-	-	-	-	-	-	-
	<b>Total Capital Revenue</b>	-	-	-	-	-	-	-
<b>(31,044)</b>	<b>Total Surplus/(Deficit)</b>	<b>(57,786)</b>	<b>(38,939)</b>	<b>(18,847)</b>	<b>(57,285)</b>	<b>101%</b>	<b>(65,921)</b>	<b>(8,637)</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

#### Material variances between YTD Actual and YTD Budget explained below:

##### Personnel Costs: \$258k favourable.

Favourability relates to vacancies held across Support areas, which is partially offset by capital internal recoveries related to labour charged to capital projects.

##### Operating & Maintenance Costs: \$2,232k favourable.

Initiatives targeting efficiencies in data storage have materialised in higher than anticipated savings.

##### Administration Expenses: \$636k favourable.

Favourability relating to software prioritisation and reduced capital consequential opex.

##### Property Costs: \$408k favourable.

Forecasts have been updated to reflect actual insurance premiums received.

##### Gains & Losses: (\$22,629k) unfavourable.

Financial Instrument revaluations (\$22.6m) - falling market floating interest rates are driving losses on the Council's fixed rate borrowing instruments.

#### Material variances between Annual Budget and Forecast explained below:

##### Personnel Costs: \$1,097k favourable.

Refer comment above.

##### Operating & Maintenance Costs: \$6,518k favourable.

Savings realised through commercial negotiations and initiatives targeting efficiencies in data storage has had a favourable impact, which will assist in provisioning capacity to support delivery (timing) in FY26. Favourability relates to timing differences in delivering the revised programme.

##### Professional Costs: \$693k favourable.

Forecasts align to the revised work programme for FY25.

##### Administration Expenses: \$870k favourable.

Refer comment above.

##### Property Costs: \$568k favourable.

Refer comment above.

##### Gains & Losses: (\$18,723k) unfavourable.

Financial Instrument revaluations are currently generating an unrealised loss of (\$22.6m) as the interest rate fall drives losses on the Council's fixed rate borrowing instruments. However, gains of \$3.9m are projected for the remainder of the financial year as higher value fixed rate swaps fall off with the 30 June 2025 forecast mark-to-market value of Council's Interest Rate Swaps being a loss of (\$11.9m).

## Attachment 2

## SUPPORT SERVICES - INFRASTRUCTURE &amp; ASSETS

Design &amp; Deliver | Plan, Strategy &amp; Programming | Facilities &amp; Support | Fleet Management

FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
(19)	Rates**	(223)	(230)	7	(230)	97%	(230)	-
535	Fees & Charges	1,010	734	276	887	114%	1,167	280
625	Subsidies & Grants	1,066	523	543	628	170%	1,291	663
90	Interest Revenue**	105	85	19	102	102%	110	7
2	Other Revenue	5	-	5	-	-	5	5
<b>1,234</b>	<b>Total Operating Revenue</b>	<b>1,963</b>	<b>1,113</b>	<b>850</b>	<b>1,387</b>	<b>142%</b>	<b>2,343</b>	<b>956</b>
<b>Operating Expenditure</b>								
5,607	Personnel Costs	7,471	5,470	(2,001)	6,992	107%	8,505	(1,513)
1,177	Operating & Maintenance Costs	1,254	1,572	318	2,270	55%	1,993	277
878	Professional Costs	1,670	1,433	(237)	2,030	82%	2,456	(426)
1,915	Administration Expenses	2,094	2,356	262	2,663	79%	2,573	90
440	Property Costs	444	492	48	542	82%	520	21
281	Finance Costs**	401	389	(12)	467	86%	470	(3)
2,554	Depreciation & Amortisation Expense**	2,494	2,559	65	3,071	81%	3,010	62
315	Gains & Losses	252	-	(252)	-	-	252	(252)
<b>13,168</b>	<b>Total Operating Expenditure</b>	<b>16,080</b>	<b>14,272</b>	<b>(1,808)</b>	<b>18,035</b>	<b>89%</b>	<b>19,779</b>	<b>(1,744)</b>
<b>(11,934)</b>	<b>Operating Surplus/(Deficit)*</b>	<b>(14,117)</b>	<b>(13,159)</b>	<b>(958)</b>	<b>(16,648)</b>	<b>85%</b>	<b>(17,436)</b>	<b>(788)</b>
<b>Capital Revenue</b>								
	Capital Revenue**	-	-	-	-	-	-	-
	<b>Total Capital Revenue</b>	-	-	-	-	-	-	-
<b>(11,934)</b>	<b>Total Surplus/(Deficit)</b>	<b>(14,117)</b>	<b>(13,159)</b>	<b>(958)</b>	<b>(16,648)</b>	<b>85%</b>	<b>(17,436)</b>	<b>(788)</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation &amp; Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

**Material variances between YTD Actual and YTD Budget explained below:****Fees & Charges: \$276k favourable.**

Favourability is attributed to an additional \$187k in Development Engineering Fees, which has effectively offset the overspending in Professional Fees. Furthermore, an amount of \$107k has been received in relation to the LWDW, which similarly offsets Consultancy costs.

**Subsidies & Grants: \$543k favourable.**

Due to the Better Off Funding (BOF) that has been redirected to meet the costs of progressing Local Water Done Well (LWDW).

**Personnel Costs: (\$2,001k) unfavourable.**

The I & A Group has a favourable Personnel Cost position overall, but the unfavourable variance is due to two factors: changes in organisational structure which occurred after LTP budgets were set, with some costs offset in other areas, and unfilled positions in both the Design and Deliver and Plan Strategy & Programming teams. While these vacancies reduce salary expenses, they negatively impact internal charges to projects.

**Operating & Maintenance Costs: \$318k favourable.**

Favourability relates to alignment of budget with the FY25 Paint Programme (Corporate Buildings).

**Professional Costs: (\$237k) unfavourable.**

This is the cost of advancing Local Water Done Well (LWDW), funded by the Better Off Fund (see comment above).

**Administration Expenses: \$262k favourable.**

Fuel consumption, the main factor, is decreasing due to the shift to electric vehicles, leading to greater-than-expected savings. These savings are now included in the forecast.

**Material variances between Annual Budget and Forecast explained below:****Fees & Charges: \$280k favourable.**

Refer to comment above.

**Subsidies & Grants: \$663k favourable.**

Refer to comment above.

**Personnel Costs: (\$1,513k) unfavourable.**

Refer to comment above.

**Operating & Maintenance Costs: \$277k favourable.**

Refer to comment above.

**Professional Costs: (\$426k) unfavourable.**

Refer to comment above.



## FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
45,211	Rates**	49,944	49,865	78	59,307	84%	59,290	(17)
3,508	Fees & Charges	3,949	4,552	(603)	5,541	71%	4,938	(603)
9,941	Subsidies & Grants	8,881	8,197	684	9,169	97%	9,323	155
7,153	Interest Revenue**	5,615	4,575	1,040	5,489	102%	5,889	399
11,087	Other Revenue	4,297	3,555	741	4,011	107%	4,900	889
<b>76,900</b>	<b>Total Operating Revenue</b>	<b>72,685</b>	<b>70,744</b>	<b>1,941</b>	<b>83,517</b>	<b>87%</b>	<b>84,341</b>	<b>823</b>
<b>Operating Expenditure</b>								
5,819	Personnel Costs	4,870	6,053	1,183	7,801	62%	7,391	410
19,483	Operating & Maintenance Costs	20,957	20,747	(210)	27,705	76%	28,456	(751)
1,033	Professional Costs	860	1,649	790	2,061	42%	1,911	151
805	Administration Expenses	824	779	(45)	1,115	74%	1,092	23
2,414	Property Costs	2,622	2,644	22	3,073	85%	3,076	(3)
19,685	Finance Costs**	25,115	24,414	(702)	29,294	86%	29,439	(145)
33,035	Depreciation & Amortisation Expense**	33,873	32,764	(1,109)	39,314	86%	40,747	(1,433)
178	Gains & Losses	597	-	(597)	-	-	597	(597)
<b>82,452</b>	<b>Total Operating Expenditure</b>	<b>89,718</b>	<b>89,049</b>	<b>(669)</b>	<b>110,362</b>	<b>81%</b>	<b>112,709</b>	<b>(2,347)</b>
<b>(5,551)</b>	<b>Operating Surplus/(Deficit)*</b>	<b>(17,033)</b>	<b>(18,305)</b>	<b>1,272</b>	<b>(26,845)</b>	<b>63%</b>	<b>(28,368)</b>	<b>(1,523)</b>
<b>Capital Revenue</b>								
7,440	Development Contributions**	4,145	4,888	(743)	5,865	71%	5,865	
35,280	Capital Revenue**	34,226	39,435	(5,209)	47,319	72%	37,355	(9,963)
28,561	Vested Assets**	10,545	22,005	(11,460)	26,403	40%	18,867	(7,536)
<b>71,281</b>	<b>Total Capital Revenue</b>	<b>48,916</b>	<b>66,328</b>	<b>(17,412)</b>	<b>79,587</b>	<b>61%</b>	<b>62,088</b>	<b>(17,500)</b>
<b>65,729</b>	<b>Total Surplus/(Deficit)</b>	<b>31,883</b>	<b>48,022</b>	<b>(16,140)</b>	<b>52,742</b>	<b>60%</b>	<b>33,719</b>	<b>(19,023)</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

#### Material variances between YTD Actual and YTD Budget explained below:

##### Fees & Charges: (\$603k) unfavourable.

The delayed implementation of All Day Parking, coupled with the educational approach for the new parking kiosks that prioritised issuing warnings over infringements, led to a decline in revenue.

##### Subsidies & Grants: \$684k favourable.

This favourability relates to the operating grant received from the Waikato Regional Council in relation to operational and maintenance spend on both Transport Centre and Rotokauri Transport Hub buildings.

##### Other Revenue: \$741k favourable.

Off-Street Parking rental income is favourable and rental income favourably offsets the unfavourability in fees and charges. The HIF drawdown was expected to have been received before 30 June 2024, however timing saw Council receive the final draw down in August 2024 generating the non-cash fair value revenue.

##### Personnel Costs: \$1,183k favourable.

Favourability is due to not filling vacancies until the transport programme was confirmed. Partial programme approval was given by Council late in 2024 with the balance of the projects being approved in March 2025. Note: the favourability somewhat offsets the unfavourability in the Support Services (I&A) personnel costs activity.

##### Operating & Maintenance Costs: (\$210k) unfavourable.

The unfavourable result is mainly due to capital expenditure that has been reclassified as operating expenditure. The need to reclassify was identified as staff undertook a comprehensive review of the WIP balances during the capitalisation process in compliance with accounting standards and Council's Capitalisation policy.

##### Professional Costs: \$790k favourable.

Favourability is due to a cautious approach to commissioning project investigation and design work ahead of the NZTA funding approval and Council decisions March 2025 decisions on project approvals.

##### Gains & Losses: (\$597k) unfavourable.

(\$204k) - Reversal of double capitalisation of two projects (Safer Speeds City Wide Hinton Ave, Newton Primary Raised Pedestrian Platform Holmes Throat Island). (\$387k) Disposal of Land Under Roads Horsham Downs.

#### Material variances between Annual Budget and Forecast explained below:

##### Fees & Charges: (\$603k) unfavourable.

Decrease in expected parking revenue. Refer to comment above.

##### Subsidies & Grants: \$155k favourable.

See comment above.

##### Other Revenue: \$889k favourable.

Refer to comment above.

##### Personnel Costs: \$410k favourable.

Favourability due to delays in time charged to transport projects resulting in a favourable forecast. Refer to comment above.

##### Operating & Maintenance Costs: (\$751k) unfavourable.

Refer to comment above.

##### Professional Costs: \$151k favourable.

Refer to comment above.

##### Gains & Losses: (\$597k) unfavourable.

Refer to comment above.



## Attachment 2

## WASTEWATER

Wastewater Reticulation | Wastewater Treatment &amp; Disposal

## FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
28,434	Rates**	31,577	31,485	92	38,971	81%	39,087	116
6,048	Fees & Charges	6,145	6,516	(372)	9,084	68%	8,920	(164)
	Subsidies & Grants	44	-	44	-		47	47
2,158	Interest Revenue**	2,024	1,649	375	1,979	102%	2,123	144
7,922	Other Revenue	152	-	152	-		802	802
<b>44,562</b>	<b>Total Operating Revenue</b>	<b>39,942</b>	<b>39,651</b>	<b>291</b>	<b>50,034</b>	<b>80%</b>	<b>50,978</b>	<b>944</b>
<b>Operating Expenditure</b>								
5,809	Personnel Costs	6,303	7,401	1,098	9,093	69%	8,108	985
8,842	Operating & Maintenance Costs	9,604	10,014	410	12,412	77%	12,147	265
72	Professional Costs	198	851	705	1,227	16%	196	1,031
193	Administration Expenses	250	262	13	279	89%	311	(32)
2,664	Property Costs	2,828	2,896	68	3,305	86%	3,301	4
8,298	Finance Costs**	8,764	8,516	(248)	10,218	86%	10,270	(52)
12,387	Depreciation & Amortisation Expense**	12,326	12,102	(224)	15,815	78%	14,701	1,114
403	Gains & Losses	1,329	-	(1,329)	-		1,329	(1,329)
<b>38,668</b>	<b>Total Operating Expenditure</b>	<b>41,601</b>	<b>42,041</b>	<b>440</b>	<b>52,349</b>	<b>79%</b>	<b>50,363</b>	<b>1,986</b>
<b>5,894</b>	<b>Operating Surplus/(Deficit)*</b>	<b>(1,659)</b>	<b>(2,391)</b>	<b>731</b>	<b>(2,315)</b>	<b>72%</b>	<b>615</b>	<b>2,930</b>
<b>Capital Revenue</b>								
7,941	Development Contributions**	6,322	7,106	(784)	8,526	74%	8,526	-
3,128	Capital Revenue**	2,433	1,059	1,375	1,270	192%	2,847	1,577
2,712	Vested Assets**	4,652	2,884	1,768	3,461	134%	4,652	1,192
<b>13,781</b>	<b>Total Capital Revenue</b>	<b>13,408</b>	<b>11,049</b>	<b>2,359</b>	<b>13,257</b>	<b>101%</b>	<b>16,026</b>	<b>2,768</b>
<b>19,675</b>	<b>Total Surplus/(Deficit)</b>	<b>11,749</b>	<b>8,658</b>	<b>3,091</b>	<b>10,943</b>	<b>107%</b>	<b>16,641</b>	<b>5,698</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation &amp; Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

**Material variances between YTD Actual and YTD Budget explained below:****Fees & Charges: (\$372k) unfavourable.**

Lower operating expenditure costs have resulted in lower recoveries from partner Councils for services provided.

**Other Revenue: \$152k favourable.**

Driven by the favourable non-cash fair value adjustment. The final HIF drawdown was expected to have been received before 30 June 2024, however timing saw Council receive the final drawdown in August 2024.

**Personnel Costs: \$1,098k favourable.**

Favourability driven by current vacancies held across the group as well as centralised time cost process (see comment under Support Services I&amp;A Activity).

**Operating & Maintenance Costs: \$410k favourable.**

Favourability reflects a focus on critical outcomes and strategic resource use, reducing non-essential service provider costs while advancing key priorities.

**Professional Costs: \$705k favourable.**

Favourability reflects a focus on critical outcomes and strategic resource use, reducing non-essential consultancy costs while advancing key priorities.

**Gains & Losses: (\$1,329k) unfavourable.**

Unbudgeted losses as a result of Wastewater upgrades occurring prior to the budgeted end of life of the asset, as well as various renewals and upgrades of wastewater assets through the capital works programme, as well as developer led upgrades.

**Material variances between Annual Budget and Forecast explained below:****Fees & Charges: (\$164k) unfavourable.**

Refer to comment above.

**Other Revenue: \$802k favourable.**

Adjustments for insurance claims expected to be received for damage to wastewater assets, along with a forecast adjustment for the HIF drawdown based on actual figures.

**Personnel Costs: \$985k favourable.**

Refer to comment above.

**Operating & Maintenance Costs: \$265k favourable.**

Refer to comment above.

**Professional Costs: \$1,031k favourable.**

Refer to comment above.

**Gains & Losses: (\$1,329k) unfavourable.**

Refer to comment above.

## FOR THE PERIOD ENDED 30 APRIL 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
<b>Operating Revenue</b>								
19,735	Rates**	24,012	23,871	141	29,213	82%	29,166	(47)
(195)	Fees & Charges	(404)	(317)	(87)	(430)	94%	(676)	(246)
10	Subsidies & Grants	32	-	32			34	34
1,418	Interest Revenue**	1,189	969	220	1,163	102%	1,247	85
485	Other Revenue	16	-	16			14	14
<b>21,452</b>	<b>Total Operating Revenue</b>	<b>24,845</b>	<b>24,523</b>	<b>322</b>	<b>29,946</b>	<b>83%</b>	<b>29,786</b>	<b>(160)</b>
<b>Operating Expenditure</b>								
3,671	Personnel Costs	3,768	4,251	483	5,213	72%	4,824	390
3,207	Operating & Maintenance Costs	4,231	4,469	238	5,573	76%	5,089	485
145	Professional Costs	159	396	236	702	23%	244	458
38	Administration Expenses	33	40	7	48	69%	46	1
2,458	Property Costs	2,679	2,646	(33)	2,985	90%	2,982	3
4,528	Finance Costs**	4,680	4,543	(138)	5,451	86%	5,481	(31)
8,658	Depreciation & Amortisation Expense**	7,621	7,841	221	10,700	71%	10,325	376
435	Gains & Losses	632	-	(632)			632	(632)
<b>23,140</b>	<b>Total Operating Expenditure</b>	<b>23,803</b>	<b>24,185</b>	<b>382</b>	<b>30,673</b>	<b>78%</b>	<b>29,623</b>	<b>1,049</b>
<b>(1,688)</b>	<b>Operating Surplus/(Deficit)*</b>	<b>1,043</b>	<b>339</b>	<b>704</b>	<b>(726)</b>	<b>(144%)</b>	<b>163</b>	<b>889</b>
<b>Capital Revenue</b>								
5,239	Development Contributions**	3,524	3,440	84	4,128	85%	4,128	
3,068	Capital Revenue**	2,184	8,940	(6,756)	10,727	20%	2,555	(8,172)
1,269	Vested Assets**	867	1,559	(692)	1,870	46%	1,870	-
<b>9,576</b>	<b>Total Capital Revenue</b>	<b>6,574</b>	<b>13,939</b>	<b>(7,365)</b>	<b>16,725</b>	<b>39%</b>	<b>8,553</b>	<b>(8,172)</b>
<b>7,889</b>	<b>Total Surplus/(Deficit)</b>	<b>7,617</b>	<b>14,278</b>	<b>(6,661)</b>	<b>15,999</b>	<b>48%</b>	<b>8,716</b>	<b>(7,283)</b>

\* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

\*\* Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

## Material variances between YTD Actual and YTD Budget explained below:

**Personnel Costs: \$483k favourable.**

Favourability driven by current vacancies held across the group as well as centralised time cost process (see comment under Support Services I&A Activity).

**Operating & Maintenance Costs: \$238k favourable.**

Favourability reflects a focus on critical outcomes by reducing non-essential service provider costs while advancing key priorities.

**Professional Costs: \$236k favourable.**

Favourability reflects a focus on critical outcomes and strategic resource use, reducing non-essential consultancy costs while advancing key priorities.

**Gains & Losses: (\$632k) unfavourable.**

Unbudgeted losses as a result of various renewals and upgrades of water assets through the capital works programme, as well as developer led upgrades.

## Material variances between Annual Budget and Forecast explained below:

**Fees & Charges: (\$246k) unfavourable.**

Unfavorability due to increased internal trade waste charges relating to the new membrane filtration process at the Waiora Drinking Water Treatment Plant that started operating in December 2024.

**Personnel Costs: \$390k favourable.**

Refer to comment above.

**Operating & Maintenance Costs: \$485k favourable.**

Refer to comment above.

**Professional Costs: \$458k favourable.**

Refer to comment above.

**Gains & Losses: (\$632k) unfavourable.**

Refer to comment above.

TREASURY REPORT  
Year to date 30 April 2025

Attachment 3

Investment and Cash Position

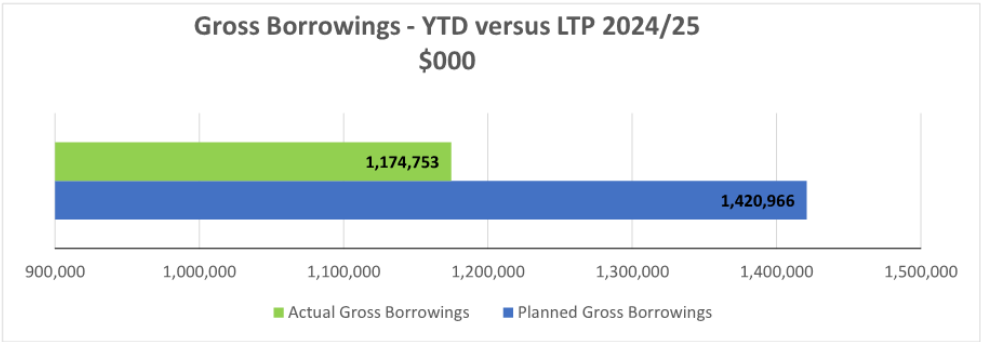
Treasury cash investments consist of:

Cash Investments	Actual \$000 Apr-25	Budget \$000 Apr-25	Variance \$000 Fav/ (Unfav)
Cash on call	69,775	not apportioned	not apportioned
Term deposit	122,682	not apportioned	not apportioned
Closing bank balances	3,234	not apportioned	not apportioned
LGFA borrower notes	25,250	not apportioned	not apportioned
Total cash investments	220,941	184,949	35,992

The Council's investments are managed on a regular basis, with sufficient minimum immediate cash reserves maintained. To best manage funding gaps, Council's financial investment maturities are matched with Council's forecast cash flow requirements.

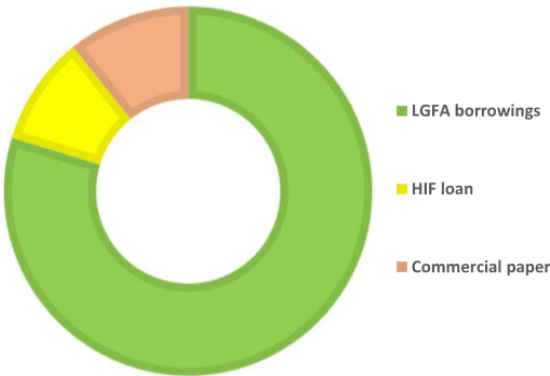
Borrowing Position

Council borrowings is the external portion of debt held with the Local Government Funding Agency (LGFA), Ministry of Business, Innovation and Employment and finance lease liabilities.



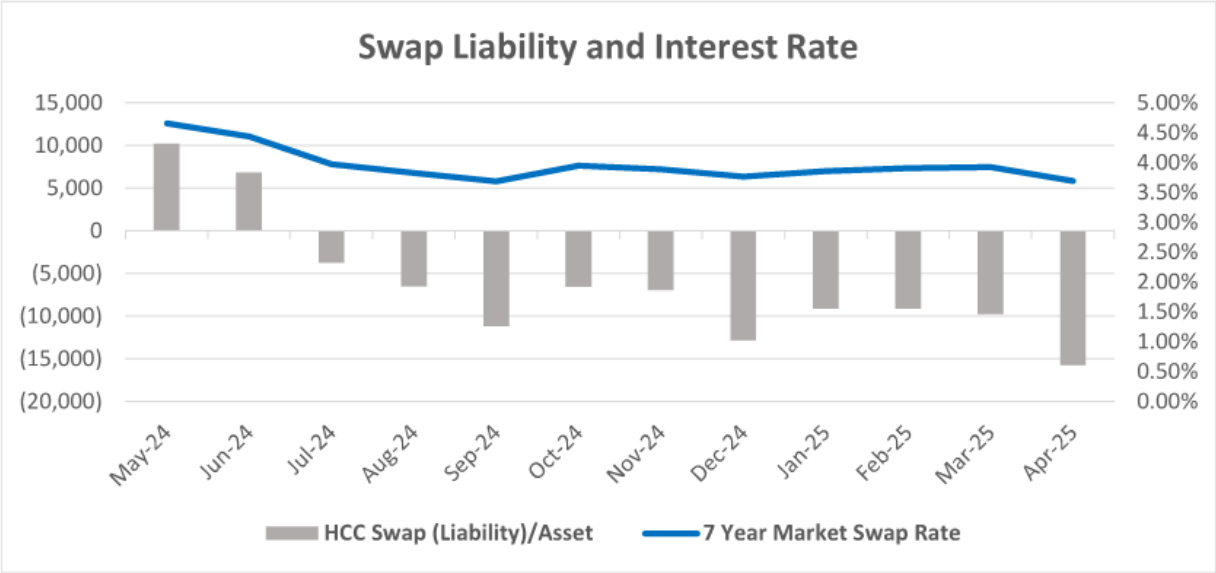
Gross external debt is favourable to budgeted debt at 30 April 2025. The favourable balance is within 82.7% of planned gross borrowings for the period.

The LGFA remains Council's most favoured and low cost source of funding.



### Interest Rates

Council manages interest rate risk to reduce uncertainty relating to interest rate fluctuations through fixing of interest costs. The exposure to interest rate risk is managed and mitigated through the risk control limits as set out in the Investment and Liability Management Policy.



There is an inverse relationship between Council's swap liability and the market swap interest rate. As the market swap interest rate increases Council's swap liability decreases and a gain is then recognised on the interest rate swap. Conversely, a decrease in the market swap interest rate results in an increase in Council's swap liability and a loss is then recognised on the interest rate swap.

# Council Report

**Committee:** Finance and Monitoring Committee  
**Date:** 24 June 2025  
**Author:** Sarah Vaz  
**Authoriser:** Gary Connolly  
**Position:** Accounting Manager  
**Position:** Chief Financial Officer  
**Report Name:** New Zealand Local Government Funding Agency - Bespoke Net Debt to Revenue Covenant

<b>Report Status</b>	<i>Open</i>
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## Purpose - *Take*

1. To inform the Finance and Monitoring Committee of the Local Government Funding Agency (LGFA) bespoke Net Debt/Total Revenue covenant for high growth Councils.
2. To seek a recommendation from the Finance and Monitoring Committee that the Council, on staff's recommendation, does not apply for the bespoke Net Debt/Total Revenue covenant.

## Staff Recommendation - *Tuutohu-aa-kaimahi* (Recommendation to the Council)

3. That the Finance and Monitoring Committee:
  - a) receives the report; and
  - b) recommends that the Council does not apply for the bespoke Net Debt/Total Revenue covenant for Hamilton City Council at this time.

## Executive Summary - *Whakaraapopototanga matua*

4. Local Government Funding Agency (LGFA) shareholders approved changes to the Foundation Policies at the November 2024 Annual General Meeting to allow the LGFA Board to grant a bespoke Net Debt/Total Revenue covenant up to 350%.
5. This increase, over the previous 280% level, is intended to provide support to a small number of high growth Councils if required.
6. Staff recommend that the Council retains the existing financing framework without pursuing a bespoke arrangement with the LGFA.
7. Staff consider the matters in this report to have a low significance and that the recommendations comply with the Council's legal requirements.

## Discussion - *Matapaki*

8. Hamilton City Council (Council) secures its debt funding primarily through the Local Government Funding Agency (LGFA).



9. The LGFA is an agency that specialises in financing the local government sector. It was established to raise debt on behalf of local authorities on terms that are more favourable, than if Council's financed the debt directly.
10. Council is currently able to borrow up to 285% of its revenue based on the LGFA's current financial covenants policy. This will reduce to 280% from the 2025/26 financial year.
11. Following the LGFA shareholders approved changes to the Foundation Policies at the November 2024 Annual General Meeting to allow the LGFA Board to grant a bespoke Net Debt/Total Revenue covenant up to 350%.

### Options - Koowhiringa

12. Staff have determined that there are two options for the Committee to consider, which are outlined below:

Options	Advantages	Disadvantages
<b>Option 1:</b> Engage in a bespoke arrangement with the LGFA to allow net debt financing up to 350% of revenue.	The advantages of this option would see Council enhance its financial capacity to support critical infrastructure, including roads and essential assets. It would also enable a longer-term distribution of costs, allowing investment in sustainable growth while repaying debt over the lifetime of new assets.	The disadvantage is higher long-term debt which will also result in increased borrowing costs.
<b>Option 2:</b> (Recommended) Retain the existing financing framework without pursuing a bespoke arrangement with the LGFA (status quo).	This option would see Council maintain its current debt capacity within the standard financial covenants, avoiding any unplanned rises in interest costs.	Council would forgo the opportunity to expand its financial capacity to fund key growth initiatives.

13. Staff recommend **Option 2**, as Council is projected to remain within the debt-to-revenue limit established in the 2024-34 Long-Term Plan and the draft 2025/26 Annual Plan while maintaining a significant debt headroom. Maintaining the existing limit mitigates the risk of incurring additional interest costs and supports the stability of net debt levels as forecasted. Staff will continue to monitor developments and reassess Option 1 if circumstances necessitate a review.

### Other Considerations

14. The 2024-34 Long-Term Plan confirms that the Council remains within the debt-to-revenue limit established in its Financial Strategy.
15. The draft 2025/26 Annual Plan, presenting a full Council view in 2025-26 and a residual Council view (including Stormwater) from 2026-27 onwards, forecasts that Council remains within the debt-to-revenue limit established in its Financial Strategy.
16. Staff have considered Council's resilience in responding to unforeseen emergencies, and the draft 2025/26 Annual Plan debt to revenue ratio of 239% provides \$191 million of debt headroom to mitigate potential adverse impacts on debt levels. This position is significantly improved from that projected in the 2024-34 Long-Term Plan reflecting projected material deferral in capital expenditure. Staff continue to monitor debt headroom through the Finance and Monitoring Committee, with ongoing assessments to determine whether pursuing Option 1 may become necessary in future.

17. A bespoke arrangement requires LGFA Board approval, with meetings held every 6 to 8 weeks. If Council exceeds the current debt-to-revenue limit, it may take time to regain compliance under a newly approved bespoke covenant.

#### **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

18. Staff confirm that the recommendation complies with the Council's legal and policy requirements.

#### **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

19. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
20. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
21. The recommendations set out in this report are consistent with that purpose.
22. The LGFA's activity relates strongly to the economic wellbeing by delivery of key objectives to provide cost effective financing solutions for its Council membership base, as well as assisting the local government sector with significant matters such as the proposed Local Waters Done Well Programme.
23. There were no environmental, social or cultural wellbeing implications identified in the development of this report.

#### **Risks - *Tuuraru***

24. There are no known risks associated with the decisions sought in this report.

#### **Significance & Engagement Policy - *Kaupapa here whakahira/anganui***

25. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.
26. Given the low level of significance determined, the engagement level is low. No engagement is required.

#### **Attachments - *Ngaa taapirihanga***

There are no attachments for this report. .

# Council Report

Item 9

**Committee:** Finance and Monitoring Committee

**Date:** 24 June 2025

**Author:** Gary Connolly

**Authoriser:** Gary Connolly

**Position:** Chief Financial Officer

**Position:** Chief Financial Officer

**Report Name:** Ratepayer Assistance Scheme

<b>Report Status</b>	Open
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## Purpose - *Take*

1. To inform the Finance and Monitoring Committee on a proposal to develop a Ratepayer Assistance Scheme and the opportunity as part of the group of funding councils to provide pre-seed funding investment to develop Ratepayer Assistance Scheme to viability 'go/no-go'.
2. To seek a recommendation from that Finance and Monitoring Committee that the Council approves the proposal.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Finance and Monitoring Committee:
  - a) receives the report; and
  - b) recommends that the Council approves:
    - i. a loan funded investment of \$500,000 to support further development of the Ratepayer Assistance Scheme, subject to total development funding of \$2.5 million is committed from other Local Authorities (including Hamilton City Council) and/or Central Government;
    - ii. an indication of additional investment at the establishment of the Ratepayer Assistance Scheme, with the maximum investment likely to be capped at no more than 20% for any one entity to ensure off-balance treatment;
    - iii. an indication of the Council's willingness to use the Ratepayer Assistance Scheme once it is established, and
  - c) notes:
    - i. that if established the Ratepayer Assistance Scheme will require a total estimated establishment capital of approximately \$30 million, which is anticipated to be sourced from LGFA, Central Government and Local Authorities, likely initially reflecting those Local Authorities who have participated in the Ratepayer Assistance Scheme development funding;
    - ii. that Central Government is supportive of the Ratepayer Assistance Scheme proposal and considers that it has the potential to be a cost-effective way to provide relief to ratepayers and give Councils greater revenue certainty;

- iii. the benefits that the establishment of a Ratepayer Assistance Scheme in New Zealand could provide to Hamilton City ratepayers and developers;
- iv. that Council's funding contribution to date and any further final development funding will count as establishment capital in the event it chooses to participate in the establishment of the Ratepayer Assistance Scheme;
- v. the potential for future return on investment to Council should the Ratepayer Assistance Scheme proceed; and
- vi. that this funding, if approved, will be treated as an investment, and only paid once sufficient support has been obtained to complete the full \$2.5 million funding requirement.

### **Executive Summary - *Whakaraapopototanga matua***

4. The Ratepayer Assistance Scheme is a proposed national low-cost financing solution to support ratepayers and developers facing affordability constraints, including:
  - i. support of existing local government policies that involve the local authority effectively lending money to ratepayers (such as rates postponement),
  - ii. new flexible funding products such as deferred development levies, and
  - iii. new property improvement loans which provide public and private benefits.
5. The first stage of the Ratepayer Assistance Scheme proposal including extensive development work and analysis has already been completed, including the original comprehensive draft business case completed in late 2022 (which will be updated during this next stage). This was undertaken with the support of group of metro councils including Hamilton City Council (funding councils), New Zealand Local Government Funding Agency (LGFA), Local Government New Zealand (LGNZ) and Rewiring Aotearoa (collectively the steering group).
6. The Ratepayer Assistance Scheme is seeking pre-seed funding (\$2.5 million) from the group of funding councils to enable the Ratepayer Assistance Scheme to establish viability, and progress design and regulatory steps necessary for a national launch. Noting extensive development work and analysis has already been completed, including the original comprehensive business case completed in late 2022 (which will be updated during the next stage).
7. It is intended once the pre-seed funding is confirmed a Ratepayer Assistance Scheme Governance Group will be established comprising:
  - i. Local Government New Zealand (LGNZ)
  - ii. Local Government Funding Agency (LGFA)
  - iii. Rewiring Aotearoa (RA)
  - iv. Local Authorities who are funding the development of the Ratepayer Assistance Scheme
8. If the scheme proceeds, Council's investment would convert to capital; however, if not, the pre-seed funding would be written off. Management consider that is more likely than not that the Ratepayer Assistance Scheme will proceed.
9. If the Ratepayer Assistance Scheme is established it would require establishment funding equity of approximately \$30 million to cover establishment costs and operating deficits until Ratepayer Assistance Scheme achieves breakeven, which as indicated in the current assumption scenario to occur around year 4-5.

10. If the Ratepayer Assistance Scheme does proceed, it is intended that initial group of funding councils participating in the pre-seed funding would have preferential options for seed-funding, the capitalisation investment (\$30 million) in what would then be a Council Controlled Organisation (Ratepayer Assistance Scheme CCO) for Ratepayer Assistance Scheme delivery.
11. The proposal identifies the positive intent for New Zealand Local Government Funding Agency (LGFA) to participate in the seed-funding capitalisation round subject to support from Central Government.
12. Staff recommend **Option Six**, providing pre-seed funding investment of no more than \$500,000 to support the next stage development of the Ratepayer Assistance Scheme.
13. Staff consider the decision in this report has low significance and that the recommendations comply with the Council's legal requirements.

### **Background - *Koorero whaimaarama***

14. New Zealand is facing a range of challenges including the cost-of-living crisis, changing demographics (in particular the growing cohort of elderly New Zealanders on fixed incomes), the infrastructure deficit, the quality and health / safety of homes, the housing deficit, climate change impacts, energy and fuel security, resilience and decarbonisation of the economy.
15. A Ratepayer Assistance Scheme framework has been developed (**Attachment 1**), with input from Local Government New Zealand (LGNZ), Local Government Funding Agency (LGFA), and others, outlining:
  - i. Purpose of the Ratepayer Assistance Scheme,
  - ii. Ratepayer Assistance Scheme application scenarios,
  - iii. Administration of the Ratepayer Assistance Scheme and Ratepayer Assistance Scheme levies,
  - iv. Funding final Ratepayer Assistance Scheme development to confirm viability and detailed business case to go/no-go status (pre-seed funding),
  - v. Equity funding of the Ratepayer Assistance Scheme upon establishment (seed funding), and
  - vi. Indicative return on investment scenario.

### **Purpose of the Ratepayer Assistance Scheme**

16. The Ratepayer Assistance Scheme aims to provide equitable access to funding for ratepayers who face difficulty meeting rates obligations, especially those who are asset rich / income poor, and for developers facing cashflow constraints in delivering infrastructure.
17. In many respects, the Ratepayer Assistance Scheme is like the LGFA:
  - i. It utilises the strength of local government rates charge to provide security,
  - ii. It achieves scale by aggregating requirements across the sector to access very efficient and flexible financing from the capital markets, and
  - iii. It is then able to pass on these financing efficiencies to ratepayers
18. An important distinction between the Ratepayer Assistance Scheme and LGFA is that the Ratepayer Assistance Scheme will lend directly to individual ratepayers whereas the LGFA lends to Local Authorities.

### **Ratepayer Assistance Scheme development to date**

19. Significant work has been undertaken developing the Ratepayer Assistance Scheme by the steering group, of which Hamilton City Council was a funder, supported by Cameron Partners, Russell McVeagh and PWC.



20. The Ratepayer Assistance Scheme development to date has been based on the establishment process for the LGFA which incorporates a few stage gates namely, seeking to progressively identify key issues, confirm Ratepayer Assistance Scheme viability and test interest from key stakeholders.
21. The most recent stage completed in 2022 has involved:
  - i. Developing a detailed business case involving confirming proposed operational arrangements and detailed financial analysis incorporating scenario analysis with assumptions based on objective data, precedents and expert input; and
  - ii. Legal, accounting and tax red flags review.

## **Discussion - *Matapaki***

### **Ratepayer Assistance Scheme Application**

22. The proposed Ratepayer Assistance Scheme could be applied to multiple financing applications, essentially any loan to property owners that Local Authorities / Central Government decide to make.
23. The development of the Ratepayer Assistance Scheme proposal to date has focused on three applications:
  - i. rates postponement ,
  - ii. deferred development contributions / development levies , and
  - iii. property improvement loans .
24. In principle, the Ratepayer Assistance Scheme could also be applied to other property related taxes and imposts including Infrastructure Funding and Financing (IFF) levies and the recently announced Development Levy System, if appropriately structured.

### **Administration of the Ratepayer Assistance Scheme**

25. The Ratepayer Assistance Scheme would be a national shared service available to all Local Authorities, whether they were an equity holder or not, and optional for qualifying ratepayers where participation is offered by their Local Authorities.
26. The Ratepayer Assistance Scheme would have no discretion to whom and for what it could lend money, all the services it provides would need to be approved by Local Authorities and Central Government.
27. Importantly, given the Scheme is providing services on behalf of Local Authorities, the Ratepayer Assistance Scheme would have the power to impose a levy charge equivalent to a rate to ensure it gets repaid.
28. The operations and processes of the Ratepayer Assistance Scheme are intended to be as efficient and seamless as possible, with user-friendly application processes available to ratepayers, and efficient interface with Local Authorities, for example in the case of Rates Postponement or deferred development contributions/levies:
  - i. Ratepayers would “apply” through their Local Authority via a web-based portal on the Local Authority’s website;
  - ii. The application would go directly to Ratepayer Assistance Scheme for processing;
  - iii. Once approved, payment of the rate charge or development contribution/levy is made to the Local Authority by the Ratepayer Assistance Scheme;
  - iv. At the appropriate time the Ratepayer Assistance Scheme will levy the ratepayer to obtain repayment; and

- v. The Ratepayer Assistance Scheme levy will be separately itemised on the Local Authority's rates invoice and collected by that Local Authority.
29. The Ratepayer Assistance Scheme levy would be reflected as a charge on the property title (as per a mortgage). Any charge on the title would be dealt with during the conveyancing process when a property is sold. It is assumed the Ratepayer Assistance Scheme levy would rank equally with Local Authorities rates so the Ratepayer Assistance Scheme would piggy-back on the Local Authority's default/arrears processes.
  30. Local Authorities would be expected to cover the administration costs incurred with these processes (in exchange for the benefits of being able to offer these arrangements to our ratepayers). Based on its equity ownership, these costs may be offset from returns on their investment.

#### **Funding final Ratepayer Assistance Scheme development**

31. To move forward requires support from Local Authorities and Central Government and funding commitment for the final development phase. The Minister for Local Government has indicated support for the scheme.
32. An immediate focus of the next stage of development will be formalising governance frameworks, updating the business case including break-even and Return on Investment analysis, and legal / accounting advice.
33. The Ratepayer Assistance Scheme steering group is seeking a commitment from Local Authorities of a total cumulative funding of \$2.5 million to fund the next stage of development costs through a series of "stop-go" decision points. It is intended that funding councils will make meaningful funding contributions.
34. While no firm commitment to an equity stake would be required (this can be subject to final due diligence, Central Government Cabinet decisions and the like), moving forward would be with a probable expectation of subscribing for shares in the Ratepayer Assistance Scheme at its establishment.
35. We are aware that Auckland City Council in its meeting of 26 October 2023 has resolved to make contributions to development of \$100,000 without conditions, \$500,000 subject to additional development funding from other councils, and up to \$5 million in equity contribution on establishment of the Ratepayer Assistance Scheme. Tauranga City Council has this as an agenda item on its council meeting of 10 June 2025, with a recommendation to approve \$500,000 funding to support final development of the Ratepayer Assistance Scheme.

#### **Equity funding of the Ratepayer Assistance Scheme upon establishment**

36. Assuming a "go" decision an advance on this pre-seed funding investment will be required to complete establishment prior to the Ratepayer Assistance Scheme going "live" in the 2025/26 financial year.
37. With appropriate support from Central Government and other Local Authorities it is estimated that the Ratepayer Assistance Scheme could be established in approximately 12 - 18 months.
38. The Ratepayer Assistance Scheme would be a new entity (a Council Controlled Organisation), owned by Local Authorities, LGFA and Central Government.

39. Assuming a Ratepayer Assistance Scheme “go” decision, it is estimated \$30 million in total equity seed-funding will be required (including the \$2.5 million in development funding), covering commercial, legal, accounting, tax, IT and recruitment advice during the development and establishment phase (approximately \$10 million) + the IT system and allowance to cover operating deficits while Ratepayer Assistance Scheme reaches scale and financial breakeven (approximately \$20 million). This equity requirement will be confirmed during final development prior to the Ratepayer Assistance Scheme going “live” in the 2025/26 financial year.
40. It is expected that LGFA and Local Authority members of the Ratepayer Assistance Scheme Governance Group will form some or all the shareholders of the Ratepayer Assistance Scheme at its establishment (Central Government and other Local Authorities that are not members of the Ratepayer Assistance Scheme Governance Group may also be invited to be shareholders).
41. To ensure the Ratepayer Assistance Scheme is off-balance sheet, the maximum individual stake is less than 20%.
42. The actual amount invested will depend on individual Local Authorities appetite and level of interest from other Local Authorities. Of the \$25 million LGFA establishment capital, Central Government took \$5 million, nine Local Authorities took \$2 million each and another eight Local Authorities split the remaining \$2 million between them.
43. As with LGFA, there is merit in getting the widest shareholding spread possible to support uptake. Notwithstanding, some members of the steering group have indicated a preference to limit the shareholders given the high potential returns and the investment/ risk capital already put in by the current group warranting a preferential position.
44. To encourage early participation in pre-seed development funding and to minimise free-riding of other Local Authorities delaying their commitment, members of the Ratepayer Assistance Scheme Governance Group, those who support development funding, are anticipated be able to set the terms of any establishment capital to compensate those Local Authorities providing early funding for the development risk being taken. For example:
  - i. \$1 of funding provided at this stage to complete final development could equate to 2 shares at establishment whereas \$1 contributed at establishment could equate to 1 share; and
  - ii. The steering group members will be able to choose the number of shares they wish to take (up to the 20% maximum) and the number of shares (if any) that might be available for Local Authorities outside the steering group.

#### **Indicative return on investment scenario**

45. To provide insight, Cameron Partners has developed an operating model, detailed business case and built a comprehensive financial model analysing multiple scenarios based on objective data and input from steering group members (in particular LGFA), the British Columbia Property Tax Deferral Scheme team, and IT service providers (IT costs and system requirements).
46. The scenarios analysed cover various combinations of Ratepayer Assistance Scheme products and levels of uptake by ratepayers.
47. The basic economics of the Ratepayer Assistance Scheme are that it will generate a net interest margin of approximately 1% (i.e. it will make loans to ratepayers at approximately 1% above what it borrows at). Ultimately its net interest will need to cover its operating costs to breakeven (e.g. if operating costs are \$7 million per annum the Ratepayer Assistance Scheme will require a loan book of \$700 million to breakeven).

48. This can be achieved across all the products that the Ratepayer Assistance Scheme offers, and various data points support the Ratepayer Assistance Scheme reaching breakeven in a relatively short timeframe (e.g. the British Columbia scheme has approximately \$2.7 billion in loans (growing at approximately \$300 million per annum); nationwide development contributions total approximately \$700 million per annum; RRS supports >100,000 ratepayers).
49. Based on the analysis reviewed, it is expected that the Ratepayer Assistance Scheme will be able to generate a surplus and provide a strong return to its shareholders. The Base Case Rates Postponement and deferred development contribution scenario indicates breakeven after three years, initial equity fully paid back after eight years, dividend yield on initial investment of approximately 64% + in year 10 and by year 15, approximately 7x the initial investment would have been returned through dividends.
50. Once breakeven is achieved, surplus capital could be distributed back to shareholders. Analysis also indicates that large surpluses could be achieved and used to either:
  - i. Provide returns to shareholders (the return on investment is potentially very high); and/or
  - ii. Reduce the interest rate charged to ratepayers even further.

#### **Other matters**

51. Legislation will be required to enable the Ratepayer Assistance Scheme to have the powers to impose a "rate-like" levy and navigate Credit Contracts and Consumer Finance Act 2003 (CCCFA) issues.
52. Russell McVeagh has advised that there are strong precedents for the required legislation provided by the LGFA and IFF respectively and consequently this won't involve "breaking new ground" and that there is a strong case for CCCFA exemptions in regard to Rates Postponement and deferred development contributions (which is simply changing the timing of payment of Local Authorities charges) and for property improvement loans, following exemptions from the CCCFA for targeted rates schemes in 2024.
53. PWC has identified accounting and tax issues that will need to be addressed / confirmed including off-balance sheet treatment, guarantees being recognised as liabilities, income tax exemption and potential technical Ratepayer Assistance Scheme insolvency from an inability to recognise multi-year levies.
54. PWC notes that none of the issues identified are considered insurmountable and would be resolved through an iterative process in final design / development.
55. The Crown is expected to draft specific legislation in support of the Ratepayer Assistance Scheme. This is a critical stage gate at the end of the final development stage and would happen before a decision on equity funding would be required from Council.

#### **Hamilton City Council Investment**

56. The proposal is for Hamilton City Council to contribute pre-seed investment into the Ratepayer Assistance Scheme development, enabling final design work, regulatory compliance scoping, and engagement with co-investors.
57. The pre-seed funding will convert into capital investment if the Ratepayer Assistance Scheme proceeds beyond this stage. Should the initiative not proceed, the investment would need to be written off.
58. If the recommendation is not approved, staff anticipate this may limit Council's opportunity to:
  - i. Participate as one of the principal shareholders on establishment at scale,
  - ii. Gain longer term financial gains on investment, and

- iii. Participate in influencing the scope, structure and criteria of applications of the scheme.
59. If the recommendation is not approved, staff do not anticipate that this will limit Councils future ability to participate in the scheme as an offering to its ratepayers.
60. The establishment of the Ratepayer Assistance Scheme aligns with Council's strategic intent to support financial inclusion and infrastructure enablement. The Ratepayer Assistance Scheme aligns with long-term outcomes in housing, growth, and affordability.

#### Next Steps

61. Should the Council approve the recommendations in this report, the next steps are the steering group confirming Local Authority's support and funding for final development of the Ratepayer Assistance Scheme on similar terms as approved by the Council (although the amount of contributions could vary) totalling \$2.5 million.
62. Assuming Local Authorities support and funding for final development totalling \$2.5million is confirmed then the steering group:
- i. Commences final development of the Ratepayer Assistance Scheme,
  - ii. Engages with officials to support their policy work;
  - iii. Seeks to complete the final development work to enable a go/no-go implementation decision by Council, other Local Authorities and Central Government.

#### Options - Koowhiringa

63. Staff have assessed that there are six reasonable and viable options for the Committee to recommend to Council. This assessment reflects the level of significance (see paragraph 86) and potential implications of a Ratepayer Assistance Scheme in supporting our ratepayers.
64. The options are set out in Table 1:

**Table 1: Option analysis for Ratepayer Assistance Scheme**

Option	Advantages	Disadvantages
<b>Option 1:</b> No involvement with Ratepayer Assistance Schemes (status quo)	<ul style="list-style-type: none"> <li>No investment required</li> </ul>	<ul style="list-style-type: none"> <li>Higher level of Council debt to support increased rates postponement requests</li> <li>Slower development of properties without financing for development contributions / levies</li> <li>Less resilient properties</li> </ul>
<b>Option 2:</b> No additional funding contribution but uses the Ratepayer Assistance Scheme if established	<ul style="list-style-type: none"> <li>No investment required</li> </ul>	<ul style="list-style-type: none"> <li>Not investing may make the scheme less likely to succeed</li> <li>Council will not be able to participate in initial shareholder development of the scheme and will likely make a smaller return on any future investment</li> </ul>
<b>Option 3:</b> Develop these schemes ourselves	<ul style="list-style-type: none"> <li>Control of scheme</li> </ul>	<ul style="list-style-type: none"> <li>Not off-balance sheet</li> <li>Other Council experience is low uptake</li> <li>Have all the admin costs</li> </ul>



Option	Advantages	Disadvantages
<b>Option 4:</b> Invest in the scheme development in rating proportion to Auckland Council – (\$60k)	<ul style="list-style-type: none"> <li>• Potential write-off exposure low</li> </ul>	<ul style="list-style-type: none"> <li>• Need to invest unbudgeted \$60,000</li> <li>• Not investing may make the scheme less likely to succeed</li> <li>• Risk of investment write off if scheme doesn't eventuate</li> <li>• Other Local Authorities make more meaningful contributions to point Council isn't included in Governance Group</li> <li>• Limits Councils options to participate in establishment funding</li> <li>• Potential lower share of future investment returns</li> </ul>
<b>Option 5:</b> Invest up to 10% in the scheme development (\$250k)	<ul style="list-style-type: none"> <li>• Council continues to be seen as an advocate for establishment of the scheme</li> <li>• Some ability to influence that scheme is developed in a way that suits Council as part of initial shareholders</li> <li>• Lowers Councils debt used in support of rates postponements</li> <li>• Improves funding to speed up development of properties</li> <li>• Offer low-cost property improvement schemes to the community</li> <li>• Potential future investment returns</li> </ul>	<ul style="list-style-type: none"> <li>• Need to invest unbudgeted \$250,000</li> <li>• Lower investment level may mean sourcing funding to complete final development takes longer</li> <li>• Risk of investment write off if scheme doesn't eventuate</li> </ul>
<b>Option 6:</b> (Recommended) Invest up to 20% in the scheme development (\$500k)	<ul style="list-style-type: none"> <li>• Council seen as a leading advocate for establishment of the scheme</li> <li>• Ability to influence that scheme is developed in a way that suits Council as part of initial shareholders</li> <li>• Lowers Councils debt used in support of rates postponements</li> <li>• Improves funding to speed up development of properties</li> <li>• Offer low-cost property improvement schemes to the community</li> <li>• Potential of increased future investment returns</li> </ul>	<ul style="list-style-type: none"> <li>• Need to invest unbudgeted \$500,000</li> <li>• Risk of investment write off if scheme doesn't eventuate</li> </ul>

65. Staff recommend **Option Six** because investment, particularly at the higher level, increases the likelihood of the necessary development funding level being reached and completion of the work increasing the likelihood of the Ratepayer Assistance Scheme proceeding to establishment.
66. The higher level of investment in the recommended option increases the likelihood of the development being completed in a timelier manner and the likelihood of establishment of the Ratepayer Assistance Scheme as a significant low interest financing tool available to ratepayers and developers who are property-secure but income-limited in funding revenue to Council to deliver its services and achieve its priority outcomes.
67. The higher level of investment in the recommended option, though increasing exposure to write-off, would also secure Council greater consideration to participate in a higher level of equity investment at establishment if the final development of the business case confirms the expectation of future return on investment, then available to mitigate rate charges to the community.

### **Financial Considerations - *Whaiwhakaaro Puutea***

68. The investment reflected in the recommended option is \$500,000 and it is anticipated it would be funded by loan and would therefore have associated annual interest costs of approximately 5% until sufficient return on investment is available to offset it.
69. The proposed pre-seed investment funding in the Ratepayer Assistance Scheme is currently unbudgeted and would need to be funded from budget reprioritisation or additional debt. Staff recommend the investment be funded by debt, noting that based on improved performance against budget in 2024-25 less debt has been occurred than planned, meaning this would not result in a worse than planned position.
70. Because we would not have to pay the \$500,000 until the full amount being looked for (\$2.5 million) has been committed by Local Authorities 's we consider that this will be an investment. As such we can loan fund the expenditure without any material impacts on the balanced budget.
71. It should be noted that establishment of the Ratepayer Assistance Scheme and Councils participation is anticipated to improve Councils cashflow compared to its current postponement approach and would therefore conceptually reduce other Council interest costs within 2024-34 Long-Term Plan, though this benefit has not been modelled or quantified.
72. It is anticipated that establishment and participation in the Ratepayer Assistance Scheme would significantly reduce "in-house" capacity demands to administer rates postponements, though this benefit has not been modelled or quantified.
73. If the Ratepayer Assistance Scheme is established, it is anticipated any surplus capital could be distributed back to shareholders.
74. Analysis also indicates that significant medium to long term operating surpluses of the Ratepayer Assistance Scheme are anticipated, which could be used to either provide returns to shareholders (the return on investment is potentially very high); and/ or reduce the interest rate charged to ratepayers even further.
75. If the Ratepayer Assistance Scheme does not proceed to establishment the pre-seed funding investment would need to be written-off as a loss on investment.

## **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

76. Staff confirm that staff recommendation complies with the Council's legal and policy requirements, including Council's Investment Policy.
77. Additional legal review is anticipated to be undertaken as part of the development by the Ratepayer Assistance Scheme to inform any future equity investment or transfer.

## **Climate Change Impact Statement**

78. Staff have assessed this option against the Climate Change Policy for both emissions and climate change adaptation and determined that no adaptation or emissions assessment is required.

## **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

79. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 well-beings).
80. The subject matter of this report has been evaluated in terms of the 4 well-beings during the process of developing this report.
81. The recommendations set out in this report are consistent with that purpose, particularly supporting social and economic well-beings for ratepayers who are property-secure but income-limited.
82. The property improvement loan application currently anticipated as one of the primary uses of the Ratepayer Assistance Scheme in circumstances that have both private and public benefits and could include climate change related policy initiatives (e.g. solar panels, home EV chargers, home insulation and window double glazing) and initiatives to mitigate the impacts of climate change.
83. The Ratepayer Assistance Scheme has general applicability and accordingly there has not been any consultation undertaken directly with Maaori.
84. It is considered unlikely that the Ratepayer Assistance Scheme will be able to be applied to Maaori freehold land. We would recommend that the Ratepayer Assistance Scheme development work consider options that enable equitable outcomes.

## **Risks - *Tuuraru***

85. The risks associated with the options presented in this paper are reflected in the advantages and disadvantages identified in the Options Table 1 in paragraph 64, with the primary risk being the potential loss on investment, if any, should the Ratepayer Assistance Scheme not be established post the development stage.

## **Significance & Engagement Policy - *Kaupapa here whakahira/anganui***

86. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have low significance. Given the low level of significance determined, the engagement level is low. No engagement is required.

## **Attachments - *Ngaa taapirihanga***

Attachment 1 - Ratepayer Assistance Scheme Opportunity Presentation .



# RATEPAYER ASSISTANCE SCHEME

THE OPPORTUNITY FOR LOCAL GOVERNMENT



**Kō tātou.  
LGNZ.**



**Item 9**

**Attachment 1**



## Executive summary and contents

RAS is a local government initiative that will significantly enhance LAs' funding and financing toolbox - providing flexibility to LAs as to how they charge and ratepayers in how they pay

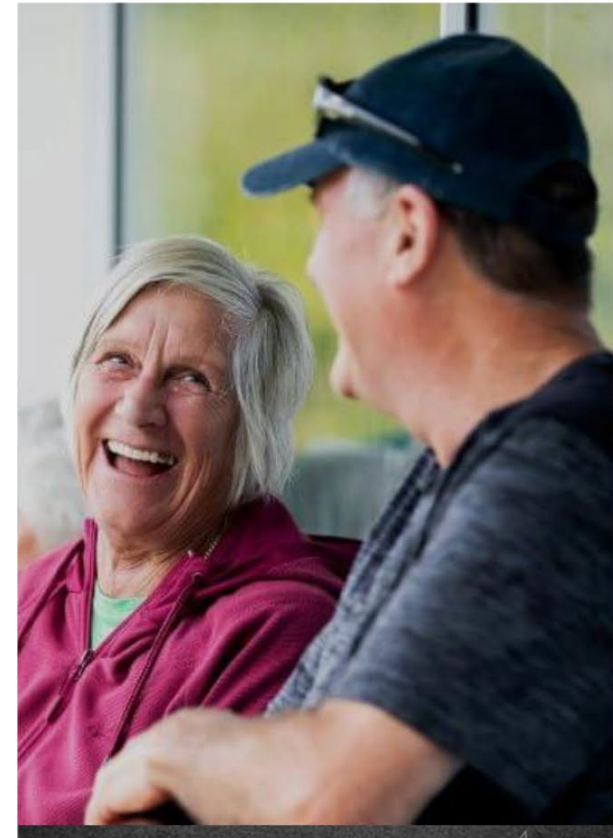
- The Ratepayer Assistance Scheme (RAS) supports local government funding and financing by:
  - Converting multi-year Local Authority (LA) charges to ratepayers into efficient upfront payments to LAs
  - Effectively lending to ratepayers at very low cost
- The RAS would be owned by LAs, off-balance sheet and can be used to finance Development Contributions / Levies, Property Improvement Loans and Rates Postponement
- The Minister for Local Government has confirmed that he is supportive of the RAS and has recommended that local government undertakes further, final development work
- To undertake final development requires additional funding commitment from the sector (without this the RAS will not proceed) and there is the opportunity for councils to be part of the group of funding councils
- This document sets out details of the RAS opportunity as follows
  1. **The RAS Opportunity**
    - The services RAS provides:
      2. **Deferred Development Contributions / Development Levies**
      3. **Property Improvement Loans**
      4. **Rates Postponement**
  5. **What the RAS is and how it works**



# 1. The RAS Opportunity

The RAS has been developed by LGNZ, LGFA, a group of metro councils and Cameron Partners to support councils and ratepayers to address a range of economic and social issues

- The economic and social disruption from the cost-of-living crisis, an ageing population plus the investment requirements to meet infrastructure, health & safety and environmental resilience is affecting all New Zealanders
- The local government sector is responding with policies to address these issues, but it needs additional tools to ensure these policies can be financed, administered efficiently and are effective
- Local Government New Zealand (LGNZ), along with a group of Metro councils, the New Zealand Local Government Funding Agency (LGFA), Rewiring Aotearoa (RA) and Cameron Partners have been working on an innovative financing scheme, the RAS
- The purpose of the RAS is to facilitate and enhance the effectiveness of a range of existing and prospective government and local government policies by:
  - Addressing ratepayer affordability concerns
  - Incentivising ratepayers to take advantage of, and comply with policies through providing ratepayers with flexibility to decide when to pay local government charges and/or very competitive finance terms
- The RAS is very flexible with multiple applications possible – to date the focus has been on three applications:
  1. **Deferred Development Contributions (DCs) / Development Levies (DLs)** which enables developers to convert upfront DC / DL payments into annual payments over ~30 years while ensuring local authorities still receive full payment upfront
  2. **Property Improvement Loans (PILs)** to encourage investment in properties that has both private and public benefits, for example installation of solar panels and home insulation / heating
  3. **Rates Postponement (RP)** providing relief to ratepayers by using equity in their homes to defer payment of general rates (and could in-principle include all LA charges) until their house is sold



# 1. The RAS Opportunity

Central government has confirmed it is supportive and recommended further development – this requires local government to confirm its support and funding

- In many respects, the RAS is similar to the LGFA – it:
  - Utilises the strength of local government rates charge to provide security
  - Achieves scale by aggregating requirements across the sector in order to access very efficient and flexible financing from the capital markets
  - Is then able to pass on these financing efficiencies to ratepayers
- An important distinction between the RAS and LGFA is that the RAS will lend directly to individual ratepayers whereas the LGFA lends to local authorities
- The RAS would be a new entity owned by LAs, providing a national shared service available to all LAs – it would:
  - Undertake administrative functions in regard to the loans it provides (in many cases removing this from councils)
  - Importantly, be off-balance sheet for LAs so that there is no impact on council financing capacity
- The Minister for Local Government has confirmed that he is supportive of the RAS, has instructed his officials to commence policy work on the RAS in August 2025 and has recommended that local government undertakes further detailed development work to enable a final stop / go decision in late 2025
- To move forward, the local government sector needs to confirm its support for the RAS and sufficient funding commitment to fund final development
- The opportunity is for councils to be part of the funding group that supports final development of the RAS and ultimately establishment of the RAS – without further funding support the RAS will not proceed





## 2. Deferred DCs / DLs

Deferred DCs / DLs will spread the cost over say, 30 years, supporting development. It will be easier for LAs to charge the full allowable cost and receive payment upfront

- LAs charge ratepayers / developers DCs for new developments to contribute to the costs of supporting infrastructure
  - DC costs are significant (one-off charges are on average ~\$20k to \$30k per property but can be \$60k+)
  - 2026 annual plans forecast over \$700 million revenue to be raised from DCs nationally
- The proposed Development Levy System (DLS) is expected to expand the scope of DLs to enable LAs to fully recover development growth costs and raise more revenue to fund growth infrastructure
- BUT the DLS combined with supply chain issues and inflation pressures means developers will need to pay more – the affordability of these increased charges and risk to the very developments that the charges are intended to support are critical considerations
- The RAS will be able to effectively convert upfront DCs / DLs into series of annual payments over say 30 years
- Under a Deferred DC / DL scheme, LAs would continue to do what they do now and invoice DCs / DLs at appropriate milestones (e.g. issue of 224c certificate or Code of Compliance) but developers would have the option to either:
  - Pay DCs / DLs in full; or
  - Choose to defer DCs / DLs through the RAS
- In the case of deferred DCs / DLs, the RAS would pay the upfront DC / DL to the LA and the current and future owners of the properties, would repay these upfront DCs / DLs (+ interest) as annual RAS levies:
  - Importantly, future owners would expect to pay less for properties with deferred DCs / DLs to reflect the RAS levies that will be charged in future on an annual basis
  - In any event, the purchaser of a property will have the option to require the outstanding RAS levies to be repaid by the seller of the property prior to them taking ownership (although new purchasers may decide that they prefer to pay less upfront for the property and take advantage of the attractive financing rates applied by the RAS)



## 2. Deferred DCs / DLs

The new DLS will facilitate increased LA charges to property developers to more fully fund the costs of growth-related infrastructure



- DCs are a substantial revenue source for LAs (~\$700 million nationally) and this is expected to increase considerably under the DLS
- The increased costs will drive demand for alternative payment arrangements such as deferred DCs / DLs, underpinning the ability for RAS to achieve a breakeven financial position in a reasonable timeframe
- Auckland Council estimates 50% of its DC revenue is from small developments (under four houses), including a significant number of 'mum and dad' developers undertaking developments such as subdividing their existing property

### Average DC



\$20k – 30k

### Some DCs are much larger



\$60k+

Under the DLS charges are expected to be larger individually and in aggregate

- Some developers highlight DCs as a factor that impedes development and encourages land banking and in response, some LAs end up discounting DCs
- A range of private and public sector options are available for property developers and LAs - these options typically do not support:
  - Development; and/or
  - LAs recovering the full allowable DC charge

### Don't develop



DCs / DLs can inhibit development

### Development Finance



Development loans are expensive

### Fully charge DCs / DLs



Affordability, risk to development

### LA Deferred DCs / DLs



Admin and impact on LA debt capacity



Stan and Jess, with their children Rebecca and Josh, have a home with a large backyard in Auckland

Stan and Jess are considering building an additional house on their section to initially provide accommodation for Jess' parents and then, in time their children. At some point they are likely to sell the property to help fund their own retirement. The DC that would be triggered by their development is a barrier to them developing the property. Stan and Jess would opt in to use the RAS's Deferred DC / DL product:

- The Deferred DC / DL removes any potential disincentive of the material upfront DC / DL cost to undertake the development
- The RAS would convert the DC into an annual levy payment secured against the property
- The LA would receive the full DC / DL payment upfront
- Stan and Jess would pay their 'share' of the DC / DL while they own the property (and other owners in due course)

LAs wish to encourage development but must provide the necessary infrastructure to support this

Some LAs continually face strong developer opposition to paying DCs

We understand that some developers point to LA DCs as an impediment to development

A Deferred DC / DL offering would be a very attractive option for developers:

- Providing flexible payment terms
- Spreading the costs of the infrastructure over a 30-year term
- Providing LAs with a constructive response to developers' DC / DL cost concerns
- Providing the full DC / DL payment to the LA upfront



### 3. Property Improvement Loans

LAs can currently adopt policies to provide financing to ratepayers that can be repaid via voluntary targeted rates – these arrangements can be financed and administered by RAS

- Current legislation enables LAs to adopt policies to provide financing to ratepayers that can be repaid over a fixed period via a voluntary targeted rate secured against a rateable property
- These policies typically relate to supporting and incentivising ratepayers to invest in their properties to achieve desirable private and public benefits. For example, various councils provide retrofit home insulation loans to ratepayers with loans repaid on a table mortgage basis
- Current PILs usage across most LAs (and therefore private and public benefits) is relatively low:
  - Similar to RP, LAs have been reluctant to offer and promote PILs as they must be financed out of LAs' existing financing capacity
  - In some cases, the interest cost charged to ratepayers has not been sufficiently attractive relative to ratepayers' financing alternatives
  - LAs have encountered operational and regulatory challenges
- RAS could provide PILs for individual and community projects (e.g. home insulation, heat pumps, double glazing windows, earthquake strengthening, solar panels, water tanks, septic tanks, EV chargers, stock exclusion fencing, sea walls) that:
  - Facilitate the growth of safer, healthier, more resilient and environmentally sustainable homes and communities
  - Are voluntary / 'opt-in' for ratepayers
  - Provide ratepayers with competitive financing options (~1% – 1.5% below standard mortgage rates)
  - May reduce or delay LAs' required investment in infrastructure (e.g. private water tanks could reduce the need for additional LA water storage capacity)
  - Are 'off-balance sheet' for LAs, removing the financing impediment for LAs



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Item 9

Attachment 1

### 3. Property Improvement Loans



PILs support uptake of individual and community property improvements with significant public benefits, furthering LA and government's policy goals

- Private property improvements can have significant private and public benefits (e.g. safer, healthier and more environmentally friendly communities)
- Current legislation enables LAs to offer PILs (repaid via voluntary targeted rates) to further policy objectives, but use by LAs is not widespread – largely due to operational, cost and compliance issues
- Achievement of certain policy objectives / public benefits are limited by the one-off costs that property owners need to pay for the improvements

- A range of private and public sector options are available for property owners and LAs / government
- LAs / government can directly subsidise private property improvements, but these have limited efficiency
- Recent examples of LA provided PILs highlight the administrative and financing challenges

#### Don't improve



Reduced social benefits and policy objectives achieved

#### Bank loan



Expense and availability?

#### Govt subsidies



Public sector vs private sector costs

#### LA schemes



Admin burden and uses LA financing capacity



Josh, Sophie and baby live in City "X" in an old villa purchased five years ago. They are required under council regulations to either reinforce or remove the two existing chimneys in their home

Josh and Sophie currently heat their home with open fires but have decided it will be best long-term to remove the fireplaces. However, each fireplace costs \$8k to remove and they will need to invest in a heat pump costing \$2k Council "X" decides to offer RAS PILs for chimney removal and insulation / heating

Josh and Sophie opt to use the chimney removal and heating PILs:

- Accessing cheaper finance than the current alternatives
- Improving the safety and healthiness of their home
- Council "X" moves closer to achieving its seismic resilience targets



June is looking to buy a new car and is interested in an EV to reduce her emissions and save fuel costs. She is also nervous about power outages

June can just afford the slightly higher purchase price of an EV. However, she is currently unable to also afford the cost of a home Vehicle to Grid (V2G) charger

June opts to use the RAS PILs product as this:

- Improves the affordability of purchasing an EV
- Is cheaper finance than available alternatives
- Reduces her emissions while increasing her energy resilience
- Unlocks savings in fuel costs and maintenance
- Enables her to charge her EV when prices are low, use the car as a battery when prices are high and even sell a few kwh a day to reduce her power bill

Just 30% of households with vehicles plugged in and exporting is the equivalent power output capacity of every power plant in NZ combined. More than enough to deal with higher daily peaks as our economy electrifies and avoid some costly system upgrades

### 3. Property Improvement Loans



PILs are very flexible and can deliver significant cost of living and quality of life benefits for ratepayers – it is up to central government and local government to decide what PILs could be applied to

- In indicating support for further development of the RAS, the Minister has asked that particular consideration for how PILs could be used to support the uptake of renewable, lower-cost energy
- While originally envisioned for residential properties, there is no reason government and councils could not extend PILs to other rateable properties – e.g. financing install of medium-sized solar and water-way fencing on farms
- In principle, RAS PILs could also be used to avoid LA capital expenditure



*Ngaio and Rick have just had a big shock as their electricity daily charge and unit prices increased by 20% from 1 April. They have looked into solar and want to install a 9kw solar system to reduce their power bills and not fear the seemingly inevitable increases coming next April. But the \$18k upfront cost is a big ask for the household with three young kids. They elect to take out a PIL through the RAS as it is cheaper and easier to access than other options available to them. Once installed, they are able to save ~75% of their power bills.*

*After they've fully paid off the solar system through the RAS over the 30 year warranty period of the solar panels, they have saved over \$40k.*

*Their decision to install solar has also:*

- Encouraged them to swap out their gas heating for electric
- Improved the energy resilience of their community
- Helped NZ keep more water in the hydro lakes in dry years, due to the 11% "sunlight premium" of solar in dry years
- Increased NZ's electricity generation (if 80% of homes had a 9kw system, it would be about 40% more electricity generation)
- Supported the wider electrification of the NZ economy



*The ten property owners at beach "X" are concerned about erosion and the impact of climate change which potentially puts their properties at risk in an extreme weather event.*

*They have collectively engaged engineering advisors and a construction company to scope a seawall to protect their properties and they have received a firm quote of \$180k.*

*All of the property owners are willing to contribute to the seawall but some are retired and do not have access to financing and do not wish to use their small savings which they use for living expenses.*

*Seven of the ten property owners at "X" beach opt to use a RAS PIL to finance their contribution to the seawall at cheaper finance than current alternatives (the other three owners pay direct).*

*Of the seven who use the PIL:*

- Three repay the PIL over ten years via annual RAS levies
- Four choose to postpone payment of the voluntary targeted rate using RP

*The seawall is built and the following year, Cyclone Ada causes widespread damage but Beach "X" is unscathed because of the protection provided by the seawall.*



*Council "Y" is aware it has a large number of ratepayers that have septic tanks that are deteriorating and starting to cause environmental issues (leaching into streams and the harbour).*

*The geography makes it difficult to provide reticulated wastewater services to most of the properties and in any event Council "Y" has insufficient financial capacity to undertake the necessary investment for a new wastewater network.*

*Instead, Council "Y" is imposing new septic tank regulations and commencing an inspections process. It anticipates virtually all septic tanks (installed over 50 years ago) will require replacement at an average cost of \$20k.*

*Council "Y" intends to offer a RAS PIL to ratepayers who are required to replace their tanks with a payment term of 20 years:*

- Many affected property owners comply with the new council regulation and choose to take advantage of Council "Y"'s septic tank PIL.
- Property owners who take up the PIL are able to repay the loan over a 20-year period at \$1,000 p.a. + interest (PIL interest rate is lower than alternative options).
- The council achieves its environmental policy objectives.
- The council avoids a significant investment in a reticulated wastewater network that it can ill afford.



## 4. Rates Postponement

RP allows qualifying ratepayers to defer rates and pay on sale of their property – in principle all LA charges could be deferred in the same way



- RP provides flexibility to ratepayers (like a reverse equity mortgage) to decide to pay LA charges at some time in the future, partially mitigating:
  - Affordability issues – the impost on property owners will only increase as New Zealand seeks to address underinvestment in infrastructure
  - Demographic changes – e.g. an aging population and a growing cohort of fixed income / elderly home owners
  - General cost of living challenges
- Many LAs already provide RP schemes although these have limited uptake, due to:
  - Demand side factors - e.g. limited awareness; challenging application processes
  - Supply side factors - e.g. restrictive and varying eligibility criteria; LAs' reluctance to promote RP due to the impact on their short-term cashflows and financing capacity
- RAS RP is an opportunity for a standardised, highly efficient national RP scheme that provides RP benefits to a larger proportion of NZ ratepayers at very competitive financing rates (~1% – 1.5% below standard mortgage rates; ~4% to 5% below reverse mortgage rates)
- Eligible ratepayers will have the opportunity to defer general rates payments and the RAS could also offer ratepayers the option to postpone other RAS or LA related levies such as Deferred DCs / DLs and PILs
- British Columbia, Canada (population ~5 million) has a property tax regime similar to New Zealand's rating system:
  - It has had a property tax deferral scheme in place for many years providing a strong precedent and insights
  - In 2024 the British Columbia Property Tax Deferral Scheme had 83,000+ users, ~\$2.7 billion in loans (it has quadrupled in size from ~\$670 million in 2016) and includes ~3.9% of British Columbia households







## 4. Rates Postponement

A nationwide RP scheme would be a highly efficient solution that assists older home owners avoid financial hardship by offering them the ability to postpone their rates



<ul style="list-style-type: none"><li>Living costs in NZ during retirement can be significant</li><li>Superannuation payments are unlikely to cover all living costs for many low-income ratepayers</li><li>Without savings or other sources of income, retirees can experience financial hardship</li><li>LA rates are a significant expense and are expected to increase above inflation for the foreseeable future</li></ul>	<div><b>'No frills retirement for a couple'</b> \$54k p.a. in the regions \$47k p.a. in main centres</div>	<div><b>'Choices retirement for a couple'</b> \$63k p.a. in the regions \$91k p.a. in main centres</div>
	NZ Super payments \$42k p.a. (post tax) for a couple where both qualify And \$27k p.a. (post tax) for an individual living alone	
	NZ average 2024 residential rates \$3,200 p.a. and rising steeply	

<ul style="list-style-type: none"><li>A range of private and public sector options are available</li><li>These are limited in their effectiveness and efficiency and not always available</li><li>They do not always align with ratepayers' objectives – most ratepayers do not want to be forced to sell their home</li></ul>	<div><b>Reverse mortgage</b>  Reverse mortgages are very expensive</div>	<div><b>Sell home</b>  Downsize, move to a retirement village or more affordable region</div>	<div><b>Rates rebate</b>  Eligible ratepayers can receive up to ~\$790 p.a.</div>	<div><b>Existing LA RP</b>  Not widely marketed, inefficient and expensive</div>
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*John and Jane (both 65) have retired, live in City "X" and expect to live to 90. They are fixed income / elderly homeowners and despite having \$1.4 million of assets (home \$1.2 million and KiwiSaver \$200k), they are struggling to make ends meet. They intend to utilise their savings to meet living costs and the occasional extravagance*

*They pay ~\$4,000 p.a. of LA rates (~8% of their post tax pension income) and are concerned about the forecast rates increases of up to 10% p.a. for the next three years*

*RP:*

- Increases their annual cashflow by ~\$4,000 and insulates them from future rates increases – they eat out once a week at the local byo
- Enables them to stay in their home for the next 10 years

*Ten years later, their home's value has increased to \$1.5 million. They sell it, repay the ~\$60k RP debt and realise \$1.44 million from the sale*



*Diane (70) has retired, lives alone in City "Y" and expects to live to 90. She owns a small unit worth \$600k and otherwise has no investments or savings. Her only income is NZ Super so she is forced to live very frugally and she struggles to afford to travel to Auckland to visit her grandchildren*

*She pays ~\$3,200 p.a. of LA rates (12% of her post tax pension income) and is very concerned about the forecast rates increase of ~10% p.a. for the next three years and whether that will impact her ability to see her family.*

*RP:*

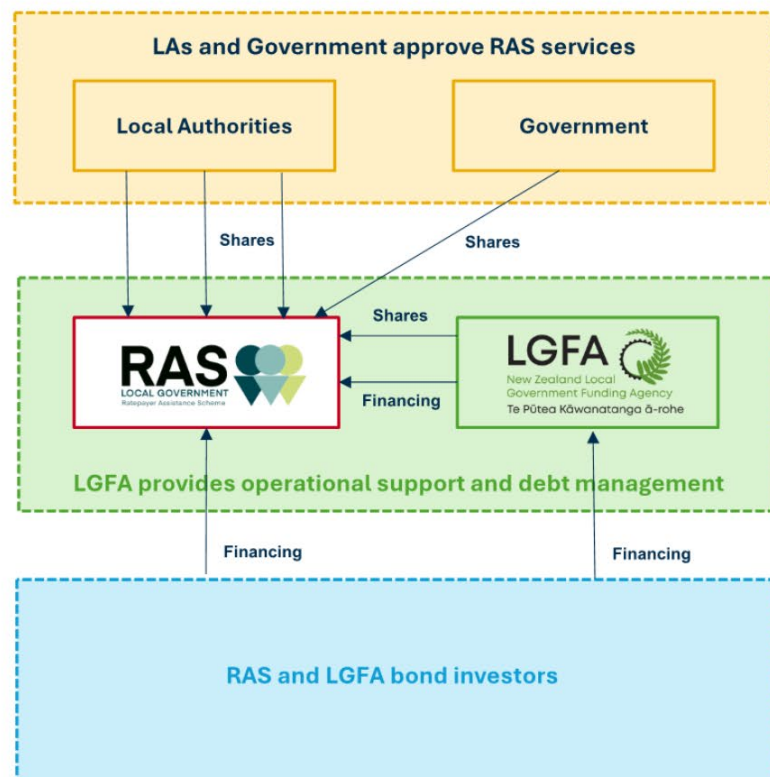
- Increases her annual cashflow by ~\$3,200, insulates her from future rates increases and enables her to visit her family three times a year
- Enables her stay in her unit for the remainder of her life

*When she passes away at 90, her unit sells for \$900k and her \$150k RP debt is repaid*



## 5. What it is and how it works

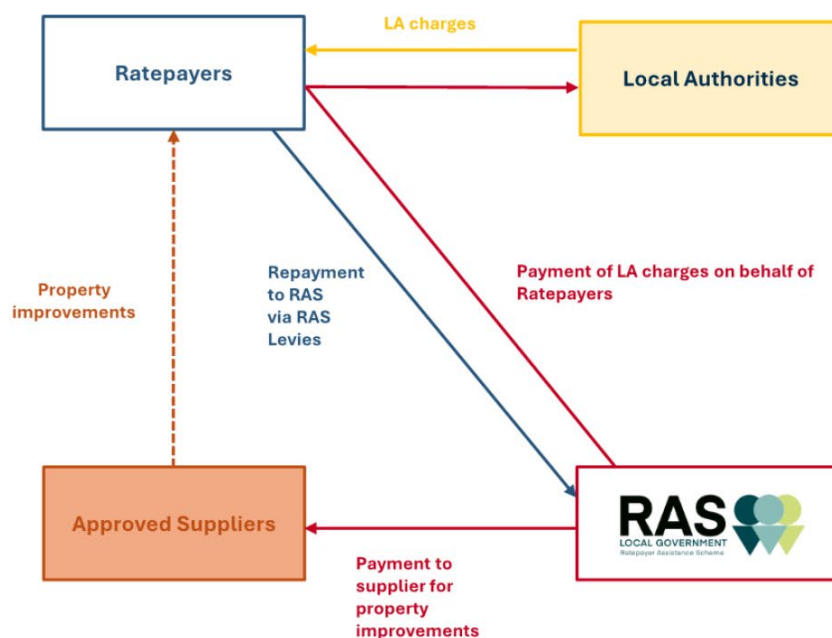
Structurally the RAS has many similarities to the LGFA – it will be owned by LAs, LGFA and government, providing services to LAs and their ratepayers



- The RAS would be a new entity (a CCO), owned by LAs, LGFA and central government
- The RAS would have no discretion to whom and for what it could lend money – all the services it provides would need to be approved by LAs and central government
- To ensure the RAS is off-balance sheet, the maximum individual stake is less than 20%
- All LAs will be able to use the services of the RAS (regardless of whether they are a shareholder or not), subject to meeting RAS's membership requirements – e.g. IT interface, invoicing, collections, security requirements
- LGFA has a critical role in regard to RAS – providing financial and operational support to the RAS (on a commercial contractual basis), using LGFAs existing capabilities, avoiding duplication and maximising efficiency
- The LGFA board has provided in principle approval (subject to LGFA shareholder approval) for the following
  1. **Ownership** up to the maximum allowable (~20% of RAS shares)
  2. **Debt facility** to enable RAS to "warehouse" its loans to ratepayers before issuing its own RAS bonds to the capital markets
  3. **Preference shares investment** (potentially \$100 million + over time) to ensure RAS maintains an appropriate equity ratio as its loan book grows
  4. **Shared services arrangements** across many corporate functions such as financial, HR and IT services
  5. **Management of the RAS bond programme** – using LGFAs existing skills, and networks (it is expected that there will be significant crossover between RAS and LGFA bond investors)

## 5. What it is and how it works

The RAS effectively does what LAs can and already do, but does it more efficiently and effectively, taking on the administrative burden and risk of providing the services while being off-balance sheet so that there is no impact on LAs' financing capacity



- The RAS structure is based on the LGFA structure
- Importantly, given the RAS is providing services on behalf of LAs, the RAS would have the power to impose a levy charge equivalent to a rate to ensure it gets repaid
- The RAS structure and its ability to impose a 'rate-like' levy would enable it to achieve a very high credit rating
- With this very high credit rating, the RAS would raise very low-cost, long-term financing from the capital markets and pass this on to ratepayers (ratepayer financing will be between ~1-1.5% lower than standard mortgage rates)
- LAs will opt-in as to whether they wish to allow their ratepayers to use the RAS's services
- Ratepayers will also opt-in to use the RAS's services
- The interface between LAs, RAS and ratepayers will be as seamless as possible – for example in the case of RP or deferred DCs / DLs:
  - Ratepayers would "apply" through their LA via a web-based portal on the LA's website
  - The application would go directly to RAS for processing
  - Once approved, payment of the rate charge or DC / DL is made to the LA by the RAS
  - At the appropriate time the RAS will levy the ratepayer to obtain repayment
  - The RAS levy will be separately itemised on the LA's rates invoice, collected by the LA and then distributed to RAS
- In the case of PILs the process would be the same except that RAS would make payment to the approved supplier of the property improvement



## Resolution to Exclude the Public

### Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Finance and Monitoring Committee 29 April 2025 Unconfirmed Public Excluded Minutes	) Good reason to withhold ) information exists under ) Section 7 Local Government ) Official Information and ) Meetings Act 1987	Section 48(1)(a)
C2. Peacocke Programme Update		
C3. Lincoln Street Resource Recovery Centre & Hamilton Organic Centre - Proposed Gate Fees 2025/26		
C4. Wastewater Pumpstation Renewals contract sum variation		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to protect information which is subject to an obligation of confidence where disclosure would likely damage the public interest to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (c) (ii) Section 7 (2) (j)
Item C2.	to enable Council to carry out commercial activities without disadvantage to enable Council to carry out negotiations	Section 7 (2) (h) Section 7 (2) (i)
Item C3.	to enable Council to carry out commercial activities without disadvantage to enable Council to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)
Item C4.	to enable Council to carry out commercial activities without disadvantage to enable Council to carry out negotiations	Section 7 (2) (h) Section 7 (2) (i)