

**Smart Finance Committee**

**18 June 2026**

**Report for Agenda Item | Rīpoata moto e Rāraki take [1]**

**Department: Assurance, Finance & Risk**

**Title | Taitara: 2026 Year to Date Financial Overview of Opex and Capex**

**Purpose of the Report | Te Take mō te Pūroko**

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The purpose of this report is to present the 2025/26 April Year to Date (YTD) Actual to Budget financial results, capital expenditure financial results, debtors analysis and Statement of Financial Position and to report on any significant transactions and/or variances to budget.

**Recommendation | Kā Tūtohuka**

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That the Smart Finance Committee:

1. **Note** the contents of this report.

**Prepared by:**



**Name:** Vanessa Fauth  
**Title:** Finance Controller  
27 May 2026

**Reviewed and Authorised by:**



**Name:** Katherine Harbrow  
**Title:** General Manager Finance, Assurance & Risk  
27 May 2026

## Context | Horopaki

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1. The main objective of this report is to give the Smart Finance Committee an overview of the Council's year-to-date (YTD) financial performance. The approach taken for the operational review is one of management by exception, whereby officers are required to provide explanations when actual expenditure or revenue does not match the budget.
2. For the capital review, the approach taken is to provide a status update on key projects across the various programmes and activities, to provide assurance that the projects are being delivered within existing budgets or to highlight any potential financial risks.
3. There is no capital reforecast expected until June 2026.

## Analysis and Advice | Tatāritaka me kā Tohutohu

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4. This report is for noting only, so no options are presented.

### **2025/26 April YTD Operational Expenditure Reporting Overview:**

5. The 2025/26 April YTD net operating deficit of \$16.7M is a \$6.7M favourable variance to the budget operating deficit of \$23.4M.
6. There is a full year forecast \$3.6M favourable variance to the budgeted operating deficit. The main drivers are favourable variances in Income and in Professional Fee Expenditure, which are partially offset by forecast overspends in Infrastructure Maintenance.
7. Further analysis is provided within Attachment A – April 2026 Finance Management Report.




### **2025/26 April YTD Capital Expenditure Reporting Overview:**

8. At the end of April 2026, Council had 359 capital projects with an approved 2025/26 adjusted budget of \$146.4M. This is a decrease of \$18.4M from the 2025/26 Annual Plan budget of \$164.8M. Adjustments during the year included adding net carry forwards from 2024/25 of \$17.5M, reductions totalling \$35.9M approved in the November 2025 Reforecast council paper and \$0.1M approved in the May 2026 Reforecast Council paper. This is offset with a minor addition of \$32k via approved memo transfer from Opex to Heritage Asset Renewals for the Queenstown Glasshouse Restoration project.
9. Overall year to date actual spend is \$93.8M (84%) against a year-to-date adjusted budget of \$111.9M. Forecast spend is \$125.5M (86%) of the full year adjusted budget of \$146.4M.
10. Please note the Capital Expenditure reporting with projects is grouped by:

- High Profile Projects which are the key strategic/high profile/relationship projects Council has e.g., Shovel Ready/Crown Infrastructure Partners (CIP) projects and Central Government part funding, Lakeview subdivision works and the Developer Agreement with Ninety-Four Ltd;
- Project Management Office (PMO) for Infrastructure and The Renewals programmes have their own respective groupings; and
- Other projects which are the new capital projects not included in the above categories.

11. The intention of this grouping is to provide more disclosure on the Infrastructure PMO and the Renewals programmes which are in the delivery stages, to identify the key commitments Council has due to either external funding from Central Government or key relationships including Iwi and developers and to note the balance as Council business as usual projects.

12. A traffic light system highlights any areas of concern or potential financial risks (such as significant forecast variances to budget), about which the committee should be made aware. Attachment B Finance YTD Capex Project Report Jul 2025 to April 2026 includes the traffic lights in the forecast column. Formatting has now been applied to the forecast % spend of current year budget as per the following table:

Forecast Range	
90-105%	
80-89%	
<80%	

13. The majority of projects which are tagged as amber or red relate to timing of delivery with carry forwards anticipated to be required to complete the projects in 2026/27. There are a number of reasons for the delay in spend such as:

- Timing of confirmation of the New Zealand Transport Agency (NZTA) subsidised programme and subsequent reprioritisation of local share budgets;
- For Wānaka Airport, time taken to work through responsibilities within the Management Services Agreement for capex delivery with Queenstown Airport Corporation and subsequent timing of Warbirds Over Wānaka, which is delaying programmed spend to 2026/27;
- For Zero Waste community initiatives, the timing of invoicing upon completion by community groups often falls in the year following the budget being allocated;
- Interdependencies with NZTA on associated state highway works and the 3 year programme of work; and
- Projects naturally spanning across years with design required in 2025/26 before construction begins in 2026/27.

14. Detailed in-depth financial commentary on key projects is provided within Attachment B, Finance YTD Capex Project Report July 2025 to April 2026 and summarised in the April Finance Management Report PowerPoint.

#### **2025/26 Statement of Financial Position Overview**

15. Total net asset increase of \$180.7 compared to \$214.5 in 2025.
16. The Council's key financial covenant ratio of Net Debt/Total Revenue is 247.5% as at 30 April 2026. The FY26 limit is 280%.

#### **2025/26 April Debtors Analysis Overview**

17. Total outstanding debtors have increased by \$5.25M compared to April 2025, with increases in Trade Receivables of \$3.85M, Development Contributions of \$0.01M, and rates receivable of \$1.39M.
18. Further in-depth commentary is provided within Attachment A, April 2026 Finance Management Report.

#### **Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka**

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19. This matter relates to the Financial risk category. It is associated with RISK10013 Unexpected change in cost or funding within the QLDC Risk Register. This risk has been assessed as having a high residual risk rating.
20. The approval of the recommended option will allow Council to retain the risk at its current level. This will be achieved by noting this report the Committee gives the public confidence that the financial performance of Council is considered to review this risk is effective in the reporting period.

#### **Consultation Process | Hātepe Matapaki**

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#### **Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka**

21. This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because of the Council's ability to manage its Annual Plan net operational and capital budgets for the 2025/26 financial year.
22. The persons who are affected by or interested in this matter are the residents and ratepayers of the Queenstown Lakes district community.

### **Māori Consultation | Iwi Rūnaka**

23. Not required as the matter is of low significance as noted above.

### **Financial Implications | Kā Riteka ā-Pūtea**

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24. As the review of the financial results is an administrative matter, there are no budget or cost implications arising from this report. No anomalies have been identified, and it is not proposed to make any significant changes to any internal practices or procedures as a result of the information provided in this report.

### **Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kiaka**

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25. Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. This report explains how QLDC is delivering financially against the expectations set out in the Annual Plan. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act.

26. The recommended option is consistent with the Council's plans and policies.

### **Attachments | Kā Tāpirihaka**

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A	April 2026 Finance Management Report
B	Finance YTD Capex Project Report